

## SEVENTY-SIXTH DAY

St. Paul, Minnesota, Thursday, April 12, 1984

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

Prayer was offered by the Chaplain, Rev. John Quam.

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

Adkins	Diessner	Kroening	Olson	Sieloff
Anderson	Dieterich	Kronebusch	Pehler	Solon
Belanger	Frank	Laidig	Peterson, C.C.	Spear
Benson	Frederick	Langseth	Peterson, D.C.	Storm
Berg	Frederickson	Lantry	Peterson, D.L.	Stumpf
Berglin	Freeman	Lessard	Peterson, R.W.	Taylor
Bernhagen	Hughes	Luther	Petty	Ulland
Bertram	Isackson	McQuaid	Pogemiller	Vega
Brataas	Johnson, D.E.	Mehrkens	Purfeerst	Waldorf
Chmielewski	Johnson, D.J.	Merriam	Ramstad	Wegscheid
Dahl	Jude	Moe, D.M.	Reichgott	Willet
Davis	Kamrath	Moe, R.D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	
Dicklich	Knutson	Novak	Schmitz	

The President declared a quorum present.

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

## EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received.

April 11, 1984

The Honorable Jerome M. Hughes  
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. 1127 and 1350.

Sincerely,  
Rudy Perpich, Governor

## MESSAGES FROM THE HOUSE

Mr. President:

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

Senate Files, herewith returned: S.F. Nos. 868 and 2148.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 11, 1984

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. 1750: A bill for an act relating to commerce; providing for the classification of crime reports of the department of commerce; including certain financial institutions within the definition of broker-dealer of securities; broadening the securities transaction exemption for corporate transactions; providing for the receipt of applications for renewal of real estate broker and salesperson licenses; establishing certain fees relating to the regulation of real estate brokers and salespersons; providing for real estate salesperson licensing requirements after examination; clarifying a certain definition relating to recovery from the real estate education, research, and recovery fund; limiting recovery to cases involving judgments against licensed individuals; providing for the depositing of funds under the unclaimed property statutes; regulating sales of unclaimed property; appropriating money; amending Minnesota Statutes 1982, sections 13.81, subdivision 1; 13.82, subdivision 1; 80A.14, subdivision 4; 80A.15, subdivision 2; 80A.30, subdivision 2; 82.17, subdivision 3; 82.20, subdivisions 8 and 9; 82.21, subdivision 1; 82.22, subdivisions 2 and 5; 345.32; 345.47, subdivision 1; 345.48; 345.49; Minnesota Statutes 1983 Supplement, sections 82.22, subdivisions 6 and 13; and 82.34, subdivision 7; proposing new law coded in Minnesota Statutes, chapter 345.

Senate File No. 1750 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 11, 1984

Mr. Wegscheid moved that S.F. No. 1750 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. 1810: A bill for an act relating to insurance; homeowner's; providing certain notice requirements upon policy nonrenewal, reduction in the limits of coverage, or elimination of coverage; authorizing the commissioner to adopt rules; amending Minnesota Statutes 1982, section 65A.29, by adding subdivisions; repealing Minnesota Statutes 1982, section 65A.29, subdivision 2.

Senate File No. 1810 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 11, 1984

Ms. Peterson, D.C. moved that the Senate do not concur in the amendments by the House to S.F. No. 1810, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1405:

H.F. No. 1405: A bill for an act relating to state monuments; adding the "Monument to the Living" in Ramsey County to the list of state monuments; amending Minnesota Statutes 1982, section 138.585, by adding a subdivision.

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

Blatz, Quinn and Knuth have been appointed as such committee on the part of the House.

House File No. 1405 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April, 11, 1984

Mr. Belanger moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1405, 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. 1421, 1809, 1606, 1651 and 2016.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 11, 1984

### FIRST READING OF HOUSE BILLS

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

H.F. No. 1421: A bill for an act relating to labor; authorizing certain payroll deductions; amending Minnesota Statutes 1982, section 181.06, subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1386, now on Special Orders.

H.F. No. 1809: A bill for an act relating to crimes; authorizing aggregation of thefts in medicaid fraud cases; extending the statute of limitations in medicaid fraud cases; amending Minnesota Statutes 1982, section 628.26;

Minnesota Statutes 1983 Supplement, section 609.52, subdivision 3.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1785, now on Special Orders.

H.F. No. 1606: A bill for an act relating to elections; prohibiting certain inquiries of voters at or near the polls; amending Minnesota Statutes 1982, section 204C.06, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2131, now on Special Orders.

H.F. No. 1651: A bill for an act relating to crimes; including conservation officers as peace officers authorized to enforce the crime of fleeing a peace officer and related laws; setting penalties for flight from a peace officer under certain conditions; amending Minnesota Statutes 1982, sections 65B.605, subdivision 2; and 609.487, subdivisions 2 and 4.

Mr. Moe, R.D. moved that H.F. No. 1651 be laid on the table. The motion prevailed.

H.F. No. 2016: A bill for an act relating to taxation; repealing the income tax surtax; modifying the designation of enterprise zones; increasing the funding for enterprise zones; modifying the definition of political party under the political contribution credit; providing an income tax credit for conservation tillage farm equipment; eliminating racehorses from the farm loss modification; permitting certain net operating loss carrybacks; permitting deduction of certain foreign taxes paid; allowing deduction of foreign dividends and royalties; modifying the definition of apportionment factors; restricting tax exemptions for redevelopment companies; changing the computation of the school agricultural credit retroactive to taxes payable in 1984 in certain cases; modifying the maximum targeting credit for payable 1984; providing a targeting credit for payable 1985; changing computation of certain local government aid payments; directing the department of revenue to issue guidelines on certain topics; instructing the commissioner to determine production value ratio; authorizing certain additional levies in counties; modifying the use of the sales ratio study as evidence in court; changing the methodology of the sales ratio study; changing certain property tax appeal procedures; imposing requirements for disaster relief credits; increasing agricultural aid to certain property; modifying the homestead credit provisions for certain property and providing refunds; changing the classification ratio maximum value on commercial and industrial property; limiting the property tax exemption for certain projects; repealing the exemption for franchise and special taxes and fees for certain projects; modifying the property tax refund with respect to certain claims; repealing rent capitalization; changing the estate tax; allowing the commissioner more discretion in valuing railroad property; providing for equalization of railroad valuations; authorizing the Ramsey-Washington metro watershed district to establish a maintenance and repair fund and levy taxes; creating the Croft historical park board; authorizing the board to levy taxes; authorizing the city of Cloquet to levy taxes for certain transit expenses; authorizing the conveyance of certain land in St. Louis County; clarifying the application of the mortgage registry tax to revolving lines of credit; changing the procedures for refunds of the motor fuels tax; reducing the sales tax rate for purchases of capital equipment and manufactured housing; exempting agricultural electricity, residential hot water

district heating, and used manufactured housing from the sales tax; exempting certain sales by nonprofit organizations from the sales tax; exempting residential district heating from the St. Paul franchise tax; repealing the accelerated payment of sales tax; transferring motor vehicle excise tax proceeds to the highway user and transit funds; providing for the priority of certain liens securing revolving lines of credit; increasing the interest rate on state tax refunds; appropriating money; amending Minnesota Statutes 1982, sections 10A.31, subdivisions 3a and 5; 124.2131, subdivision 1; 270.80, subdivision 4; 270.84, subdivision 1; 270.86; 270.87; 270A.07, subdivision 5; 271.01, subdivision 5; 271.06, subdivision 6; 271.12; 273.123, by adding subdivisions; 273.13, subdivisions 9 and 19; 287.05, by adding subdivisions; 290.01, subdivision 20e; 290.06, by adding a subdivision; 290.19, subdivision 1a; 290.21, by adding a subdivision; 290.92, subdivision 11; 290.936; 290A.04, by adding a subdivision; 290A.07, subdivision 2a; 291.075; 291.09, subdivision 1a; 291.132, subdivision 2; 291.18; 291.215, subdivision 1; 294.09, subdivision 1; 296.18, subdivisions 3 and 8; 297A.01, by adding subdivisions; 297A.15, by adding a subdivision; 297B.035, subdivision 3; 298.09, subdivision 4; 299.05; 462.651, subdivision 1, and by adding a subdivision; and 477A.13; Minnesota Statutes 1983 Supplement, sections 16A.15, subdivision 6; 124.2137, subdivision 1; 273.11, subdivision 1; 273.13, subdivisions 6 and 21; 273.1314, subdivisions 6, 8, and 15; 278.01, subdivision 1; 278.05, subdivision 4; 290.06, subdivision 11; 290.09, subdivision 29; 290.18, subdivision 2; 290.21, subdivision 4; 290.50, subdivision 1; 290.92, subdivision 13; 290.93, subdivision 9; 290A.03, subdivisions 8 and 13; 290A.04, subdivision 2e, and by adding a subdivision; 290A.05; 290A.07, subdivision 3; 291.005, subdivision 1; 291.03, subdivision 1; 291.09, subdivision 3a; 296.14, subdivision 4; 296.18, subdivision 1; 297A.02, subdivision 2, and by adding a subdivision; 297A.14; 297A.25, subdivision 1; 297A.27, subdivision 1; 297A.35, subdivision 1; 297B.09; and 477A.013, subdivision 1; Laws 1979, chapter 189, section 2; proposing new law coded in Minnesota Statutes, chapters 270, 507 and 508; repealing Minnesota Statutes 1982, sections 270.90; 291.015; 291.03, subdivisions 3, 4, 5, 6, and 7; 291.05; 291.051; 291.06; 291.065; 291.07; 291.08; 291.09, subdivision 5; 291.111; and 462.651, subdivision 2; Minnesota Statutes 1983 Supplement, sections 273.11, subdivision 7; 290.06, subdivisions 2e and 13; 297A.275; and 462.651, subdivision 3; and Laws 1983, chapter 342, article 1, section 8.

Mr. Moe, R.D. moved that H.F. No. 2016 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, with the exception of reports pertaining to appointments. The motion prevailed.

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1237: A bill for an act relating to land surveying; authorizing counties to contract for the preservation and remonumentation of the United States public land survey; appropriating money; amending Minnesota Stat-

utes 1982, sections 287.21, subdivision 2; 287.25; 287.28; 287.29, subdivision 1; and 389.011, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 287.

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

Page 1, delete section 1

Page 1, line 21, after the second period, insert "[389.10]"

Page 1, line 23, delete "12" and insert "11"

Page 1, line 26, after the second period, insert "[389.11]"

Page 2, line 6, delete "12" and insert "11"

Page 2, line 7, after the second period, insert "[389.12]"

Page 2, line 32, delete "*The information*"

Page 2, delete line 33

Page 2, line 36, delete "12" and insert "11"

Page 3, delete lines 4 to 7

Page 3, line 8, after the second period, insert "[389.13]"

Page 3, line 9, delete "*administration*" and insert "*commerce*"

Page 3, line 11, delete "12" and insert "11"

Page 3, line 12, delete "*by May 1, 1984*" and insert "*within one year following the effective date of this act*"

Page 3, line 13, after the second period, insert "[389.14]"

Page 3, line 21, after the second period, insert "[389.15]"

Page 3, line 26, delete "6" and insert "5"

Page 3, line 33, after the second period, insert "[389.16]"

Page 3, line 36, delete "*of the county in*"

Page 4, line 1, delete "*which the corner is located*" and insert "*when he maintains an office on a full-time basis in a building maintained by the county*"

Page 4, line 6, after the second period, insert "[389.17]"

Page 4, line 17, after the second period, insert "[389.18]"

Page 4, line 20, delete "4" and insert "3"

Page 4, line 22, after the second period, insert "[389.19]"

Page 4, line 29, after "*maintains*" insert "*an office on*"

Page 4, line 29, delete "*office*"

Page 4, line 30, delete everything after the period

Page 4, delete line 31

Page 4, line 32, after the second period, insert "[389.20]"

Page 4, delete lines 33 and 34

Page 4, line 35, delete "surveyor" and insert:

*"The county board of each county must establish an advisory committee which consists of the following persons:*

*(a) one person designated by the commissioner of transportation;*

*(b) one person designated by the commissioner of commerce;*

*(c) three persons designated by the county board, of whom one must be a county commissioner, one must be a registered engineer or land surveyor who is not the county surveyor and one must be a lay member"*

Page 4, line 36, delete "12" and insert "11"

Page 5, line 4, delete "5" and insert "4" and delete everything after the period and insert *"This section does not apply to a county which has certified completion of its remonumentation program under section 16, subdivision 2."*

Page 5, delete line 5

Page 6, line 22, delete "\$....." and insert *"\$70,000, or so much thereof as is necessary,"*

Page 6, line 22, delete *"administration"* and insert *"commerce, in each of the fiscal years 1984 and 1985,"*

Page 6, line 24, delete "5" and insert *"4, provided that if the payment for either year is insufficient the payment for the other year is available"*

Page 6, line 28, delete *"remainder"* and insert *"total"*

Page 6, line 31, delete "12" and insert "11"

Page 6, line 32, after *"completed"* insert *"in compliance with standards promulgated under section 4"*

Page 6, line 33, after *"completion"* insert *"in compliance with the standards"*

Page 6, line 33, delete everything after the period and insert *"The commissioner may distribute funds under this section to a county where the survey has not been completed only if the county certifies that the funds will be used only to complete the survey."*

Page 6, delete lines 34 and 35

Page 6, line 36, delete *"the general fund."*

Page 7, line 8, strike *"TERMINATION OF"*

Page 7, line 9, strike *"OFFICE"*

Page 8, after line 29, insert:

*"Sec. 18. Minnesota Statutes 1982, section 389.011, subdivision 3, is amended to read:*

*Subd. 3. [BOND; OATH.] Any A county surveyor appointed or elected after July 1, 1961, before entering upon his duties shall give bond to the state;*

~~approved by the county board, in the sum of \$2,000 conditioned for the faithful discharge of his duties, which bond, with his oath, together with file for record a certified copy of his registration as a land surveyor or his certificate of election shall be filed for record with the county recorder. A county surveyor holding office on January 1, 1985, must have on file with the county recorder a bond to the state in the penal sum of \$25,000, to be approved and filed in the same manner as the bonds of other county officers. All premiums for the bond must be paid by the county. The state and its political subdivisions, or any person damaged by a wrongful act or omission of the county surveyor in the performance of his official duties may maintain an action on the bond for the recovery of the damages so sustained.~~

Page 8, line 31, delete "18" and insert "17"

Page 8, line 32, after the period, insert "Section 18 is effective January 1, 1985."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete "subdivision 2" and insert "subdivisions 2 and 3"

Page 1, line 8, delete "chapter" and insert "chapters" and after "287" insert "and 389"

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. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2179: A bill for an act relating to local government; changing restrictions on filing and recording certain conveyances; amending Minnesota Statutes 1982, section 462.358, subdivision 4b.

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

Delete everything after the enacting clause and insert:

"Section 1. [CITY OF THIEF RIVER FALLS; FILING AND RECORDING CONVEYANCES.]

*In the city of Thief River Falls the restrictions on the filing and recording of conveyances provided by Minnesota Statutes, section 462.358, subdivision 4b, do not apply to a conveyance if the land described is a single parcel of residential or agricultural land of not less than five acres and its conveyance does not result in the division of the parcel into two or more parcels, any one of which is less than five acres in area or 250 feet in width.*

Sec. 2. [LOCAL APPROVAL.]

*This act is effective the day after the governing body of the city of Thief River Falls complies with Minnesota Statutes, section 645.021, subdivision 3."*

Delete the title and insert:

"A bill for an act relating to the city of Thief River Falls; changing restric-



tions on filing and recording certain conveyances.”

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was re-referred

H.F. No. 1381: A bill for an act relating to the city of Caledonia; providing for the appointment of members to the library board; authorizing terms of service.

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2187: A bill for an act relating to towns; permitting towns to make charitable contributions; amending Minnesota Statutes 1982, section 365.10.

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

Page 3, line 2, delete “*annually make*” and insert “*contract with nonprofit organizations for health, social, or recreational services in an amount not to exceed a total of \$5,000 in any year when deemed in the public interest and of benefit to the town.*”

Page 3, delete line 3

Delete the title and insert:

“A bill for an act relating to towns; authorizing contracts with nonprofit organizations; amending Minnesota Statutes 1982, section 365.10.”

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2100: A bill for an act relating to public finance; providing for allocation of federal authority to issue certain state and local obligations; amending Minnesota Statutes 1982, sections 116J.42, by adding a subdivision; 273.77; 429.091, by adding a subdivision; 430.12; and 472.09, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapters 458; 459; 462; 474; and 475.

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 1982, section 116J.58, is amended by adding a subdivision to read:

*Subd. 4. [FEDERAL LIMITATION ACT ALLOCATION.] The commissioner shall:*

*(1) in accordance with sections 9 to 16, review applications for and grant allocations of authority to issue bonds or other obligations subject to a federal limitation act; and*

*(2) adopt rules, including temporary rules under sections 14.29 to 14.36, to provide for the allocation of the amount of issuance authority allocated pursuant to section 10, subdivision 3. The rules shall contain criteria and procedures for allocation of authority for use by the department, and to other state agencies, political subdivisions, or other authorities authorized by other law to issue bonds subject to a federal limitation act; and*

*(3) obtain the approval of the governing body of a home rule or statutory city before issuing obligations allocated pursuant to this subdivision for a project located within the home rule or statutory city, if the city received an allocation as an entitlement issuer pursuant to section 11.*

*For the purposes of this subdivision, a "federal limitation act" is an act of congress defined in section 9, subdivision 5.*

Sec. 2. Minnesota Statutes 1982, section 273.77, is amended to read:

273.77 [TAX INCREMENT BONDING.]

Any other law, general or special, notwithstanding, after August 1, 1979 no bonds, payment for which tax increment is pledged, shall be issued in connection with any project for which tax increment financing has been undertaken other than as is authorized hereby and the proceeds therefrom shall be used only in accordance with section 273.75, subdivision 4 as if said proceeds were tax increment, except that a tax increment financing plan need not be adopted for any project for which tax increment financing has been undertaken prior to August 1, 1979, pursuant to statutes not requiring a tax increment financing plan. Such bonds shall not be included for purposes of computing the net debt of any municipality.

(a) A municipality may issue general obligation bonds to finance any expenditure by the municipality or an authority the jurisdiction of which is wholly or partially within that municipality, pursuant to section 273.75, subdivision 4 in the same manner and subject only to the same conditions as those provided in chapter 475 for bonds financing improvement costs reimbursable from special assessments. Any pledge of tax increment, assessments or other revenues for the payment of the principal of and interest on general obligation bonds issued under this subdivision, except when the authority and the municipality are the same, shall be made by written agreement by and between the authority and the municipality and filed with the county auditor. When the authority and the municipality are the same, the municipality may by covenant pledge tax increment, assessments or other revenues for the payment of the principal of and interest on general obligation bonds issued under this subdivision and thereupon shall file the resolution containing such covenant with the county auditor. When tax increment, assessments and other revenues are pledged, the estimated collections of said tax increment, assessments and any other revenues so pledged may be deducted from the taxes otherwise required to be levied before the issuance of the bonds under section 475.61, subdivision 1, or the collections thereof may be certified annually to reduce or cancel the initial tax levies in accordance with section 475.61, subdivision 1 or 3.

(b) When the authority and the municipality are not the same, an authority may, by resolution, authorize, issue and sell its general obligation bonds to finance any expenditure which that authority is authorized to make by section 273.75, subdivision 4. Said bonds of the authority shall be authorized by its resolution, shall mature as determined by resolution of the authority in accordance with Laws 1979, Chapter 322, and may be issued in one or more series and shall bear such date or dates, bear interest at such rate or rates, be in such denomination or denominations, be in such form either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in medium of payment at such place or places, and be subject to such terms of redemption, with or without premium, as such resolution, its trust indenture or mortgage may provide. The bonds may be sold at public or private sale at the price or prices as the authority by resolution shall determine, and any provision of any law to the contrary notwithstanding, the bonds shall be fully negotiable. In any suit, actions, or proceedings involving the validity of enforceability of any bonds of the authority or the security therefor, any bond reciting in substance that it has been issued by the authority to aid in financing a project shall be conclusively deemed to have been issued for such purpose, and the tax increment financing district within the project shall be conclusively deemed to have been planned, located, and carried out in accordance with the purposes and provisions of Laws 1979, Chapter 322. Neither the authority, nor any director, commissioner, council member, board member, officer, employee or agent of the authority nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof. The bonds of the authority, and such bonds shall so state on their face, shall not be a debt of any municipality, the state or any political subdivision thereof, and neither the municipality nor the state or any political subdivision thereof shall be liable thereon, nor in any event shall such bonds be payable out of any funds or properties other than those of the authority and any tax increment and revenues of a tax increment financing district pledged therefor.

(c) Notwithstanding any other law general or special, an authority may, by resolution, authorize, issue and sell revenue bonds payable solely from all or a portion of revenues, including but not limited to tax increment revenues and assessments, derived from a tax increment financing district located wholly or partially within the municipality to finance any expenditure which the authority is authorized to make by section 273.75, subdivision 4. The bonds shall mature as determined by resolution of the authority in accordance with Laws 1979, Chapter 322 and may be issued in one or more series and shall bear such date or dates, bear interest at such rate or rates, be in such denomination or denominations, be in such form either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in medium of payment at such place or places, and be subject to such terms of redemption, with or without premium, as such resolution, its trust indenture or mortgage may provide. The bonds may be sold at public or private sale at the price or prices as the authority by resolution shall determine, and any provision of any law to the contrary notwithstanding, shall be fully negotiable. In any suit, action, or proceedings involving the validity or enforceability of any bonds of the authority or the security therefor, any bond reciting in substance that it has been issued by the authority to aid in financing a project shall be conclusively deemed to have been issued for such purpose, and the tax increment financing district within the project shall be conclusively deemed to have been planned, located, and carried out in accordance with the purposes and provisions of Laws 1979,

Chapter 322. Neither the authority, nor any director, commissioner, council member, board member, officer, employee or agent of the authority nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof. The bonds may be further secured by a pledge and mortgage of all or any portion of the district in aid of which the bonds are issued and such covenants as the authority shall deem by such resolution to be necessary and proper to secure payment of the bonds. The bonds, and the bonds shall so state on their face, shall not be payable from nor charged upon any funds other than the revenues and property pledged or mortgaged to the payment thereof, nor shall the issuing authority be subject to any liability thereon or have the powers to obligate itself to pay or pay the bonds from funds other than the revenues and properties pledged and mortgaged and no holder or holders of the bonds shall ever have the right to compel any exercise of any taxing power of the issuing authority or any other public body, other than as is permitted or required under Laws 1979, Chapter 322 and pledged therefor hereunder, to pay the principal of or interest on any such bonds, nor to enforce payment thereof against any property of the authority or other public body other than that expressly pledged or mortgaged for the payment thereof.

(d) (1) In anticipation of the issuance of bonds pursuant to either paragraph (a), (b) or (c) of this section, the authority or municipality may by resolution issue and sell temporary bonds pursuant to paragraph (a), (b) or (c), maturing within not more than three years from their date of issue, to pay any part or all of the cost of a project. To the extent that the principal of and interest on the temporary bonds cannot be paid when due from receipts of tax increment, assessments, or other funds appropriated for the purpose, they shall be paid from the proceeds of long-term bonds or additional temporary bonds which the authority or municipality shall offer for sale in advance of the maturity date of the temporary bonds, but the indebtedness funded by an issue of temporary bonds shall not be extended by the issue of additional temporary bonds for more than six years from the date of the first issue. Long-term bonds may be issued pursuant to paragraph (a), (b) or (c) without regard to whether the temporary bonds were issued pursuant to paragraph (a), (b) or (c). If general obligation temporary bonds are issued pursuant to paragraph (a), proceeds of long-term bonds or additional temporary bonds not yet sold may be treated as pledged revenues, in reduction of the tax otherwise required by section 475.61 to be levied prior to delivery of the obligations. Subject to the six-year maturity limitation contained above, but without regard to the requirement of section 475.58, if any temporary bonds are not paid in full at maturity, in addition to any other remedy authorized or permitted by law, the holders may demand, in which case the authority or municipality shall, issue pursuant to paragraph (a), (b) or (c) as the temporary bonds and in exchange for the temporary bonds, at par, replacement temporary bonds dated as of the date of the replaced temporary bonds, maturing within one year from the date of the replacement temporary bonds and earning interest at the rate set forth in the resolution authorizing the issuance of the replaced temporary bonds, provided that the rate shall not exceed the maximum rate permitted by law at the date of issue of the replaced temporary bonds.

(2) Funds of a municipality may be invested in its temporary bonds in accordance with the provisions of section 471.56, and may be purchased upon their initial issue, but shall be purchased only from funds which the governing body of the municipality determines will not be required for other purposes before the maturity date, and shall be resold before maturity only in

case of emergency. If purchased from a debt service fund securing other bonds, the holders of those bonds may enforce the municipality's obligations on the temporary bonds in the same manner as if they held the temporary bonds.

*(e) Sections 9 to 16 apply to any issuance of obligations under this section which are subject to limitation under a federal limitation act as defined in section 9, subdivision 5.*

Sec. 3. Minnesota Statutes 1982, section 429.091, is amended by adding a subdivision to read:

*Subd. 8. [FEDERAL LIMITATION ACT.] Sections 9 to 16 apply to any issuance of obligations under this section which are subject to limitation under a federal limitation act as defined in section 9, subdivision 5.*

Sec. 4. Minnesota Statutes 1982, section 430.12, is amended to read:

#### 430.12 [BONDS FOR IMPROVEMENTS.]

The city council, for the purpose of realizing the funds for making an improvement and paying damages may, from time to time as may be needed, issue and sell special certificates of indebtedness, or special street or parkway improvement bonds, as they may decide, which shall entitle the holder thereof to all sums realized upon any assessment or, if deemed advisable, a series of two or more certificates or bonds against any one assessment, or against the assessments in two or more different proceedings, the principal and interest being payable at fixed dates out of the funds collected from the assessments, including interest and penalties, and the whole of the fund or funds is hereby pledged for the pro rata payment of the certificates or bonds and the interest thereon, as they severally become due. These certificates or bonds may be made payable to the bearer, with interest coupons attached, and the city council may bind the city to make good deficiencies in the collection up to, but not exceeding, the principal and interest at the rate fixed, as hereinafter provided, and for the time specified in section 430.06. If the city, because of this guaranty, shall redeem any certificate or bond, it shall thereupon be subrogated to the holder's rights. For the purpose of this guaranty, penalties collected shall be credited upon deficiencies of principal and interest before the city shall be liable. These certificates or bonds shall be sold at public sale or by sealed proposals at a meeting of which at least two weeks' published notice shall be given, to the purchaser who will pay the par value thereof at the lowest interest rate, and the certificates or bonds shall be drawn accordingly, but the rate of interest shall in no case exceed seven percent per annum, payable annually or semiannually. The city clerk shall certify to the county auditor the rate of interest so determined at the first bond sale held for any such improvement, and interest shall be computed upon the assessments at this annual rate, in accordance with the terms of section 430.06. In case the rate of interest so determined at any subsequent bond sale for the same improvement is greater than the rate so determined at the first bond sale therefor, the difference between these rates of interest shall be a general city charge.

In case the proceeds of any special certificates of indebtedness or special street or parkway improvement bonds are in excess of the amount actually necessary to make the improvements for which the same were issued, or in

case the proceeds are not immediately required for the prosecution or completion of the improvement, these proceeds may meanwhile be used by the city council for the making of other improvements authorized under the provisions of this chapter, and the amount of the proceeds so used shall be replaced and made good so far as may be necessary from the proceeds of special certificates of indebtedness or special bonds issued for the purpose of making such other improvements.

*Sections 9 to 16 apply to any issuance of obligations under this section which are subject to limitation under a federal limitation act as defined in section 9, subdivision 5.*

Sec. 5. [458.1941] [FEDERAL LIMITATION ACT.]

*Sections 9 to 16 apply to any issuance of obligations under chapter 458 which are subject to limitation under a federal limitation act as defined in section 9, subdivision 5.*

Sec. 6. [459.35] [FEDERAL LIMITATION ACT.]

*Sections 9 to 16 apply to any issuance of obligations under chapter 459 which are subject to limitation under a federal limitation act as defined in section 9, subdivision 5.*

Sec. 7. [462.556] [FEDERAL LIMITATION ACT.]

*Sections 9 to 16 apply to any issuance of obligations under chapter 462 which are subject to limitation under a federal limitation act as defined in section 9, subdivision 5.*

Sec. 8. Minnesota Statutes 1982, section 472.09, is amended by adding a subdivision to read:

*Subd. 8. [FEDERAL LIMITATION ACT.] Sections 9 to 16 apply to any issuance of obligations under this section which are subject to limitation under a federal limitation act as defined in section 9, subdivision 5.*

Sec. 9. [474.16] [DEFINITIONS.]

*Subdivision 1. For the purposes of sections 9 to 16, the terms defined in this section have the meaning given them.*

*Subd. 2. "Local issuer" means any home rule charter or statutory city, any town, any housing and redevelopment authority referred to in chapter 462 or any body authorized to exercise the powers of a housing and redevelopment authority, any port authority referred to in chapter 458 or any body authorized to exercise the powers of a port authority, any area or municipal redevelopment agency referred to in chapter 472, any county, or any other municipal authority or agency established pursuant to special law other than the iron range resources and rehabilitation board, acting as an issuer of obligations pursuant to law.*

*Subd. 3. "Entitlement issuer" means a local issuer with an average annual previous use of \$1,000,000 or more based on the highest annual use in three of the calendar years from 1980 to 1983.*

*Subd. 4. "Previous use" means the principal amount of obligations of a type subject to limitation under the terms of a federal limitation act issued by a local issuer during a specified period.*

*Subd. 5. "Federal limitation act" means an act of congress of the United States of America other than the Mortgage Subsidy Bond Tax Act of 1980, Public Law Number 96-499, section 1102(a) and amendments to it, amending the Internal Revenue Code of 1954, to limit the aggregate amount of obligations of a specified type or types which may be issued by an issuing authority during any calendar year whose interest is exempt from inclusion in gross income for purposes of federal income taxation pursuant to section 103(a) of the Internal Revenue Code of 1954, as amended, and providing for an allocation of issuing authority by the legislature of a state.*

**Sec. 10. [474.17] [ALLOCATION OF PRIVATE ACTIVITY BONDS.]**

*Subdivision 1. [HIGHER EDUCATION COORDINATING BOARD ALLOCATION.] \$30,000,000 for calendar year 1984 and \$10,000,000 for calendar year 1985 of the aggregate limit of bond issuance authority allocated to the state pursuant to a federal limitation act is allocated to the higher education coordinating board for the issuance of obligations pursuant to chapter 136A. On September 1, 1985, any unused portion of the bonding authority allocated to the higher education coordinating board shall be canceled and the authority shall be allocated pursuant to section 12. If the commissioner of energy and economic development determines that pursuant to a federal limitation act, the higher education coordinating board cannot issue obligations whose interest is exempt from inclusion in gross income for purposes of federal income taxation pursuant to section 103(a) of the Internal Revenue Code of 1954, as amended, this allocation shall cancel and the allocation provided in subdivision 3 shall be increased to \$55,000,000 for calendar year 1984 and to \$65,000,000 for calendar year 1985.*

*Subd. 2. [IRON RANGE RESOURCES AND REHABILITATION ALLOCATION.] From January 1 to August 31 of each calendar year, \$25,000,000 of the aggregate limit of bond issuance authority allocated to the state for any calendar year pursuant to a federal limitation act is allocated to the iron range resources and rehabilitation commissioner. From September 1 to October 31 of each year, the iron range resources and rehabilitation commissioner may retain his allocation or a portion of it only if he has submitted to the department of energy and economic development on or before September 1 a letter which states (a) his intent to issue obligations pursuant to his allocation or a portion of it before the end of the calendar year or within the time period permitted by a federal limitation act and (b) a description of the specific project or projects for which the obligations will be issued, together with a deposit in the amount of one percent of the amount of the remaining unused allocation or the portion of it pursuant to which he intends to issue obligations. If the iron range resources and rehabilitation commissioner does not submit the required letter of intent and deposit, the amount originally allocated to the iron range resources and rehabilitation commissioner or the portion not already used not subject to a letter of intent shall be canceled and subject to reallocation in accordance with section 12. If the iron range resources and rehabilitation commissioner returns for reallocation all or any part of his allocation on or before October 31, that portion of his application deposit equal to one percent of the amount returned shall be refunded within 30 days. The iron range resources and rehabilitation commissioner shall obtain the approval of the governing body of a home rule or statutory city before issuing obligations allocated pursuant to this subdivision for a project located*

*within the city, if the city received an allocation as an entitlement issuer pursuant to section 11. The iron range resources and rehabilitation commissioner may enter into a joint powers agreement with any other state or municipal entity which has authority to issue obligations subject to a federal limitation act whereby the other entity issues the bonds on behalf of the iron range resources and rehabilitation commissioner.*

*Subd. 3. [DEPARTMENT OF ENERGY AND ECONOMIC DEVELOPMENT ALLOCATION.] From January 1 to August 31 of calendar year 1984, \$40,000,000 and for calendar year 1985 \$60,000,000 of the aggregate limit of bond issuance authority allocated to the state pursuant to a federal limitation act is allocated to the department of energy and economic development for use or allocation pursuant to section 1, clause (2). From September 1 to October 31 of each year, the department or any entity which receives an allocation from the department pursuant to section 1, clause (2), may retain its allocation or a portion of it only if it has submitted to the division of the department responsible for administering this act on or before September 1 a letter which states (a) its intent to issue obligations pursuant to its allocation or a portion of it before the end of the calendar year or within the time period permitted by a federal limitation act, and (b) a description of the specific project or projects for which the obligations will be issued, together with a deposit in the amount of one percent of the amount of its remaining unused allocation or the portion of it pursuant to which it intends to issue obligations. If the department or any entity which receives an allocation from the department pursuant to section 1, clause (2), does not submit the required letter of intent and deposit, the amount originally allocated to the department or any entity which receives an allocation from the department pursuant to section 1, clause (2), or the portion not already used and not subject to a letter of intent shall be canceled and subject to reallocation in accordance with section 12. If the department or any entity which receives an allocation from the department pursuant to section 1, clause (2), returns for reallocation all or any part of its allocation on or before October 31, that portion of its application deposit equal to one percent of the amount returned shall be refunded within 30 days.*

*Subd. 4. [LOCAL ISSUER ALLOCATION.] Any amount of the aggregate limit of bond issuance authority allocated to the state for any calendar year pursuant to a federal limitation act which is not allocated pursuant to subdivisions 1 to 3 shall be allocated among local issuers pursuant to sections 11 to 16.*

**Sec. 11. [474.18] [ALLOCATION AMONG ENTITLEMENT ISSUERS.]**

*Subdivision 1. [ALLOCATION AMOUNTS.] From January 1 to August 31 of each calendar year, 80 percent of the amount of authority determined pursuant to section 10 shall be available solely for issuance of obligations by entitlement issuers.*

*Subd. 2. [ALLOCATION PROCEDURE.] To obtain an allocation pursuant to this section, an entitlement issuer shall within 30 days after the effective date of this act, submit to the department of energy and economic development a certification as to previous use for the four preceding calendar years, and the average annual previous use for the highest three of the four*



preceding calendar years. Within 15 days thereafter, the department of energy and economic development shall determine and publish the amount of issuance authority allocated to each entitlement issuer which submitted the information required above. The amount of authority for an issuer is the aggregate authority allocated to entitlement issuers pursuant to subdivision 1, multiplied by a fraction. The numerator of the fraction is the highest three-year previous use average as certified by the entitlement issuer. The denominator of the fraction is the combined highest three-year previous use average as certified by all entitlement issuers. Local issuers with boundaries which are coterminous shall be treated as a single issuer for purposes of determining their entitlement allocation, if any.

In such cases the amount of the issuance authority to be allocated to each issuer shall be determined by the city council in the case of a city or the county board in the case of a county. If an entitlement issuer grants approval for a project pursuant to section 1, clause (3), or section 10, subdivision 2, bonds issued by the department of energy and economic development or the iron range resources and rehabilitation commissioner shall be treated as if they were issued by the entitlement issuer pursuant to its entitlement allocation and shall not be counted in the allocation to the department of energy and economic development or the iron range resources and rehabilitation commissioner, but shall be counted against the allocation of the entitlement issuer. The entitlement issuer may allocate its entitlement allocation to any project for which obligations are issued or are to be issued after December 31, 1983, without regard to any preliminary resolutions which have been adopted for any project.

Subd. 3. [LETTER OF INTENT.] From September 1 to October 31 of each year, an entitlement issuer may retain its allocation or a portion of it only if it has submitted to the department of energy and economic development on or before September 1 a letter which states its intent to issue obligations pursuant to its allocation or a portion of it before the end of the calendar year or within the time period permitted by a federal limitation act, together with a deposit in the amount of one percent of the amount of its remaining unused allocation or the portion of it pursuant to which it intends to issue obligations. If an entitlement issuer does not submit the required letter of intent and deposit, the amount originally allocated to the entitlement issuer or the portion not already used and not subject to a letter of intent shall be canceled and subject to reallocation in accordance with section 12. If an entitlement issuer returns for reallocation all or any part of its allocation on or before October 31, that portion of its application deposit equal to one percent of the amount returned shall be refunded within 30 days.

Subd. 4. [JOINT POWERS.] An entitlement issuer may enter an agreement with a local issuer or the iron range resources and rehabilitation commissioner or the department of energy and economic development by which the local issuer or the iron range resources and rehabilitation commissioner or the department of energy and economic development issues bonds pursuant to issuance authority allocated to the entitlement issuer pursuant to this section. The amount of the issuance shall be considered as issued by the issuer granting use of its allocation for purposes of previous use determination.

Sec. 12. [474.19] [ALLOCATION OF POOL AMOUNT.]

*Subdivision 1. [POOL AMOUNT.] From January 1 to August 31 of each year, 20 percent of the amount determined pursuant to section 13 shall be available solely for local issuers that do not qualify as entitlement issuers and shall be allocated as provided in this section. From September 1 to October 31 of any calendar year, any amounts remaining available for allocation or reallocation pursuant to section 11 or this section shall be allocated among all local issuers and the department of energy and economic development and the iron range resources and rehabilitation commissioner, pursuant to this section. An entitlement issuer, the department of energy and economic development or the iron range resources and rehabilitation commissioner may apply for an allocation pursuant to this section only if the applicant has issued bonds equal to any allocation received pursuant to section 10 or 11 or has returned any remaining allocation for reallocation pursuant to this section.*

*Subd. 2. [APPLICATION.] A local issuer that is not an entitlement issuer may apply for an allocation of bond issuance authority pursuant to this section by submitting to the department of energy and economic development on or before the 20th day of any month from December to September an application on forms provided by the department of energy and economic development, accompanied by (i) a resolution of the local issuer expressing a preliminary intention to issue obligations adopted in accordance with section 474.01, subdivision 7b, if applicable, which identifies the proposed project and the proposed amount of the obligations to be issued; and (ii) a deposit in the amount of one percent of the requested allocation. A local issuer may enter into a joint powers agreement with any other state or municipal entity which has authority to issue obligations subject to a federal limitation act whereby the other entity issues the bonds on behalf of the local issuer for the project for which an allocation was received by the local issuer. A local issuer may request an allocation for obligations issued prior to the effective date of this subdivision. A local issuer may elect not to submit an application for an allocation of bond issuance authority for a project for which the local issuer previously adopted a preliminary resolution.*

*After July 31 of any year, an entitlement issuer may also apply for an allocation under this section. Its application need not comply with clause (i).*

*Subd. 3. [ALLOCATION CRITERIA.] The department of energy and economic development shall rank each application on the basis of the number of points awarded to it, with one point being awarded for each of the following criteria satisfied:*

*(1) The current rate of unemployment for the applicant is at or above 110 percent of the statewide average unemployment rate for the previous year, as determined by the department of economic security. The unemployment rate for the applicant shall be the greater of (i) the most recent estimate available for the smallest jurisdiction which wholly includes the jurisdiction of the applicant, as reported by the department of economic security, or (ii) another estimate supplied by the applicant with respect to its jurisdiction, which is documented by the applicant.*

*(2) The number of individuals employed in the applicant's jurisdiction declined from the second calendar year before the application, to the first calendar year before the application. The estimate of the number of individuals employed for each year shall be based on the same source, and shall be (i) the*

most recent estimate available for the smallest jurisdiction which wholly includes the applicant, as reported by the department of economic security, or (ii) another estimate supplied by the applicant with respect to its jurisdiction, which is documented by the applicant.

(3) The number of jobs to be created by the project described in the application is at least 1/10 of one percent of the number of individuals employed in the first calendar year before the application as determined in the manner provided in clause (2).

(4) The number of jobs to be created by the project described in the application is at least two jobs for each \$100,000 of issuance authority requested for the project.

(5) As of the date of application the total market value of all taxable property in the applicant's jurisdiction, as based on the most recent certification of assessed value to the commissioner of revenue, has either (i) declined in relation to the first calendar year before the certification, or (ii) increased in relation to the first calendar year before the certification at a rate which is not in excess of 90 percent of the rate of increase of the state average market value over the same period.

(6) The estimated market value of the project described in the application is at least one-half of one percent of the total market value of all taxable property in the applicant's jurisdiction as based on the most recent certification of assessed value to the commissioner of revenue.

(7) The project is wholly located in an enterprise zone designated pursuant to section 273.1312.

(8) The project site meets the criteria necessary to qualify as a tax increment redevelopment district as defined in section 273.73, subdivision 10. To qualify under this clause the project need not be included in a tax increment financing district.

(9) The project meets one of the following energy conservation criteria: (i) the project is eligible for the additional federal investment tax credits for energy property, (ii) the project involves construction or expansion of a district heating system as defined in section 116J.36, or (iii) the project involves construction of an alternative energy source as described in section 116J.26, clause (a), (b), or (d), or 116J.922, subdivision 6 or 7.

(10) Ninety percent or more of the proceeds of the proposed obligations will be used for construction, installation, or addition of equipment used primarily to abate or control pollutants to meet or exceed state laws, rules, or standards.

(11) The project consists of the renovation, rehabilitation, or reconstruction of an existing building which is (i) located in a historic district designated under section 138.73, or on a site listed in the state registry of historical sites under sections 138.53 to 138.5819; or (ii) designated in the National Register pursuant to United States Code, title 16, section 470a.

(12) Ninety percent or more of the proceeds of the proposed obligations will be used to finance facilities for waste management as defined in section 115A.03, subdivision 36, or solid waste as defined in section 116.06, subdivision 10.

(13) *Service connections to sewer and water systems are available to the project at the time the application is submitted.*

(14) *The minority population in the applicant's jurisdiction is at least 110 percent of the statewide average as determined by the affirmative action division of the department of economic security according to the most recent census data.*

(15) *When the application is submitted either (a) neither the anticipated owner of the project, nor any party of which the owner was a controlling partner or shareholder, or which was a controlling shareholder or partner of the owner, owned or operated a substantially similar business within the state or (b) the project is an expansion of the operations of an existing business which is not likely to have the effect of transferring existing employment from one or more other municipalities within the state to the municipality in which the project is located.*

(16) *A controlling interest in the project will be owned by one or more women or minority persons.*

(17) *Seventy-five percent or more of the proceeds of the proposed issue will be used to rehabilitate an existing structure.*

(18) *At the time of application, the property on which the project is to be located is properly zoned for the proposed use.*

(19) *The bond issue involves a credit enhancement device providing additional security for bondholders involving commitments or fees to be paid by the issuer other than out-of-bond proceeds. No points shall be awarded for credit enhancement devices financed directly or indirectly by a private, for-profit party which has a financial interest in or is related to any party which has a financial interest in the project.*

**Subd. 4. [ALLOCATION PROCEDURE.]** *The department of energy and economic development shall allocate available issuance authority to applications by the fifth day of the month succeeding each application deadline specified in subdivision 2 on the basis of the numerical rank determined pursuant to this section, but (i) no allocation shall be awarded to an application demonstrating less than four points, (ii) any project which is authorized by chapter 115A, chapter 400, or sections 473.801 to 473.834, shall receive an allocation of issuance authority without regard to its numerical rank to the extent that the amount of issuance authority allocated to the project when added to the issuance authority previously allocated during the calendar year pursuant to this clause does not exceed 49 percent of the amount provided in subdivision 1, provided that if obligations for any project described in this clause are not subject to a federal limitation act, no allocation shall be made pursuant to this clause, (iii) if on or before September 1, the department of energy and economic development returns a portion of its allocation for reallocation pursuant to this section, and the iron range resources and rehabilitation commissioner has issued obligations in an amount equal to its allocation or has submitted a letter of intent for any amount not issued, applications from the iron range resources and rehabilitation commissioner which demonstrate five or more points shall receive an allocation up to an amount equal to \$10,000,000 or the amount returned for reallocation by the department of energy and economic development or the amount remaining to be*

allocated, whichever is less, (iv) if on or before September 1, the iron range resources and rehabilitation commissioner returns a portion of his allocation for reallocation pursuant to this section, and the department of energy and economic development has issued obligations in an amount equal to its allocation or has submitted a letter of intent for any amount not issued, applications from the department of energy and economic development which demonstrate five or more points shall receive an allocation up to an amount equal to \$10,000,000 or the amount returned for reallocation by the iron range resources and rehabilitation commissioner or the amount remaining to be allocated, whichever is less, and (v) if two or more applications have the same numerical rank, the allocation of issuance authority as between the applications shall be by lot unless otherwise agreed by the respective local issuers. If an application is rejected, the department of energy and economic development shall return the deposit to the applicant within 30 days.

*Subd. 5. [LETTER OF INTENT.]* A local issuer which has received an allocation pursuant to this section prior to September 1 and which intends to issue obligations pursuant to it after August 31 of the year in which the allocation was received, shall submit to the department of energy and economic development on or before September 1 a letter stating its intent to issue bonds before the end of the calendar year or within the time period permitted by a federal limitation act. If the letter of intent is not submitted to the department of energy and economic development, the one percent deposit shall be returned to the local issuer, the issuance authority shall be canceled, and the issuance authority previously allocated to the local issuer will be available for reallocation pursuant to this section. If a local issuer returns for reallocation all or any part of its allocation on or before November 30, that portion of its application deposit equal to one percent of the amount returned shall be refunded within 30 days.

*Subd. 6. [FINAL ALLOCATION.]* From December 1 to November 30 of each year any amount determined pursuant to section 10, which is not both previously allocated and subject to a preliminary resolution for a specific project, whether or not committed pursuant to a letter of intent, shall be allocated among local issuers based on a ranking of points for criteria as set forth in subdivisions 3 and 4. No minimum number of points shall be required for allocation. If two or more applications receive an equal number of points, allocation among them shall be made by lot unless otherwise agreed by the respective applicants. An application for this allocation must be submitted by October 20, shall include evidence of passage of a preliminary resolution giving approval to a specific project and stating that it is the intent of the applicant that the obligations will be issued by the end of the year or within the time period permitted by a federal limitation act, and shall be accompanied by a deposit in the amount of one percent of the requested allocation. The department of energy and economic development shall notify applicants of their allocation on or before November 1.

Any amounts of authority which may become available for reallocation after November 1 shall be allocated among issuers which filed an application by October 20, pursuant to the criteria stated in subdivision 3.

*Subd. 7. [CARRYOVER ALLOCATION.]* If prior to December 20 of any year, an issuer determines that it will not issue obligations pursuant to authority allocated to it pursuant to this section or section 10 or 11 by the end of

*that year or within the time period permitted by a federal limitation act, the issuer may notify the department of energy and economic development and such amount will be available for reallocation pursuant to this subdivision. In such case, the department of energy and economic development shall refund to the issuer within 30 days that portion of any application deposit equal to one-third of one percent of the amount returned for reallocation. The amounts available for reallocation shall be allocated on or before December 31 of each year among issuers which have submitted an application by December 10, and which have certified that the project to which the application relates qualifies for carryover treatment of allocated authority according to the terms of a federal limitation act, such that obligations may be issued pursuant to such allocation of authority after the end of the year, without expiration of such authority. If there is insufficient authority for allocation among applications received pursuant to this subdivision, allocation among them shall be made by lot unless otherwise agreed by the respective applicants.*

Sec. 13. [474.20] [NOTICES REQUIRED.]

*Subdivision 1. [NOTICE OF ISSUE.] Any issuer of obligations subject to limitation under a federal limitation act must give a notice of issue stating the date of issuance of the obligations, the allocation under which the obligations are issued, and the principal amount of the obligations to the department of energy and economic development within five days after the obligations are issued. If the notice of issue is not filed within five days after the obligations are issued, the obligations shall be void unless this provision is waived by the commissioner of the department of energy and economic development. Within 30 days after receipt of the notice, the department of energy and economic development shall refund a portion of any application deposit equal to one percent of the principal amount of the obligations issued.*

*Subd. 2. [NOTICE OF AVAILABLE AUTHORITY.] The department of energy and economic development shall as soon as possible after the fifth day of each month publish in the State Register a notice of the amount of authority available for allocation or reallocation in the following month as of the fifth day of the month, after allocation of authority pursuant to section 12.*

Sec. 14. [474.21] [APPLICABILITY TO OTHER CHAPTERS.]

*Sections 9 to 16 apply to any issuance of obligations subject to limitation under a federal limitation act, whether issued under sections 474.01 to 474.13, or other law.*

Sec. 15. [474.22] [LEGISLATIVE REVIEW.]

*On March 1, 1986, the department of energy and economic development shall deliver a comprehensive report to the secretary of the senate and the clerk of the house which provides detailed information concerning the allocation of issuing authority pursuant to sections 9 to 16.*

Sec. 16. [474.23] [ADDITIONAL CONDITIONS.]

*If a federal limitation act as defined in section 9, subdivision 5, is adopted, action under chapter 474 with respect to any project which is to be financed by obligations which are subject to a federal limitation act shall be subject to the following conditions:*

*(a) No municipality or redevelopment agency shall undertake any project,*

*except a project referred to in section 474.02, subdivision 1f, unless its governing body finds that the project would not be undertaken but for the availability of industrial development bond financing.*

*(b) Notwithstanding any provision of this chapter, the term "project" shall not include: an airplane; a private luxury box; a facility primarily used for gambling; or a store the principal business of which is the sale of alcoholic beverages for consumption off premises.*

*(c) No more than ten percent of the proceeds of revenue bonds may be used to finance movable equipment not constituting a fixture, no more than 25 percent of the proceeds of revenue bonds may be used to finance the acquisition of land, and not more than \$10,000,000 in revenue bonds which are industrial development bonds subject to the exemption described in section 103(b)(6) of the Internal Revenue Code of 1954, as amended through December 31, 1983, may be issued with respect to any one building which is used for commercial, office or industrial purposes, without regard to ownership of condominium units within the building.*

*This section takes effect 90 days after the federal limitation act is signed by the president or passed over his veto.*

Sec. 17. [475.77] [OBLIGATIONS SUBJECT TO FEDERAL LIMITATION ACT.]

*Sections 9 to 16 apply to any issuance of obligations which are subject to limitation under a federal limitation act as defined in section 9, subdivision 5.*

Sec. 18. [474.24] [ORDER OF THE GOVERNOR.]

*If for any reason the provisions of this act do not become effective insofar as they provide for an allocation of issuing authority by the legislature of the state under a federal limitation act and if the governor may under the federal limitation act effect the allocation, the governor may provide for the allocation but only in accordance with the terms and conditions of this act.*

Sec. 19. [REPEALER.]

*Sections 1, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, and 18 are repealed effective January 1, 1986.*

Sec. 20. [EFFECTIVE DATE.]

*This act is effective the day after final enactment."*

Amend the title as follows:

Page 1, line 5, delete "116J.42" and insert "116J.58"

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. 2247 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:

<b>SPECIAL 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.
2247	1924				

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. 2038 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:

<b>SPECIAL 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.
2038	2149				

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. 2081 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:

<b>SPECIAL 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.
2081	1951				

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. 1770 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>SPECIAL 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.
1770	1831				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1770 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1770 and



insert the language after the enacting clause of S.F. No. 1831, the first engrossment; further, delete the title of H.F. No. 1770 and insert the title of S.F. No. 1831, the first engrossment.

And when so amended H.F. No. 1770 will be identical to S.F. No. 1831, and further recommends that H.F. No. 1770 be given its second reading and substituted for S.F. No. 1831, 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 companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1663	1649				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1663 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1663 and insert the language after the enacting clause of S.F. No. 1649, the first engrossment; further, delete the title of H.F. No. 1663 and insert the title of S.F. No. 1649, the first engrossment.

And when so amended H.F. No. 1663 will be identical to S.F. No. 1649, and further recommends that H.F. No. 1663 be given its second reading and substituted for S.F. No. 1649, 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. Merriam from the Committee on Agriculture and Natural Resources, to which were referred the following appointments as reported in the Journal for March 8, 1984:

#### BOARD OF ANIMAL HEALTH

Jack Delaney  
Herbert Halvorson

#### MINNESOTA ENVIRONMENTAL QUALITY BOARD

Barbara L. Hughes  
Mary A. Arneson

#### MINNESOTA POLLUTION CONTROL AGENCY

Janet Green  
Edward Fairbanks  
Steve J. Gadler

## MINNESOTA WATER RESOURCES BOARD

Georgia L. Holmes  
Peggy Lynch

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. Merriam from the Committee on Agriculture and Natural Resources, to which were referred the following appointments as reported in the Journal for March 12, 1984:

## MINNESOTA POLLUTION CONTROL AGENCY

Marcia R. Gelpe  
Duane A. Dahlberg

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

S.F. No. 1404: A bill for an act relating to education; providing for aids to education; tax levies; granting certain duties and powers to school boards, school districts, the state board of education, and the commissioner of education; modifying and establishing certain aspects of foundation aid; modifying certain aspects of state payments to school districts; providing for summer learning programs, early childhood and family education, technology programs, and other special programs; appropriating money; amending Minnesota Statutes 1982, sections 121.908, by adding a subdivision; 123.36, subdivision 10; 123.74; 123.741, as amended; 123.742, as amended; 124.20; 124.201, subdivision 1; 124.2126, subdivision 1; 124.214, subdivision 1; 124.245, by adding a subdivision; 124.565, subdivision 7; 124.573, subdivision 3; 125.12, subdivisions 2 and 3; 125.185, subdivision 4; 136A.02, subdivision 6; 275.125, by adding subdivisions; 465.721; and 475.61, subdivision 1; Minnesota Statutes 1983 Supplement, sections 120.17, subdivision 3b; 121.15, subdivision 1; 121.503, subdivision 5; 121.601; 121.608; 121.609; 121.904, subdivision 4a; 123.36, subdivision 13; 123.743; 124.155, subdivision 1; 124.195, subdivisions 1, 2, 3, 6, 9, and by adding a subdivision; 124.201, subdivisions 2, 4, and 5; 124.2122, subdivisions 1 and 2; 124.2138, subdivision 1; 124.271, subdivision 2b; 124.5615, subdivision 5; 124A.06, subdivision 1; 125.032, subdivision 2; 129B.02, subdivision 4; 129B.041, subdivisions 1 and 3; 129B.32, subdivision 3; 129B.36, subdivision 7; 136C.04, by adding a subdivision; 275.125, subdivisions 2e, 2k, 8, 8a, 9b, 11a, 11b, and 11c; 298.28, subdivision 1; 475.61, subdivision 3; Laws 1976, chapter 20, section 5, subdivision 1; Laws 1983, chapter 314, article 6, section 34, subdivision 12; article 8, section 23; and article 9, section 14, subdivision 3; proposing new law coded in Minnesota Statutes, chapters 121, 123, 124, 126, 129B, and 136C; repealing Minnesota Statutes 1982, sections 124.201, as amended; 124.212, subdivision 1; 124.245, sub-

division 1a; 129B.06; 129B.07; 129B.08; 129B.09, as amended; 275.125, subdivision 2g; Minnesota Statutes 1983 Supplement, sections 124.225, subdivision 12; 129B.041, subdivision 2; and 275.125, subdivisions 2i and 2j.

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

Page 22, after line 15, insert:

“Sec. 2. [REPEALER.]

*Minnesota Statutes 1983 Supplement, section 124.32, subdivisions 1a, 1e, 2a, and 5a are repealed.”*

Page 29, after line 22, insert:

“Sec. 7. [REPEALER.]

*Minnesota Statutes 1982, sections 124.572, subdivisions 2a and 8; 124.573, subdivisions 2a, 3b, and 5; and 124.574, subdivisions 2, 2a, and 3a are repealed.”*

Renumber the sections of article 5 in sequence

Page 33, after line 14, insert:

“Sec. 4. Minnesota Statutes 1982, section 124.245, subdivision 1, is amended to read:

Subdivision 1. [BASIC COMPUTATION.] (a) ~~For the 1981-1982 school year and~~ Each year thereafter, ~~except for the 1982-1983 school year,~~ the state shall pay a school district the difference by which an amount equal to \$90 per pupil unit in that school year or, in districts where the actual number of actual pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year, \$95 per pupil unit in that school year, exceeds the amount raised by seven mills times the adjusted assessed valuation of the taxable property in the district for the preceding year. To qualify for aid pursuant to this subdivision in any school year, a district must have levied the full seven EARC mills for use for capital expenditures in that year pursuant to section 275.125, subdivision 11a.

~~For the 1982-1983 school year the state shall pay a school district the difference by which an amount equal to \$89 per pupil unit in that school year or, in districts where the actual number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year, \$94 per pupil unit in that school year, exceeds the amount raised by seven mills times the adjusted assessed valuation of the taxable property in the district for the preceding year. To qualify for aid pursuant to this subdivision in any school year, a district must have levied the full seven EARC mills for use for capital expenditures in that year pursuant to section 275.125, subdivision 11a.~~

(b) ~~In the 1982-1983 school year and each year thereafter,~~ The aid under clause (a) for any 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 \$89 per pupil unit or, in districts where the ~~actual~~ number of *actual* pupil units ~~identified in section 124.17, subdivision 1, clauses (1) and (2),~~ has increased from the prior year, \$94 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."

Page 35, line 20, delete "4" and insert "5"

Page 36, line 22, delete "4" and insert "5"

Page 40, line 23, before "Minnesota" insert "Subdivision 1."

Page 40, after line 26, insert:

*"Subd. 2. Minnesota Statutes 1982, sections 124.245, subdivision 1a; 124.246, subdivision 2a; 124.26, subdivision 1a; and 124.273, subdivisions 1a and 2a, are repealed."*

Page 40, line 27, delete "ABATEMENT AID DEFICIENCY" and insert "DEFICIENCIES"

Page 40, line 28, before "The" insert "Subdivision 1. [ABATEMENT AID.]"

Page 40, after line 30, insert:

*"Subd. 2. [NON-AVTI ADULT VOCATIONAL PROGRAMS.] There is appropriated from the general fund to the department of education, for fiscal year 1984, the sum of \$50,000 and, for fiscal year 1985, the sum of \$131,000 for the operation of non-AVTI adult vocational programs. This appropriation shall be added to the sums appropriated for fiscal years 1984 and 1985 for this purpose in Laws 1983, chapter 314, article 5, section 18, subdivision 7."*

Page 41, line 4, delete "14" and insert "15"

Page 41, line 9, delete "6" and insert "7"

Page 41, line 10, delete "4" and insert "5"

Page 41, line 10, delete "14" and insert "16, subdivision 1"

Renumber the sections of article 6 in sequence

Page 41, after line 31, insert:

"Sec. 3. Minnesota Statutes 1982, section 121.912, is amended by adding a subdivision to read:

*Subd. 4. [ACCOUNT TRANSFER FOR STATUTORY OPERATING DEBT.] On June 30 of each year, a district may make a permanent transfer from the general fund account entitled "unappropriated fund balance since statutory operating debt" to the account entitled "appropriated fund balance reserve account for purposes of reducing statutory operating debt." The amount of the transfer is limited to the lesser of (a) the net unappropriated operating fund balance, or (b) the sum of the remaining statutory operating debt levies authorized for all future years according to section 275.125, subdivision 9a. If the net unappropriated operating fund balance is less than*

zero, the district may not make a transfer.”

Page 47, after line 7, insert:

“Sec. 11. Minnesota Statutes 1982, section 275.125, subdivision 9a, is amended to read:

Subd. 9a. [STATUTORY OPERATING DEBT LEVY.] (1) In 1978 and each year thereafter in which so required by this subdivision, a district shall make an additional levy to eliminate its statutory operating debt, determined as of June 30, 1977 and certified and adjusted by the commissioner. This levy shall not be made in more than 20 successive years and each year before it is made, it must be approved by the commissioner and the approval shall specify its amount. This levy shall in each year be an amount which is equal to the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee; provided that in the last year in which the district is required to make this levy, it shall levy an amount not to exceed the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee. When the sum of the cumulative levies made pursuant to this subdivision equal and transfers made according to section 121.912, subdivision 4 equals an amount equal to the statutory operating debt of the district, the levy shall be discontinued.

(2) The district shall establish a special account in the general fund which shall be designated “appropriated fund balance reserve account for purposes of reducing statutory operating debt” on its books and records. This account shall reflect the levy authorized pursuant to this subdivision. The proceeds of this levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district’s expenditures or budgets.

(3) Any district which is required to levy pursuant to this subdivision shall certify the maximum levy allowable under subdivision 2a in that same year.

(4) Each district shall make permanent fund balance transfers so that the total statutory operating debt of the district is reflected in the general fund as of June 30, 1977.”

Page 48, line 29, delete everything after “follows”

Page 48, line 30, delete everything before the colon

Page 51, after line 27, insert:

“Sec. 21. [INDEPENDENT SCHOOL DISTRICT NO. 622; SALE OF BUILDINGS.]

Subdivision 1. [EXCESS SALE PROCEEDS INTO GENERAL FUND.] *Norwithstanding Minnesota Statutes, section 123.36, subdivision 13, or any other law to the contrary, Independent School District No. 622, North St. Paul-Maplewood, may deposit the excess proceeds from the sale of any building owned by the district that is sold after July 1, 1983 into the general fund after complying with the provisions of Minnesota Statutes, section 123.36, subdivision 13, clause (1).*

Subd. 2. [EFFECTIVE DATE AND NO LOCAL APPROVAL.] *Accord-*

*ing to Minnesota Statutes, section 645.023, subdivision 1, clause (a), subdivision 1 is effective without local approval the day following final enactment."*

Page 54, line 5, delete "outlay" and insert "expenditure"

Page 55, after line 31, insert:

"Sec. 33. [FUND TRANSFER AUTHORIZATION.]

*Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 833.] Notwithstanding any law to the contrary, for the school year 1984-1985 Independent School District No. 833, South Washington County, may permanently transfer an amount not to exceed \$500,000 from the capital expenditure fund to the general fund.*

*Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 833 with Minnesota Statutes, section 645.021, subdivision 3."*

Page 56, line 32, delete "16" and insert "18"

Page 57, line 12, delete "6, 14, 30, and 32, subdivision 3" and insert "7, 16, 34, and 36, subdivisions 2 and 3"

Page 57, line 13, delete "10" and insert "12"

Renumber the sections of article 7 in sequence

Page 63, line 12, delete "5" and insert "6"

Page 80, line 13, after the second "for" insert "its duties relating to the"

Page 80, line 14, delete "grants" and insert "program established in this article"

Page 80, line 23, delete "\$730,000" and insert "\$973,000"

Page 80, line 25, after "12th," insert "14th," and delete "and" and after "22nd" insert "25th, and 42nd"

Page 81, line 2, after "22," insert "23," and delete "26, subdivision" and insert "27"

Page 81, line 3, delete "2"

Page 81, after line 5, insert:

"Section 1. [16A.151] [EDUCATION AIDS INCREASE ACCOUNT.]

*Subdivision 1. [ESTABLISHMENT.] There is established an education aids increase account in the general fund of the state treasury for the deposit of funds to insure adequate funding for increases in aids to school districts for the biennium beginning July 1, 1985.*

*Subd. 2. [INITIAL TRANSFER.] The commissioner of finance shall transfer \$27,000,000 to the education aids increase account on July 1, 1984.*

*Subd. 3. [CONTINGENT TRANSFERS.] If forecasts of general fund revenues and expenditures prepared by the commissioner of finance pursuant to chapter 16A prior to December 1, 1984 indicate a projected general fund balance for the biennium ending June 30, 1985, the commissioner shall*

*transfer the amount of the balance to the education aids increase account, however, in no case shall the cumulative total of all transfers according to this subdivision exceed \$23,000,000. Transfers to the education aids increase account shall remain in the account until expended."*

Page 82, after line 17, insert:

Sec. 3. Minnesota Statutes 1982, section 121.904, is amended by adding a subdivision to read:

*Subd. 4c. [PROPERTY TAX SHIFT REDUCTION.] If the amount of the fund balance determined by the commissioner of finance, according to section 1, plus the amount of the contingent transfer to the education aids increase account exceeds \$31,000,000, the levy recognition percentage specified in subdivision 4a, clauses (b)(2) and (b)(3), shall be reduced for taxes payable in 1985 and thereafter according to the provisions of this subdivision. The levy recognition percentage factor shall equal the result of the following computation:*

*(1) 32 percent, times*

*(2) the ratio of*

*(a) the statewide total amount of levy recognized in June 1985 pursuant to subdivision 4a, clause (b), reduced by the sum of the fund balance plus the amount of the contingent transfer to the education aids increase account in excess of \$23,000,000, to*

*(b) the statewide total amount of the levy recognized in June 1985 pursuant to subdivision 4a, clause (b),*

*(3) rounded up to the nearest whole percent.*

*However, in no case shall the levy recognition percentage be reduced below 24 percent."*

Page 88, after line 15, insert:

**"Sec. 13. [CERTIFICATION AND NOTICE OF PERCENTAGE.]**

*The commissioner of finance shall certify to the commissioner of education the levy recognition percentage computed under section 1 by January 5, 1985. The commissioner of education shall notify school districts of any change by January 15, 1985.*

**Sec. 14. [TRANSFER IN FISCAL YEAR 1984 FOR ADDITIONAL AIDS.]**

*The commissioner of finance shall transfer from the general fund to the education aids appropriations specified by the commissioner of education, the amounts needed to finance the additional payments required because of the reduction of the levy recognition percentage in Minnesota Statutes, section 121.904, subdivision 4c. Payments to a school district of additional state aids resulting from a reduction in the levy recognition percentage pursuant to Minnesota Statutes, section 121.904, subdivision 4c, shall be added to the cash metering system, according to Minnesota Statutes, section 124.195, after January 15, 1985, and shall be paid in a manner consistent with the percentage factors specified in that section.*

**Sec. 15. [CASH FLOW EVALUATION.]**

*The commissioner of finance, in cooperation with the commissioner of education and the Minnesota association of school business officials, shall evaluate the impact on school districts of cash flow legislation established in Minnesota Statutes, section 124.195. The commissioner shall report the findings, along with recommendations, to the education committees of the legislature by February 15, 1985."*

Page 88, line 17, before "*Minnesota*" insert "*Minnesota Statutes 1982, sections 124.246, subdivision 5; 124.26, subdivision 5; 124.572, subdivision 8a; 124.573, subdivision 6; and 124.574, subdivision 8, are repealed.*" and delete "*section*" and insert "*sections*"

Page 88, line 18, after the comma, insert "*and 124.271, subdivision 6*" and delete "*is*" and insert "*are*"

Page 88, line 25, delete "*Section 1*" and insert "*Sections*" and after "*1*" insert "*and 2*" and delete "*is*" and insert "*are*"

Page 88, line 26, delete "*2*" and insert "*3*"

Renumber the sections of article 9 in sequence

Amend the title as follows:

Page 1, line 12, before "*121.908*" insert "*121.904, by adding a subdivision;*"

Page 1, line 13, after the first semicolon, insert "*121.912, by adding a subdivision;*"

Page 1, line 16, after "*124.245,*" insert "*subdivision 1, and*"

Page 1, line 19, after "*275.125,*" insert "*subdivision 9a, and*"

Page 1, line 28, delete "*, 4,*"

Page 1, line 39, after "*chapters*" insert "*16A,*"

Page 1, line 42, after "*1a,*" insert "*124.246, subdivisions 2a and 5; 124.26, subdivisions 1a and 5; 124.273, subdivisions 1a and 2a; 124.572, subdivisions 2a, 8, and 8a; 124.573, subdivisions 2a, 3b, and 5; 124.574, subdivisions 2, 2a, 3a, and 8;*"

Page 1, line 45, after "*12;*" insert "*124.32, subdivisions 1a, 1e, 2a, and 5a; 124.271, subdivision 6;*"

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

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

## SECOND READING OF SENATE BILLS

S.F. Nos. 2179, 2187, 2100 and 1404 were read the second time.

## SECOND READING OF HOUSE BILLS

H.F. Nos. 1381, 2247, 2038, 2081, 1770 and 1663 were read the second time.



**MOTIONS AND RESOLUTIONS**

Mr. Stumpf moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 1793. The motion prevailed.

Mr. Wegscheid moved that the name of Mr. DeCramer be added as a co-author to S.F. No. 1853. The motion prevailed.

Mr. Purfeerst moved that S.F. No. 176 be withdrawn from the Committee on Judiciary and returned to its author. The motion prevailed.

Mrs. Lantry moved that S.F. No. 1930, No. 97 on Special Orders, be stricken and re-referred to the Committee on Local and Urban Government. The motion prevailed.

Mr. Willet moved that H.F. No. 1393 be withdrawn from the Committee on Finance and laid on the table. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate proceed to the Order of Business of Introduction and First Reading of Senate Bills. The motion prevailed.

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time.

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

S.F. No. 2209: A bill for an act relating to capital improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; reducing and canceling certain appropriations; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1982, sections 16.825, subdivision 1; 16.826, subdivision 7; 16A.54; 16A.66; 16A.671; 16A.675; 115.03, subdivision 1; 116.16, subdivisions 2, 4, 5, 9, and by adding a subdivision; 116.18, as amended; 136.14; 136.40, subdivision 6; 136.62, as amended, by adding a subdivision; 475A.03, subdivision 1; 475A.05, subdivision 1, and by adding a subdivision; 475A.06, subdivision 7; Minnesota Statutes 1983 Supplement, sections 16A.672; and 116J.926, subdivision 3; and Laws 1983, chapter 344, section 6, subdivision 8; proposing new law coded in Minnesota Statutes, chapter 16A; repealing Minnesota Statutes 1982, sections 16A.63; 16A.64, as amended; 16A.65; 116.16, subdivisions 6 and 7; Laws 1981, chapters 275; and 334, section 11, subdivision 4; and Laws 1982, chapter 639, section 5.

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

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

S.F. No. 2210: A bill for an act relating to the organization and operation of state government; clarifying, providing for deficiencies in, and supplementing appropriations for the expenses of state government with certain conditions; modifying agencies and functions; fixing and limiting fees; requiring studies and reports; appropriating money; amending Minnesota Statutes 1982, sections 3.3005; 10.12; 10.14; 10.15; 11A.08, subdivision 3; 16.02,

by adding a subdivision; 16.026, subdivisions 3 and 7; 16.06, subdivision 1; 16.081; 16.083, subdivision 2; 16.086, subdivision 2; 16.80, subdivision 1; 16A.04, subdivisions 1 and 4; 16A.06; 16A.065; 16A.125, subdivision 6; 16A.13, subdivisions 1 and 2; 16A.131, subdivision 1; 16A.14, subdivision 2; 16A.28; 16A.45; 40.036, by adding a subdivision; 43A.27, by adding a subdivision; 43A.30, by adding a subdivision; 84.085; 84A.53; 84A.54; 84A.55, subdivision 9; 84B.03, by adding a subdivision; 85A.04, subdivision 3; 94.16; 116J.19, subdivision 13; 116J.36, as amended; 116J.88, by adding a subdivision; 116J.89, by adding a subdivision; 117.195, subdivision 1; 136A.02; subdivision 1a; 136A.32, subdivision 7; 158.07; 158.08; 169.86, by adding a subdivision; 214.001, subdivision 2; 214.13, subdivisions 1, 2, 3, and 5; 241.66, subdivision 2; 256D.02, subdivisions 6 and 8; 256D.06, subdivision 1; 256D.15; 256E.03, subdivision 2; 256E.07, subdivision 1 and by adding subdivisions; 299F.63, by adding a subdivision; 340.11, subdivision 11a; 352E.02; 352E.04; 398.09; 462A.05, subdivision 20; Minnesota Statutes 1983 Supplement, sections 10A.04, subdivision 4; 15A.082; 16.083, subdivisions 1, 1a, 3, 4, 4a, 5, and 6; 16.084; 16.085; 16.086, subdivision 1; 16.28; 16A.125, subdivision 5; 16A.127, subdivision 1; 16A.15, subdivision 6; 16A.36; 38.02, subdivision 1; 43A.04, subdivision 8; 116J.31; 116J.90, by adding a subdivision; 116J.91, subdivision 4; 135A.03, subdivisions 3 and 4; 136A.02, subdivision 1; 136A.26; 148.01, subdivision 3; 161.43; 161.44, subdivision 6a; 180.03, subdivision 2; 214.06, subdivision 1; 214.13, subdivision 4; 256.01, subdivision 2; 256.737; 256D.01, subdivision 1; 256D.03, subdivision 4; 256D.06, subdivision 5; 256D.111, subdivisions 1, 2, and 5; 256D.112; 268.672, subdivision 6; 268.675; 268.676, subdivision 2; 268.677; 268.686; 268.80; 268.81; 297B.09; 298.296, subdivision 1; 352D.02, subdivision 1; 357.021, subdivision 2a; 462A.07, subdivision 15; 486.06; 517.08, subdivision 1c; Laws 1983, chapter 199, section 17, subdivision 2; chapter 290, section 172; chapter 293, section 1, section 2, subdivisions 2, 8, and 9, section 4, subdivisions 1 and 3, and section 6; chapter 301, sections 38, 39, 40, 41, and 42; proposing new law coded in Minnesota Statutes, chapters 48; 84; 84A; 94; 115A; 116J; 174; 214; 246; 256B; 268; and 349; proposing new law coded as Minnesota Statutes, chapters 40A; 44A; and 301B; repealing Minnesota Statutes 1982, sections 1.21; 1.23; 1.25; 10.13; 16A.132; 16A.51; 16A.59; 16A.73; 167.31; 167.32; 167.33; 167.34; 167.35; 167.36; 167.37; 167.38; 167.39; 167.42; 167.43; 167.44; 167.521; 256E.07, subdivision 3; Minnesota Statutes 1983 Supplement, section 16.083, subdivision 4b; Laws 1983, chapters 289, section 102; and 301, section 233.

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

## MOTIONS AND RESOLUTIONS - CONTINUED

### CONFIRMATION

Mr. Dieterich moved that the report from the Committee on Public Utilities and State Regulated Industries, reported April 11, 1984, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Dieterich moved that the foregoing report be now adopted. The motion prevailed.

Mr. Dieterich moved that in accordance with the report from the Commit-

tee on Public Utilities and State Regulated Industries, reported April 11, 1984, the Senate, having given its advice, do now consent to and confirm the appointments of:

#### CABLE COMMUNICATIONS BOARD

Judith C. Corrao, 2303 - 27th Ave. S., Minneapolis, Hennepin County, effective June 24, 1983, for a term expiring the first Monday in January, 1987.

Muriel Jean Runholt, Route 2, Marshall, Lyon County, effective June 24, 1983, for a term expiring the first Monday in January, 1987.

Janna R. King, Route 1, Box 216C, Browerville, Todd County, effective December 19, 1983, for a term expiring the first Monday in January, 1985.

John Starcevic, 3850 Stinson Blvd. N.E., Columbia Heights, Anoka County, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

Jack W. Carlson, 10219 Scarborough Rd., Bloomington, Hennepin County, effective March 31, 1984, for a term expiring the first Monday in January, 1988.

The motion prevailed. So the appointments were confirmed.

#### CONFIRMATION

Mr. Dieterich moved that the report from the Committee on Public Utilities and State Regulated Industries, reported April 11, 1984, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Dieterich moved that the foregoing report be now adopted. The motion prevailed.

Mr. Dieterich moved that in accordance with the report from the Committee on Public Utilities and State Regulated Industries, reported April 11, 1984, the Senate, having given its advice, do now consent to and confirm the appointments of:

#### MINNESOTA RACING COMMISSION

Ray Eliot, 14 University Ave. N.E., Minneapolis, Hennepin County, effective May 23, 1983, for a term expiring June 30, 1989.

C. Elmer Anderson, 624 N. 3rd St., Brainerd, Crow Wing County, effective May 23, 1983, for a term expiring June 30, 1987.

Dan Gustafson, 2932 Jersey Ave. N., Minneapolis, Hennepin County, effective August 12, 1983, for a term expiring June 30, 1987.

John H. Daniels, 2104 Irving Ave. S., Minneapolis, Hennepin County, effective August 12, 1983, for a term expiring June 30, 1987.

Kris Sanda, Route 2, Box 5, Staples, Todd County, effective August 12, 1983, for a term expiring June 30, 1985.

Rosemary T. Fruehling, 4335 Chimo E., Wayzata, Hennepin County, effective August 12, 1983, for a term expiring June 30, 1989.

Carol Connolly, 111 E. Kellogg Blvd., St. Paul, Ramsey County, effective

August 12, 1983, for a term expiring June 30, 1989.

Joyce B. Farrell, Route 1, Box 132, Waverly, Wright County, effective August 12, 1983, for a term expiring June 30, 1985.

Lawrence Coss, Route 1, Box 20, Cannon Falls, Goodhue County, effective August 12, 1983, for a term expiring June 30, 1985.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 56 and nays 6, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Lantry	Peterson, D.L.	Spear
Anderson	Dieterich	Lessard	Peterson, R.W.	Storm
Belanger	Frederickson	Luther	Petty	Stumpf
Benson	Freeman	McQuaid	Pogemiller	Taylor
Berg	Hughes	Mehrkens	Purfeerst	Vega
Berglin	Isackson	Moe, D. M.	Ramstad	Waldorf
Bertram	Johnson, D.E.	Moe, R. D.	Reichgott	Wegscheid
Brataas	Johnson, D.J.	Nelson	Renneke	Willet
Chmielewski	Kamrath	Olson	Samuelson	
Davis	Kroening	Pehler	Schmitz	
DeCramer	Kronebusch	Peterson, C.C.	Sieloff	
Dicklich	Langseth	Peterson, D.C.	Solon	

Those who voted in the negative were:

Dahl	Knaak	Laidig	Merriam	Novak
Frank				

The motion prevailed. So the appointments were confirmed.

### CONFIRMATION

Mr. Pehler moved that the report from the Committee on Education, reported April 11, 1984, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Pehler moved that the foregoing report be now adopted. The motion prevailed.

Mr. Pehler moved that in accordance with the report from the Committee on Education, reported April 11, 1984, the Senate, having given its advice, do now consent to and confirm the appointments of:

#### STATE BOARD OF VOCATIONAL TECHNICAL EDUCATION

Patricia Allinder, 801 S.W. 17th St., Willmar, Kandiyohi County, effective August 11, 1983, for a term expiring the first Monday in January, 1985.

Alan Olson, 5710 Upper 182nd St., Farmington, Dakota County, effective August 11, 1983, for a term expiring the first Monday in January, 1985.

Jane Preston, 2145 Lakeview Ave., White Bear Lake, Ramsey County, effective August 11, 1983, for a term expiring the first Monday in January, 1985.

Douglas D. Knowlton, 1924 River Rd., East Grand Forks, Polk County, effective August 11, 1983, for a term expiring the first Monday in January, 1986.

John O'Connor, 10677 - 114th St., Stillwater, Washington County, effec-

tive August 11, 1983, for a term expiring the first Monday in January, 1986.

Marilyn Wolfe, 229 Hutter Rd., Gilbert, St. Louis County, effective August 11, 1983, for a term expiring the first Monday in January, 1986.

F.B. Daniel, 2056 Timmy St., Mendota Heights, Dakota County, effective August 11, 1983, for a term expiring the first Monday in January, 1987.

JoAnn Cardenes Enos, 149 Exeter Pl., St. Paul, Ramsey County, effective August 11, 1983, for a term expiring the first Monday in January, 1987.

Donald C. Ingram, 1003 - 9th St. N.W., Austin, Mower County, effective August 11, 1983, for a term expiring the first Monday in January, 1987.

Frank E. Adams, 605 Ramsey St. N.E., Minneapolis, Hennepin County, effective August 11, 1983, for a term expiring the first Monday in January, 1988.

Norma McKanna, 612 E. 16th St., Hibbing, St. Louis County, effective August 11, 1983, for a term expiring the first Monday in January, 1988.

#### STATE DIRECTOR OF VOCATIONAL TECHNICAL EDUCATION

Joseph P. Graba, 16826 Stanford St., Forest Lake, Washington County, effective August 1, 1983, to serve at the pleasure of the State Board of Vocational Technical Education.

#### STATE UNIVERSITY BOARD

Rita M. Lewis, 701 W. Howard, Winona, Winona County, effective February 19, 1983, for a term expiring the first Monday in January, 1985.

Bernard L. Brommer, 678 Greenway Ave. N., Oakdale, Washington County, effective February 19, 1983, for a term expiring the first Monday in January, 1987.

Nicholas John Zuber, 25 S. 26th Ave. E., Duluth, St. Louis County, effective February 19, 1983, for a term expiring the first Monday in January, 1987.

L.E. Danford, 4401 Browndale, Edina, Hennepin County, effective January 20, 1984, for a term expiring the first Monday in January, 1988.

Nellie Stone Johnson, 1239 Sheridan N., Minneapolis, Hennepin County, effective January 20, 1984, for a term expiring the first Monday in January, 1988.

Mr. Laidig requested that the confirmation of appointments to the State Board of Vocational Technical Education be divided out.

The question was taken on the motion of Mr. Pehler to confirm the remaining appointments. The motion prevailed. So the appointments were confirmed.

The question was taken on the adoption of the motion to confirm the appointments to the State Board of Vocational Technical Education.

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

Those who voted in the affirmative were:

Adkins	Dieterich	Kroening	Pehler	Schmitz
Berg	Frank	Langseth	Peterson, C. C.	Sieloff
Berglin	Frederick	Lantry	Peterson, D. C.	Solon
Bernhagen	Frederickson	Lessard	Peterson, D. L.	Spear
Bertram	Freeman	Luther	Peterson, R. W.	Storm
Chmielewski	Hughes	McQuaid	Petty	Stumpf
Dahl	Johnson, D. E.	Merriam	Pogemiller	Vega
Davis	Johnson, D. J.	Moe, R. D.	Purfeerst	Waldorf
DeCramer	Jude	Nelson	Ramstead	Wegscheid
Dicklich	Kamrath	Novak	Reichgott	Willet
Diessner	Knaak	Olson	Renneke	

Those who voted in the negative were:

Anderson	Benson	Isackson	Laidig	Taylor
Belanger	Brataas	Kronebusch	Mehrkens	

The motion prevailed. So the appointments were confirmed.

### CONFIRMATION

Mr. Pehler moved that the report from the Committee on Education, reported April 11, 1984, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Pehler moved that the foregoing report be now adopted. The motion prevailed.

Mr. Pehler moved that in accordance with the report from the Committee on Education, reported April 11, 1984, the Senate, having given its advice, do now consent to and confirm the appointments of:

### COUNCIL ON QUALITY EDUCATION

William F. Betzler, 301 Frantz St., Box 724, Buhl, St. Louis County, effective April 9, 1982, for a term expiring the first Monday in January, 1986.

Karen O. Schonebaum, 2330 E. Maple Ln., Maplewood, Ramsey County, effective April 9, 1982, for a term expiring the first Monday in January, 1985.

Carl A. Swenson, Route 2, Box 154, Monticello, Wright County, effective April 9, 1982, for a term expiring the first Monday in January, 1986.

Stephen P. Raukar, 301 - 1st Ave. S., Kelly Lake, Hibbing, St. Louis County, effective June 24, 1983, for a term expiring the first Monday in January, 1987.

Marvin Trammel, 1981 Lyman Ln., Wayzata, Hennepin County, effective June 24, 1983, for a term expiring the first Monday in January, 1987.

Marcy J. Waritz, 1271 Bluff Creek Dr., Chaska, Carver County, effective June 24, 1983, for a term expiring the first Monday in January, 1987.

John Huisman, Route 1, Box 2, Frost, Faribault County, effective January 23, 1984, for a term expiring the first Monday in January, 1988.

Judith Roy, P.O. Box 53, Red Lake, Beltrami County, effective January 23, 1984, for a term expiring the first Monday in January, 1988.

### MINNESOTA HIGHER EDUCATION COORDINATING BOARD

Celeste O'Donnell, 6320 Lookout Trl., Stillwater, Washington County, effective April 27, 1983, for a term expiring the first Monday in January, 1987.

Robert E. Ferguson, 855 Cliff Rd., Eagan, Dakota County, effective April 27, 1983, for a term expiring the first Monday in January, 1987.

Duane Scribner, 49 Arthur Ave. S.E., Minneapolis, Hennepin County, effective October 20, 1983, for a term expiring the first Monday in January, 1987.

Carol Joy Kamper, 2204 Valkyrie Dr. N.W., Rochester, Olmsted County, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

Patricia B. Spence, 120 S.E. First St., Little Falls, Morrison County, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

Charles F. Mourin, 732 Arrowhead St., Aurora, St. Louis County, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

#### MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY

Earl R. Herring, 109 - 14th Ave. S., Moorhead, Clay County, effective June 24, 1983, for a term expiring the first Monday in January, 1985.

Carlos Lopez, Jr., 839 Dwane St., South St. Paul, Dakota County, effective June 24, 1983, for a term expiring the first Monday in January, 1987.

Emily Anne Staples, 1640 Xanthus Ln., Plymouth, Hennepin County, effective June 24, 1983, for a term expiring the first Monday in January, 1987.

Catherine M. Warrick, 2423 Youngman Ave., St. Paul, Ramsey County, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

John A. McHugh, 4800 Woodhill Way, Edina, Hennepin County, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

#### STATE BOARD FOR COMMUNITY COLLEGES

Ruth Ann W. Eaton, 10049 North Shore Dr., Duluth, St. Louis County, effective March 19, 1982, for a term expiring the first Monday in January, 1986.

Clarence E. Harris, 2030 Fairview Ave. N., Roseville, Ramsey County, effective February 19, 1983, for a term expiring the first Monday in January, 1987.

Arleen Nycklemoe, Route 6, Box 134, Minnehuta Dr., Fergus Falls, Otter Tail County, effective February 19, 1983, for a term expiring the first Monday in January, 1987.

Rebecca L. Sawyer, 3990 Upper 71st E., Inver Grove Heights, Dakota County, effective April 4, 1983, for a term expiring the first Monday in January, 1985.

Lee Antell, 648 - 129th Ave. N.E., Blaine, Anoka County, effective August 11, 1983, for a term expiring the first Monday in January, 1984; and

effective January 3, 1984, for a term expiring the first Monday in January, 1988.

James B. Collier, Jr., 1101 E. Irene, Willmar, Kandiyohi County, effective August 11, 1983, for a term expiring the first Monday in January, 1986.

Richard M. Niemiec, 4239 Harriet Ave. S., Minneapolis, Hennepin County, effective January 16, 1984, for a term expiring the first Monday in January, 1988.

Franklin W. Iossi, 815 - 10 1/2 St. S.W., Rochester, Olmsted County, effective February 24, 1984, for a term expiring the first Monday in January, 1985.

#### STATE BOARD OF EDUCATION

James Hoese, 5520 Polk Ave., Mayer, Carver County, effective April 27, 1983, for a term expiring the first Monday in January, 1986.

Joy Fogarty, 2001 - 5th Ave. N.E., Rochester, Olmsted County, effective April 27, 1983, for a term expiring the first Monday in January, 1987.

Ruth A. Myers, 121 A N. 1st Ave. W., Duluth, St. Louis County, effective April 27, 1983, for a term expiring the first Monday in January, 1987.

Mr. Pehler requested that the appointment of Joy Fogarty be divided out.

The question was taken on the motion of Mr. Pehler to confirm the remaining appointments. The motion prevailed. So the appointments were confirmed.

Mr. Pehler moved that the appointment of Joy Fogarty be laid on the table. The motion prevailed.

#### MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Consent Calendar. The motion prevailed.

#### CONSENT CALENDAR

H.F. No. 1774: A bill for an act relating to transportation; providing for distribution of town road funds; amending Minnesota Statutes 1983 Supplement, section 162.081, subdivision 4.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:



Adkins	Dicklich	Knaak	Nelson	Sieloff
Anderson	Diessner	Kroening	Novak	Solon
Belanger	Dieterich	Kronebusch	Olson	Spear
Benson	Frank	Laidig	Pehler	Storm
Berg	Frederick	Langseth	Peterson, C. C.	Stumpf
Berglin	Frederickson	Lantry	Peterson, D. C.	Taylor
Bernhagen	Freeman	Lessard	Peterson, D. L.	Vega
Bertram	Hughes	Luther	Peterson, R. W.	Waldorf
Brataas	Isackson	McQuaid	Petty	Wegscheid
Chmielewski	Johnson, D.E.	Mehrkens	Purfeerst	Willet
Dahl	Johnson, D.J.	Merriam	Ramstad	
Davis	Jude	Moe, D. M.	Renneke	
DeCramer	Kamrath	Moe, R. D.	Schmitz	

So the bill passed and its title was agreed to.

### SUSPENSION OF RULES

Mr. Moe, R.D. moved that the rules of the Senate be so far suspended as to waive the lie-over requirement for H.F. No. 1706. The motion prevailed.

H.F. No. 1706: A bill for an act relating to St. Louis Park; providing authority to the housing and redevelopment authority to review and approve development in redevelopment areas.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Nelson	Sieloff
Anderson	Diessner	Kroening	Novak	Solon
Belanger	Dieterich	Kronebusch	Olson	Spear
Benson	Frank	Laidig	Pehler	Storm
Berg	Frederick	Langseth	Peterson, C. C.	Stumpf
Berglin	Frederickson	Lantry	Peterson, D. C.	Taylor
Bernhagen	Freeman	Lessard	Peterson, D. L.	Vega
Bertram	Hughes	Luther	Peterson, R. W.	Waldorf
Brataas	Isackson	McQuaid	Petty	Wegscheid
Chmielewski	Johnson, D.E.	Mehrkens	Purfeerst	Willet
Dahl	Johnson, D.J.	Merriam	Ramstad	
Davis	Jude	Moe, D. M.	Reichgott	
DeCramer	Kamrath	Moe, R. D.	Schmitz	

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Calendar. The motion prevailed.

### CALENDAR

H.F. No. 1781: A bill for an act relating to taxes; clarifying the consequences of certain conveyances of tax-forfeited land; amending Minnesota Statutes 1982, section 282.01, subdivision 1.

Was read the third time 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:

Adkins	Diessner	Kroening	Novak	Solon
Anderson	Dieterich	Kronebusch	Olson	Spear
Belanger	Frank	Laidig	Pehler	Storm
Benson	Frederick	Langseth	Peterson,C.C.	Stumpf
Berg	Frederickson	Lantry	Peterson,D.C.	Taylor
Berglin	Freeman	Lessard	Peterson,D.L.	Vega
Bernhagen	Hughes	Luther	Peterson,R.W.	Waldorf
Bertram	Isackson	McQuaid	Petty	Wegscheid
Brataas	Johnson, D.E.	Mehrrens	Purfeerst	Willet
Dahl	Johnson, D.J.	Merriam	Ramstad	
Davis	Jude	Moe, D. M.	Reichgott	
DeCramer	Kamrath	Moe, R. D.	Schmitz	
Dicklich	Knaak	Nelson	Sieloff	

So the bill passed and its title was agreed to.

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. 1853: A bill for an act relating to veterinarians; permitting certain University of Minnesota employees to perform certain duties; amending Minnesota Statutes 1982, section 156.12, subdivision 2.

Was read the third time 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:

Adkins	Dicklich	Knaak	Novak	Solon
Anderson	Diessner	Kroening	Olson	Spear
Belanger	Dieterich	Kronebusch	Pehler	Storm
Benson	Frank	Laidig	Peterson,C.C.	Stumpf
Berg	Frederick	Langseth	Peterson,D.C.	Taylor
Bernhagen	Frederickson	Lantry	Petty	Ulland
Bertram	Freeman	Lessard	Purfeerst	Waldorf
Brataas	Hughes	Luther	Ramstad	Wegscheid
Chmielewski	Isackson	McQuaid	Reichgott	Willet
Dahl	Johnson, D.E.	Merriam	Renneke	
Davis	Jude	Moe, R. D.	Schmitz	
DeCramer	Kamrath	Nelson	Sieloff	

Mr. Peterson, R.W. voted in the negative.

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 1954: A bill for an act relating to elections; making procedural changes; correcting erroneous and obsolete provisions; amending Minnesota Statutes 1982, sections 200.02, subdivision 7; 201.021; 201.061, subdivi-

sion 2; 203B.04, subdivision 4; 203B.06, subdivision 4; 204B.27, subdivisions 2 and 3; 204B.28, subdivision 2; 204B.29, subdivision 1; 204C.27; 204D.11, subdivision 3, and by adding a subdivision; 206.15; 208.04; Minnesota Statutes 1983 Supplement, sections 203B.12, subdivision 2; 204B.36, subdivision 2; 204C.10, subdivision 1; 204C.32, subdivision 2; and 204D.11, subdivisions 1 and 5; repealing Minnesota Statutes 1982, sections 201.018, subdivision 1; 204C.11; and 204C.30, subdivision 2.

Was read the third time 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:

Adkins	Diessner	Kroening	Olson	Solon
Anderson	Dieterich	Kronebusch	Pehler	Spear
Belanger	Frank	Laidig	Peterson, C. C.	Storm
Benson	Frederick	Langseth	Peterson, D. C.	Stumpf
Berg	Frederickson	Lantry	Peterson, R. W.	Taylor
Berglin	Freeman	Lessard	Petty	Ulland
Bernhagen	Hughes	Luther	Purfeerst	Vega
Bertram	Isackson	McQuaid	Ramstad	Waldorf
Chmielewski	Johnson, D.E.	Mehrkens	Reichgott	Wegscheid
Dahl	Johnson, D.J.	Merriam	Renneke	Willet
Davis	Jude	Moe, R. D.	Samuelson	
DeCramer	Kamrath	Nelson	Schmitz	
Dicklich	Knaak	Novak	Sieloff	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 1815: A bill for an act relating to hospitals; giving various public hospital authorities the powers of nonprofit corporations; proposing new law coded in Minnesota Statutes, chapter 144.

Mr. Stumpf moved to amend S.F. No. 1815 as follows:

Page 1, line 12, delete "253,"

Page 1, line 13, delete "447.33" and insert "447.31"

Page 2, line 19, delete "*chapter 16*" and insert "*section 471.345*"

Page 2, after line 20, insert:

"Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective the day following final enactment.*"

The motion prevailed. So the amendment was adopted.

S.F. No. 1815 was read the third time, as amended, and placed on its final passage.

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

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

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Nelson	Samuelson
Anderson	Diessner	Knutson	Novak	Schmitz
Belanger	Dieterich	Kroening	Olson	Sieloff
Benson	Frank	Kronebusch	Pehler	Solon
Berg	Frederick	Laidig	Peterson, C.C.	Spear
Berglin	Frederickson	Langseth	Peterson, D.C.	Storm
Bernhagen	Freeman	Lantry	Peterson, R.W.	Stumpf
Bertram	Hughes	Lessard	Petty	Taylor
Brataas	Isackson	Luther	Pogemiller	Ulland
Chmielewski	Johnson, D.E.	McQuaid	Purfeerst	Vega
Dahl	Johnson, D.J.	Mehrkens	Ramstad	Waldorf
Davis	Jude	Merriam	Reichgott	Wegscheid
DeCramer	Kamrath	Moe, R. D.	Renneke	Willet

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

### SPECIAL ORDER

S.F. No. 1258: A bill for an act relating to the environment; requiring an agreement between the state and federal government prior to test drilling of geologic structures for disposal of high level radioactive waste and notification of results; regulating transportation of high level radioactive waste in the state; providing penalties; amending Minnesota Statutes 1982, section 116C.71, by adding subdivisions; and 116C.74; proposing new law coded in Minnesota Statutes, chapter 116C.

Mr. Merriam moved to amend S.F. No. 1258 as follows:

Page 6, line 15, delete "*addition to*" and insert "*accordance with*"

The motion prevailed. So the amendment was adopted.

Mr. Renneke moved to amend S.F. No. 1258 as follows:

Page 6, line 24, after "*waste*" insert "*that is not being shipped from a nuclear fission electrical generating plant assessed for nuclear safety preparedness under Minnesota Statutes 1983 Supplement, section 12.14.*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 20 and nays 42, as follows:

Those who voted in the affirmative were:

Anderson	Bertram	Kamrath	Lessard	Peterson, D.L.
Benson	Brataas	Knutson	McQuaid	Renneke
Berg	Frederick	Kronebusch	Mehrkens	Sieloff
Bernhagen	Isackson	Laidig	Nelson	Taylor

Those who voted in the negative were:

Adkins	Dieterich	Langseth	Peterson, D.C.	Spear
Belanger	Frank	Lantry	Peterson, R.W.	Stumpf
Berglin	Frederickson	Luther	Petty	Vega
Chmielewski	Freeman	Merriam	Pogemiller	Waldorf
Dahl	Hughes	Moe, D. M.	Purfeerst	Wegscheid
Davis	Johnson, D.J.	Moe, R. D.	Ramstad	Willet
DeCramer	Jude	Novak	Reichgott	
Dicklich	Knaak	Pehler	Schmitz	
Diessner	Kroening	Peterson, C.C.	Solon	

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

Mr. Moe, D.M. moved to amend S.F. No. 1258 as follows:

Page 7, after line 34, insert:

“Sec. 17. [216B.70] [NUCLEAR POWER PLANTS; CONDITIONS FOR CONSTRUCTION.]

*Notwithstanding any law to the contrary, no nuclear fission electric generating plant may be constructed in the state after July 1, 1984, unless the following conditions have been met:*

*(1) the commission finds that there has been developed and that the United States through its authorized agency has approved and there exists a demonstrated method for the permanent and terminal disposition of high-level nuclear waste; and*

*(2) the commission reports its findings to the legislature, and the construction of the nuclear generating power plant is expressly approved by law.”*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, before “amending” insert “regulating nuclear fission electric generating plants in Minnesota;”

Page 1, line 10, delete “chapter” and insert “chapters” and after “116C” insert “and 216B”

Mr. Frederickson moved to amend the Moe, D.M. amendment to S.F. No. 1258 as follows:

Page 1, line 11, after “demonstrated” insert “successful” and after “the” insert “safe”

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the Moe, D.M. amendment, as amended.

The roll was called, and there were yeas 48 and nays 17, as follows:

Those who voted in the affirmative were:

Anderson	Frank	Lantry	Peterson, C. C.	Spear
Berglin	Frederickson	Lessard	Peterson, D. C.	Stumpf
Brataas	Freeman	Luther	Peterson, R. W.	Taylor
Chmielewski	Hughes	Merriam	Petty	Ulland
Dahl	Isackson	Moe, D. M.	Pogemiller	Vega
Davis	Johnson, D. J.	Moe, R. D.	Ramstad	Waldorf
DeCramer	Jude	Nelson	Reichgott	Wegscheid
Dicklich	Knaak	Novak	Renneke	Willet
Diessner	Kroening	Olson	Samuelson	
Dieterich	Langseth	Pehler	Schmitz	

Those who voted in the negative were:

Belanger	Bertram	Knutson	Mehrrens	Storm
Benson	Frederick	Kronebusch	Peterson, D. L.	
Berg	Johnson, D. E.	Laidig	Sieloff	
Bernhagen	Kamrath	McQuaid	Solon	

The motion prevailed. So the Moe, D.M. amendment, as amended, was adopted.

S.F. No. 1258 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 8, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kroening	Pehler	Schmitz
Anderson	Frank	Langseth	Peterson, C. C.	Solon
Belanger	Frederickson	Lantry	Peterson, D. C.	Spear
Berglin	Freeman	Lessard	Peterson, D. L.	Storm
Bertram	Hughes	Luther	Peterson, R. W.	Stumpf
Brataas	Isackson	McQuaid	Petty	Taylor
Chmielewski	Johnson, D.E.	Merriam	Pogemiller	Ulland
Dahl	Johnson, D.J.	Moe, D. M.	Purfeerst	Vega
Davis	Jude	Moe, R. D.	Ramstad	Waldorf
DeCramer	Kamrath	Nelson	Reichgott	Wegscheid
Dicklich	Knaak	Novak	Renneke	Willet
Diessner	Knutson	Olson	Samuelson	

Those who voted in the negative were:

Benson	Bernhagen	Kronebusch	Mehrkens	Sieloff
Berg	Frederick	Laidig		

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

### SPECIAL ORDER

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

Mr. Petty moved to amend S.F. No. 1891 as follows:

Page 1, line 9, delete "*a grievance*" and insert "*an arbitration*"

Page 1, line 10, after "*for*" insert "*allegedly*"

The motion prevailed. So the amendment was adopted.

S.F. No. 1891 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 58 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knaak	Novak	Samuelson
Anderson	Dieterich	Knutson	Olson	Sieloff
Belanger	Frank	Kroening	Pehler	Spear
Benson	Frederick	Kronebusch	Peterson, C. C.	Storm
Berg	Frederickson	Laidig	Peterson, D. C.	Taylor
Berglin	Freeman	Lantry	Peterson, D. L.	Ulland
Bernhagen	Hughes	Lessard	Peterson, R. W.	Vega
Bertram	Isackson	Luther	Petty	Waldorf
Brataas	Johnson, D.E.	McQuaid	Pogemiller	Wegscheid
Dahl	Johnson, D.J.	Mehrkens	Purfeerst	Willet
Davis	Jude	Merriam	Ramstad	
DeCramer	Kamrath	Moe, R. D.	Reichgott	

Mr. Chmielewski voted in the negative.

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

**SPECIAL ORDER**

S.F. No. 1849: A bill for an act relating to crimes; prohibiting the purchase or sale of human organs; amending Minnesota Statutes 1982, section 145.422, subdivision 3.

Mr. Jude moved to amend S.F. No. 1849 as follows:

Page 1, line 10, delete "living" and insert "nonrenewable"

Page 1, lines 14 to 17, delete the new language and insert ":(2) payments for reasonable expenses associated with the removal, storage, and transportation of a human organ, including payments made to or on behalf of a living organ donor for actual expenses such as medical costs, lost income, or travel expenses that are incurred as a direct result of the donation of the nonrenewable organ; or (3) financial assistance payments provided under insurance and medicare reimbursement programs"

The motion prevailed. So the amendment was adopted.

S.F. No. 1849 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Pehler	Sieloff
Anderson	Diessner	Kroening	Peterson, C.C.	Spear
Belanger	Dieterich	Kronebusch	Peterson, D.C.	Storm
Benson	Frank	Laidig	Peterson, D.L.	Stumpf
Berg	Frederickson	Lantry	Peterson, R.W.	Taylor
Berglin	Freeman	Lessard	Petty	Ulland
Bernhagen	Hughes	Luther	Pogemiller	Vega
Bertram	Isackson	McQuaid	Purfeerst	Waldorf
Brataas	Johnson, D.E.	Mehrkens	Ramstad	Wegscheid
Chmielewski	Johnson, D.J.	Merriam	Reichgott	Willet
Dahl	Jude	Moe, R. D.	Renneke	
Davis	Kamrath	Novak	Samuelson	
DeCramer	Knaak	Olson	Schmitz	

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

**SPECIAL ORDER**

S.F. No. 1859: A bill for an act relating to commerce; requiring insurance for motor vehicle service contracts; requiring motor vehicle service contract providers to file certain forms; prohibiting the issuance of motor vehicle service contracts in certain circumstances; authorizing the commissioner of commerce to adopt rules; proposing new law coded in Minnesota Statutes, chapter 65B.

Was read the third time 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:

Adkins	Dicklich	Knaak	Olson	Samuelson
Anderson	Diessner	Knutson	Pehler	Schmitz
Belanger	Dieterich	Kroening	Peterson, C. C.	Sieloff
Benson	Frank	Kronebusch	Peterson, D. C.	Spear
Berg	Frederickson	Laidig	Peterson, D. L.	Storm
Berglin	Freeman	Lantry	Peterson, R. W.	Stumpf
Bertram	Hughes	Lessard	Petty	Taylor
Brataas	Isackson	Luther	Pogemiller	Ulland
Chmielewski	Johnson, D. E.	McQuaid	Purfeerst	Vega
Dahl	Johnson, D. J.	Merriam	Ramstad	Wegscheid
Davis	Jude	Moe, R. D.	Reichgott	Willet
DeCramer	Kamrath	Novak	Renneke	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 2047: A bill for an act relating to transportation; authorizing the expenditure of county turnback account funds and state transportation bond funds for bridges ten feet or more in length following replacement; amending Minnesota Statutes 1982, section 174.50, subdivision 7; and Minnesota Statutes 1983 Supplement, section 161.082, subdivision 2a.

Mr. Taylor moved to amend H.F. No. 2047 as follows:

Page 2, after line 17, insert:

“Sec. 3. Minnesota Statutes 1982, section 161.14, is amended by adding a subdivision to read:

*Subd. 20. [VETERANS MEMORIAL BRIDGE.] The bridge over the Minnesota River between the cities of Mankato and North Mankato, being a part of legislative route no. 256, is named and designated the “Veterans Memorial Bridge.” Plaques or signs memorializing this bridge must be furnished by other than the Minnesota department of transportation and approved by the commissioner.”*

Page 2, line 19, delete “and 2” and insert “to 3”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert “designating a bridge as the Veterans Memorial Bridge;”

Page 1, line 6, delete “section” and insert “sections 161.14, by adding a subdivision;”

The motion prevailed. So the amendment was adopted.

H.F. No. 2047 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:



Adkins	Dicklich	Knutson	Novak	Schmitz
Anderson	Diessner	Kroening	Olson	Sieloff
Belanger	Dieterich	Kronebusch	Pehler	Spear
Benson	Frank	Laidig	Peterson, C. C.	Storm
Berg	Frederickson	Lantry	Peterson, D. C.	Stumpf
Berglin	Freeman	Lessard	Peterson, D. L.	Taylor
Bernhagen	Hughes	Luther	Peterson, R. W.	Ulland
Bertram	Isackson	McQuaid	Petty	Vega
Brataas	Johnson, D. E.	Mehrkens	Pogemiller	Waldorf
Chmielewski	Johnson, D. J.	Merriam	Ramstad	Wegscheid
Dahl	Jude	Moe, D. M.	Reichgott	Willet
Davis	Kamrath	Moe, R. D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	

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

### SPECIAL ORDER

S.F. No. 1905: A bill for an act relating to crimes; providing penalties for falsely reporting a medical emergency and for interfering with emergency communications over a citizen's band radio channel; imposing a penalty; amending Minnesota Statutes 1983 Supplement, section 609.78.

Was read the third time 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:

Adkins	Dicklich	Kroening	Nelson	Spear
Anderson	Frank	Kronebusch	Novak	Storm
Belanger	Frederickson	Laidig	Pehler	Stumpf
Benson	Freeman	Langseth	Peterson, C. C.	Taylor
Berg	Hughes	Lantry	Peterson, D. C.	Ulland
Berglin	Isackson	Lessard	Peterson, D. L.	Vega
Bertram	Johnson, D. E.	Luther	Peterson, R. W.	Waldorf
Brataas	Johnson, D. J.	McQuaid	Petty	Wegscheid
Chmielewski	Jude	Mehrkens	Pogemiller	Willet
Dahl	Kamrath	Merriam	Ramstad	
Davis	Knaak	Moe, D. M.	Renneke	
DeCramer	Knutson	Moe, R. D.	Sieloff	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 1974: A bill for an act relating to commerce; clarifying the limitations on enforcement of indemnification agreements in construction contracts; amending Minnesota Statutes 1983 Supplement, sections 337.01, subdivisions 2, 3, and 4; 337.02; 337.03; and 337.05, subdivision 2, and by adding subdivisions; and Laws 1983, chapter 333, section 6; proposing new law coded in Minnesota Statutes, chapter 337.

Was read the third time 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:

Adkins	Dieterich	Knutson	Novak	Storm
Anderson	Frank	Kroening	Pehler	Stumpf
Benson	Frederick	Kronebusch	Peterson, C.C.	Taylor
Berg	Frederickson	Laidig	Peterson, D.C.	Ulland
Berglin	Freeman	Langseth	Peterson, R.W.	Vega
Bernhagen	Hughes	Lantry	Petty	Waldorf
Bertram	Isackson	Luther	Pogemiller	Wegscheid
Brataas	Johnson, D.E.	McQuaid	Ramstad	Willet
Chmielewski	Johnson, D.J.	Merriam	Reichgott	
Dahl	Jude	Moe, D. M.	Renneke	
Davis	Kamrath	Moe, R. D.	Sieloff	
DeCramer	Knaak	Nelson	Spear	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 1986: A bill for an act relating to public employment labor relations; recodifying the public employment labor relations act; proposing new law coded as Minnesota Statutes, chapter 179A; repealing Minnesota Statutes 1982, sections 179.61 to 179.76, as amended.

Mr. Nelson moved to amend S.F. No. 1986 as follows:

Page 16, line 9, delete "20" and insert "19"

The motion prevailed. So the amendment was adopted.

S.F. No. 1986 was read the third time, as amended, and placed on its final passage.

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

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

Those who voted in the affirmative were:

Adkins	Dieterich	Kronebusch	Peterson, D.C.	Spear
Anderson	Frank	Laidig	Peterson, D.L.	Storm
Belanger	Frederick	Lantry	Peterson, R.W.	Stumpf
Benson	Frederickson	Lessard	Petty	Taylor
Berg	Freeman	Luther	Pogemiller	Ulland
Berglin	Hughes	McQuaid	Purfeerst	Vega
Bernhagen	Isackson	Mehrrens	Ramstad	Waldorf
Brataas	Johnson, D.E.	Moe, D. M.	Reichgott	Wegscheid
Chmielewski	Johnson, D.J.	Nelson	Renneke	Willet
Dahl	Jude	Novak	Samuelson	
Davis	Kamrath	Olson	Schmitz	
DeCramer	Knaak	Pehler	Sieloff	
Dicklich	Knutson	Peterson, C.C.	Solon	

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

### SPECIAL ORDER

S.F. No. 1883: A bill for an act relating to occupations and professions; prohibiting evidence of the previous sexual conduct of a patient or client in proceedings concerning unprofessional conduct; proposing new law coded in Minnesota Statutes, chapters 147 and 148.

Mr. Sieloff moved that S.F. No. 1883, No. 64 on Special Orders, be stricken and re-referred to the Committee on Judiciary. The motion did not

prevail.

### CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate for the balance of today's proceedings. The Sergeant at Arms was instructed to bring in the absent members.

S.F. No. 1883 was then progressed.

### SPECIAL ORDER

H.F. No. 1445: A bill for an act relating to crimes; defining aggravated criminal damage to property; amending Minnesota Statutes 1982, section 609.595, subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Novak	Samuelson
Anderson	Diessner	Knutson	Olson	Sieloff
Belanger	Dieterich	Kronebusch	Pehler	Spear
Benson	Frank	Laidig	Peterson, C.C.	Storm
Berg	Frederick	Langseth	Peterson, D.C.	Stumpf
Berglin	Frederickson	Lantry	Peterson, D.L.	Taylor
Bernhagen	Freeman	Lessard	Peterson, R.W.	Ulland
Bertram	Hughes	Luther	Petty	Vega
Brataas	Isackson	McQuaid	Pogemiller	Waldorf
Chmielewski	Johnson, D.E.	Mehrkens	Purfeerst	Willet
Dahl	Johnson, D.J.	Merriam	Ramstad	
Davis	Jude	Moe, R. D.	Reichgott	
DeCramer	Kamrath	Nelson	Renneke	

Messrs. Kroening and Schmitz voted in the negative.

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1528: A bill for an act relating to taxation; updating references to the internal revenue code; simplifying certain income tax and property tax refund provisions; making technical corrections and administrative changes to income tax, inheritance tax and property tax refund provisions; amending Minnesota Statutes 1982, sections 10A.31, subdivision 1; 62E.11, subdivision 8; 171.31; 271.19; 290.01, subdivision 20e; 290.012, subdivision 3; 290.05, subdivision 4; 290.06, subdivisions 3e, 3f, and 3g; 290.095, subdivision 11; 290.17, subdivision 1a; 290.19, subdivision 1a; 290.23, subdivision 3; 290.311, subdivision 1; 290.41, subdivision 2, and by adding a subdivision; 290.56, subdivisions 4 and 5; 290.61; 290.931, subdivision 1; 290A.07, subdivision 2a; 600.21; Minnesota Statutes 1983 Supplement, sections 176.186; 290.01, subdivisions 20, 20a, 20b, and 20f; 290.032, subdivision 2; 290.06, subdivisions 2c, 3d, 11, 13, and 14; 290.067, subdivisions 1 and 2; 290.077, subdivision 4; 290.089, subdivisions 2 and 3; 290.09, subdivisions 5 and 29; 290.091; 290.10; 290.17, subdivisions 1 and 2;

290.174; 290.175; 290.18, subdivision 1; 290.21, subdivision 3; 290.37, subdivision 1; 290.431; 290.45, subdivision 1; 290.46; 290.92, subdivision 26; 290.93, subdivision 10; 290.9726, subdivision 5; 290A.03, subdivisions 3, 6, 11, 12, and 14; 290A.04, subdivisions 1 and 2; 290A.07, subdivision 3; and 296.18, subdivision 1; Laws 1980, chapter 439, section 36; repealing Minnesota Statutes 1982, sections 290.011; 290.311, subdivision 2; Minnesota Statutes 1983 Supplement, section 290A.16; and Laws 1983, chapter 207, section 6.

Mr. Peterson, C.C. moved to amend H.F. No. 1528, as amended pursuant to Rule 49, adopted by the Senate April 9, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1516.)

Page 21, reinstate lines 3 to 5 and renumber the clauses in sequence

Page 25, line 26, delete "(15)" and insert "(18)"

Page 25, line 34, delete "(14)" and insert "(17)"

Pages 28 and 29, delete section 8

Page 33, lines 16 to 26, reinstate the stricken language and delete the new language

Page 34, lines 4 to 6 and 21 to 23, reinstate the stricken language and delete the new language

Page 35, lines 1 to 3, reinstate the stricken language and delete the new language

Pages 35 and 36, delete sections 14 and 15

Page 48, after line 21, insert:

*"(6) Federal preference items which arise from a farm shall not be a preference item to the extent they exceed the loss allowed under section 290.09, subdivision 29, other than interest and taxes."*

Page 61, line 36, delete the new language

Page 62, lines 1 to 3, delete the new language

Page 65, line 21, delete "9, and 38" and insert "8, and 35"

Page 65, line 22, delete "8, 10 to 21, 24 to 34, 37, and 39" and insert "9 to 18, 21 to 31, 34, and 36"

Page 65, line 24, delete "22" and insert "19"

Page 65, line 30, delete "23" and insert "20"

Page 65, line 33, delete "sections 35 and 36 are" and insert "section 32 is"

Page 65, line 35, after the period, insert "Section 33 is effective for claims based on rent paid in 1985 and thereafter."

Page 67, line 28, after "state" insert "for purposes of auditing corporate sales, excise, and income tax returns"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, delete "290.012, subdivision 3;"

Page 1, line 10, after "3e," insert "and" and after "3f" delete the comma

Page 1, line 11, delete "and 3g"

Page 1, line 19, delete "11,"

Mr. Merriam requested division of the amendment as follows:

First portion:

Page 21, reinstate lines 3 to 5 and renumber the clauses in sequence

Page 25, line 26, delete "(15)" and insert "(18)"

Page 25, line 34, delete "(14)" and insert "(17)"

Pages 28 and 29, delete section 8

Page 33, lines 16 to 26, reinstate the stricken language and delete the new language

Page 34, lines 4 to 6 and 21 to 23, reinstate the stricken language and delete the new language

Page 35, lines 1 to 3, reinstate the stricken language and delete the new language

Page 35, delete section 14

Page 48, after line 21, insert:

*"(6) Federal preference items which arise from a farm shall not be a preference item to the extent they exceed the loss allowed under section 290.09, subdivision 29, other than interest and taxes."*

Page 61, line 36, delete the new language

Page 62, lines 1 to 3, delete the new language

Page 65, line 21, delete "9, and 38" and insert "8, and 35"

Page 65, line 22, delete "8, 10 to 21, 24 to 34, 37, and 39" and insert "9 to 18, 21 to 31, 34, and 36"

Page 65, line 24, delete "22" and insert "19"

Page 65, line 30, delete "23" and insert "20"

Page 65, line 33, delete "sections 35 and 36 are" and insert "section 32 is"

Page 65, line 35, after the period, insert "Section 33 is effective for claims based on rent paid in 1985 and thereafter."

Page 67, line 28, after "state" insert "for purposes of auditing corporate sales, excise, and income tax returns"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, delete "290.012, subdivision 3;"

Page 1, line 10, after "3e," insert "and" and after "3f" delete the comma

Page 1, line 11, delete "and 3g"

Second portion:

Pages 35 and 36, delete section 15

Renumber the sections in sequence

Amend the title accordingly

The question was taken on the adoption of the first portion of the amendment. The motion prevailed. So the first portion of the amendment was adopted.

The question was taken on the adoption of the second portion of the amendment. The motion prevailed. So the second portion of the amendment was adopted.

Mr. Merriam then moved to amend H.F. No. 1528, as amended pursuant to Rule 49, adopted by the Senate April 9, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1516.)

Page 68, delete section 6

Page 73, line 10, delete "7, and 8" and insert "6, and 7"

Page 73, line 11, delete "Section 6 is effective for taxable years"

Page 73, line 12, delete "beginning after December 31, 1983." and delete "9, 10, and 11" and insert "8, 9, and 10"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 12, delete "290.19, subdivision 1a;"

The motion prevailed. So the amendment was adopted.

Mr. Sieloff moved to amend H.F. No. 1528, as amended pursuant to Rule 49, adopted by the Senate April 9, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1516.)

Page 88, after line 4, insert:

#### "ARTICLE 5

#### CHILD SUPPORT WITHHOLDING

Section 1. Minnesota Statutes 1982, section 290.50, subdivision 6, is amended to read:

Subd. 6. [WITHHOLDING OF REFUNDS FROM CHILD SUPPORT DEBTORS.] Upon a finding by a court of this state that a person obligated to pay child support is delinquent in making payments, the amount of child support unpaid and owing *including attorneys fees and costs incurred in ascertaining or collecting child support* shall be withheld from a refund due the person under this section. The public agency responsible for child support enforcement or the parent or guardian of a child for whom the support is, *attorneys fees and costs are* owed may petition the district or county court for an order providing for the withholding of the amount of child support, *attorneys fees and costs* unpaid and owing as determined by court order. The person from whom the refund may be withheld shall be notified of the peti-

tion pursuant to the rules of civil procedure prior to the issuance of an order pursuant to this subdivision. The order may be granted on a showing to the court that required support payments, *attorneys fees and costs* have not been made when they were due.

On order of the court, the ~~support~~ money shall be withheld by the commissioner from the refund due to the person obligated to pay the support and the amount withheld shall be remitted to the public agency responsible for child support enforcement or to the parent or guardian petitioning on behalf of the child, provided that any delinquent tax obligations of the taxpayer owed to the revenue department shall be satisfied first. Any amount received by the responsible public agency or the petitioning parent or guardian in excess of the amount of public assistance expended for the benefit of the child to be supported, or the amount of any support, *attorneys fees and costs* 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, shall be remitted to the person entitled to the money. 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 until the support money, attorneys fees and costs have been paid in full or the court orders the commissioner to discontinue withholding the money from the refund due the person obligated to pay the support, attorneys fees and costs.~~ 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.~~

Sec. 2. Laws 1982, chapter 523, article 4, section 2, is amended to read:

This article is effective the day following final enactment ~~and shall terminate June 30, 1984.~~

Sec. 3. [EFFECTIVE DATE.]

*Section 1 is effective for court orders issued after May 31, 1984. Section 2 is effective the day after final enactment."*

Amend the title as follows:

Page 1, line 6, after "provisions;" insert "making child support withholding permanent; providing for withholding of attorneys fees and costs;"

Page 1, line 14, after "subdivision;" insert "290.50, subdivision 6;"

Page 1, line 29, after "section 36;" insert "Laws 1982, chapter 523, article 4, section 2;"

The motion prevailed. So the amendment was adopted.

H.F. No. 1528 was then progressed.

### SPECIAL ORDER

H.F. No. 1814: A bill for an act relating to taxation; providing for the determination of EARC adjusted assessed value; clarifying certain property tax credit provisions; simplifying iron ore valuation hearing requirements; modifying assessment procedures of certain class 3 property; extending 3cc classification to homesteads of private disability pension recipients; providing for assessment of certain homestead property; authorizing abatements; altering the process for determining flexible homestead brackets; changing dates for board of equalization meetings and filing of corrected assessment lists; clarifying levy limit provisions; allowing for the rounding of amounts of special assessments on tax statements; changing the date for the issuance of warrants for delinquent personal property taxes; providing for property tax appeals; providing for additional administrative procedures for cigarette tax collection; providing a credit for stockpiled ore; requiring annual payment of occupation taxes; changing payment method for production taxes; adopting certain procedures relating to liquor tax collections; authorizing issuance of capital notes by counties; authorizing county treasurers to charge for dishonored checks; amending Minnesota Statutes 1982, sections 124.2131, subdivision 1; 273.1104, subdivision 2; 273.13, subdivision 19; 274.14; 274.16; 277.03; 278.07; 298.031, subdivision 2; 298.09, subdivision 2; 298.27; 298.282, subdivision 3; 340.601; 373.01, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 124.2137, subdivision 1; 273.13, subdivisions 7 and 21; 273.1311; 273.1315; 275.50, subdivision 5; 275.51, subdivision 3i; 276.04; and 298.28, subdivision 1; proposing new law coded in Minnesota Statutes, chapters 297; 340; and 385; repealing Minnesota Statutes 1982, sections 298.045; 298.046; 298.047; and 298.048.

Mr. Chmielewski moved to amend H.F. No. 1814, as amended pursuant to Rule 49, adopted by the Senate April 11, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1551.)

Page 20, after line 14, insert:

"Sec. 17. Minnesota Statutes 1983 Supplement, section 279.01, subdivision 1, is amended to read:

Subdivision 1. On May 16, of each year, with respect to property actually occupied and used as a homestead by the owner of the property, a penalty of three percent shall accrue and thereafter be charged upon all unpaid taxes on real estate on the current lists in the hands of the county treasurer, and a penalty of seven percent on nonhomestead property, *except that this penalty shall accrue on June 1 of each year commercial use real property used for seasonal residential recreational purposes and classified as class 3 or 3a, and on other commercial use real property classified as class 4c, provided that over 60 percent of the gross income earned by the enterprise on the class 4c property is earned during the months of May, June, July, and August. Any*



*property owner of such class 4c property who pays the first half of the tax due on the property after May 15 and before June 1 shall attach an affidavit to his payment attesting to compliance with the income provision of this subdivision.* Thereafter, for both homestead and nonhomestead property, on the 16th day of each month, up to and including October 16 following, an additional penalty of one percent for each month shall accrue and be charged on all such unpaid taxes. When the taxes against any tract or lot exceed \$10, one-half thereof may be paid prior to May 16; and, if so paid, no penalty shall attach; the remaining one-half shall be paid at any time prior to October 16 following, without penalty; but, if not so paid, then a penalty of four percent shall accrue thereon for homestead property and a penalty of four percent on nonhomestead property. Thereafter, for homestead property, on the 16th day of each month up to and including December 16 following, an additional penalty of two percent for each month shall accrue and be charged on all such unpaid taxes. Thereafter, for nonhomestead property, on the 16th day of each month up to and including December 16 following, an additional penalty of four percent for each month shall accrue and be charged on all such unpaid taxes. If one-half of such taxes shall not be paid prior to May 16, the same may be paid at any time prior to October 16, with accrued penalties to the date of payment added, and thereupon no penalty shall attach to the remaining one-half until October 16 following; provided, also, that the same may be paid in installments as follows: One-fourth prior to March 16; one-fourth prior to May 16; one-fourth prior to August 16; and the remaining one-fourth prior to October 16, subject to the aforesaid penalties. Where the taxes delinquent after October 16 against any tract or parcel exceed \$40, they may be paid in installments of not less than 25 percent thereof, together with all accrued penalties and costs, up to the next tax judgment sale, and after such payment, penalties, interest, and costs shall accrue only on the sum remaining unpaid. Any county treasurer who shall make out and deliver or countersign any receipt for any such taxes without including all of the foregoing penalties therein, shall be liable to the county for the amount of such penalties."

Page 35, line 29, delete "23, 24, 25, 27, and 28" and insert "20, 24, 25, 26, 28, and 29"

Page 35, line 33, delete "20 to 22" and insert "21 to 23"

Amend the title as follows:

Page 1, line 11, after the semicolon insert "delaying imposition of a property tax penalty;"

Page 1, line 34, after "276.04;" insert "279.01, subdivision 1;"

The motion prevailed. So the amendment was adopted.

Mr. Johnson, D.J. moved to amend H.F. No. 1814, as amended pursuant to Rule 49, adopted by the Senate April 11, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1551.)

Page 9, line 7, after the period, insert "A duplex that is entitled to homestead classification for one or both units shall be assessed as 3b, 3c, or 3cc in its entirety."

Page 35, line 29, after "11," insert "12,"

The motion prevailed. So the amendment was adopted.

Mr. Bernhagen moved to amend H.F. No. 1814, as amended pursuant to Rule 49, adopted by the Senate April 11, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1551.)

Pages 19 and 20, delete section 16

Page 35, line 29, delete "17, 18, 19, 23, 24, 25, 27, and 28" and insert "16, 17, 18, 22, 23, 24, 26, and 27"

Page 35, line 32, delete everything after the period

Page 35, line 33, delete everything before "Sections"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 17, delete everything after the first semicolon

Page 1, line 28, delete "278.07;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 26 and nays 38, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Taylor
Belanger	Frederickson	Kronebusch	Peterson, D.L.	Ulland
Benson	Isackson	Laidig	Ramstad	
Berg	Johnson, D.E.	Lessard	Renneke	
Bernhagen	Kamrath	McQuaid	Sieloff	
Brataas	Knaak	Mehrkens	Storm	

Those who voted in the negative were:

Adkins	Diessner	Langseth	Pehler	Solon
Berglin	Dieterich	Lantry	Peterson, C.C.	Spear
Bertram	Frank	Luther	Peterson, D.C.	Stumpf
Chmielewski	Freeman	Merriam	Peterson, R.W.	Vega
Dahl	Hughes	Moe, D. M.	Petty	Waldorf
Davis	Johnson, D.J.	Moe, R. D.	Pogemiller	Willet
DeCramer	Jude	Nelson	Reichgott	
Dicklich	Kroening	Novak	Schmitz	

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

Mr. Sieloff moved to amend H.F. No. 1814, as amended pursuant to Rule 49, adopted by the Senate April 11, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1551.)

Page 35, after line 25, insert:

"Sec. 29. [PROPOSED AMENDMENT.]

*An amendment to the Minnesota Constitution, article X, adding a section, is proposed to the people. If the amendment is adopted, the section will read:*

*Sec. 8. The sum of all ad valorem taxes, other than a charge for a specific service provided or a special assessment against the benefited property, levied upon property in any year by all taxing authorities shall not exceed 1.5 percent of the market value of homestead property or three percent of the*

market value of nonhomestead property, after any reductions or credits applied against the tax except any credits or refunds which are determined with reference to the income of the property owner. The term "taxing authority" for purposes of this section means the state, any political subdivision, school district, taxing district, or any other entity authorized by law to levy, or have levied for it, ad valorem taxes on homestead property.

The limitation provided in this section does not include (a) taxes levied to pay the costs of principal and interest on bonded indebtedness or certificates of indebtedness issued prior to November 6, 1984 unless the bonds or certificates are issued in anticipation of receipt of taxes or aids for the purpose of funding current or general expenses or funding an insufficiency in receipts from taxes or other sources; or (b) taxes authorized to be levied by a majority vote of the residents of a taxing authority voting on a proposal to levy outside of this limit.

The legislature by law may define, for purposes of this section, the terms "homestead property" and "market value."

The legislature shall provide by law procedures implementing the limitation provided in this section.

Sec. 30. [SUBMISSION TO VOTERS.]

The amendment proposed in section 29 shall be submitted to the people at the 1984 general election. The question submitted shall be:

"Shall the Minnesota Constitution be amended to limit property taxes to 1.5 percent of market value in the case of homestead property and three percent in the case of nonhomestead property?"

Yes .....

No .....

Renumber the remaining section

Amend the title as follows:

Page 1, line 25, after the semicolon, insert "proposing an amendment to the Minnesota Constitution, article X, by adding a section providing that property taxes may not exceed a percentage of market value;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 12 and nays 55, as follows:

Those who voted in the affirmative were:

Anderson	Knaak	McQuaid	Ramstad	Taylor
Belanger	Knutson	Olson	Sieloff	Ulland
Frederickson	Laidig			

Those who voted in the negative were:

Adkins	Dicklich	Kamrath	Nelson	Renneke
Benson	Diessner	Kroening	Novak	Samuelson
Berg	Dieterich	Kronebusch	Pehler	Schmitz
Berglin	Frank	Langseth	Peterson, C.C.	Solon
Bernhagen	Frederick	Lantry	Peterson, D.C.	Spear
Bertram	Freeman	Lessard	Peterson, D.L.	Storm
Brataas	Hughes	Luther	Peterson, R.W.	Stumpf
Chmielewski	Isackson	Mehrkens	Petty	Vega
Dahl	Johnson, D.E.	Merriam	Pogemiller	Waldorf
Davis	Johnson, D.J.	Moe, D. M.	Purfeerst	Wegscheid
DeCramer	Jude	Moe, R. D.	Reichgott	Willet

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

Mr. Solon moved to amend H.F. No. 1814, as amended pursuant to Rule 49, adopted by the Senate April 11, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1551.)

Page 20, after line 14, insert:

“Sec. 17. Minnesota Statutes 1982, section 279.37, subdivision 1, is amended to read:

Subdivision 1. [COMPOSITION INTO ONE ITEM.] Delinquent taxes upon any parcel of real estate which have been bid in for and are held by the state and not assigned by it, may be composed into one item or amount by confession of judgment at any time prior to the forfeiture of such 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 only taxes upon property which, for the previous year's assessment, was classified as homestead property pursuant to section 273.13, subdivisions 6, 6a, 7, and 14a for assessment at an assessed value not exceeding 40 percent of market value shall be eligible to be composed into any confession of judgment pursuant to this section.”

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 28, after “278.07;” insert “279.37, subdivision 1;”

The motion prevailed. So the amendment was adopted.

H.F. No. 1814 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 66 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Pehler	Solon
Anderson	Dieterich	Kronebusch	Peterson.C.C.	Spear
Belanger	Frank	Laidig	Peterson.D.C.	Storm
Benson	Frederick	Lantry	Peterson.D.L.	Stumpf
Berg	Frederickson	Lessard	Peterson.R.W.	Taylor
Berglin	Freeman	Luther	Petty	Uiland
Bernhagen	Hughes	McQuaid	Pogemiller	Vega
Bertram	Isackson	Mehrkens	Purfeerst	Waldorf
Brataas	Johnson, D.E.	Merriam	Ramstad	Wegscheid
Chmielewski	Johnson, D.J.	Moe, D. M.	Reichgott	Willet
Dahl	Jude	Moe, R. D.	Renneke	
Davis	Kamrath	Nelson	Samuelson	
DeCramer	Knaak	Novak	Schmitz	
Dicklich	Knutson	Olson	Sieloff	

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 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. Moe, R.D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Dicklich moved that H.F. No. 2180 be withdrawn from the Committee on Rules and Administration, given its second reading and placed on Special Orders. The motion prevailed.

H.F. No. 2180 was read the second time.

Mr. Johnson, D.J. moved that H.F. No. 2016 be taken from the table. The motion prevailed.

H.F. No. 2016: A bill for an act relating to taxation; repealing the income tax surtax; modifying the designation of enterprise zones; increasing the funding for enterprise zones; modifying the definition of political party under the political contribution credit; providing an income tax credit for conservation tillage farm equipment; eliminating racehorses from the farm loss modification; permitting certain net operating loss carrybacks; permitting deduction of certain foreign taxes paid; allowing deduction of foreign dividends and royalties; modifying the definition of apportionment factors; restricting tax exemptions for redevelopment companies; changing the computation of the school agricultural credit retroactive to taxes payable in 1984 in certain cases; modifying the maximum targeting credit for payable 1984; providing a targeting credit for payable 1985; changing computation of certain local government aid payments; directing the department of revenue to issue guidelines on certain topics; instructing the commissioner to determine production value ratio; authorizing certain additional levies in counties; modifying the use of the sales ratio study as evidence in court; changing the methodology of the sales ratio study; changing certain property tax appeal procedures; imposing requirements for disaster relief credits; increasing agricultural aid to certain property; modifying the homestead credit provisions for certain property and providing refunds; changing the classification ratio maximum value on commercial and industrial property; limiting the property tax exemption for certain projects; repealing the exemption for franchise and special taxes and fees for certain projects; modifying the property tax refund with respect to certain claims; repealing rent capitalization; changing the estate tax; allowing the commissioner more discretion in valuing railroad property; providing for equalization of railroad valuations; authorizing the Ramsey-Washington metro watershed district to establish a maintenance and repair fund and levy taxes; creating the Croft historical park board; authorizing the board to levy taxes; authorizing the city of Cloquet to levy taxes for certain transit expenses; authorizing the conveyance of certain land in St. Louis County; clarifying the application of the mortgage registry tax to revolving lines of credit; changing the procedures for refunds of the motor fuels tax; reducing the sales tax rate for purchases of capital equipment and manufactured housing; exempting agricultural electricity, residential hot water district heating, and used manufactured housing from the sales tax; exempting certain sales by nonprofit organizations from the sales tax; exempting

residential district heating from the St. Paul franchise tax; repealing the accelerated payment of sales tax; transferring motor vehicle excise tax proceeds to the highway user and transit funds; providing for the priority of certain liens securing revolving lines of credit; increasing the interest rate on state tax refunds; appropriating money; amending Minnesota Statutes 1982, sections 10A.31, subdivisions 3a and 5; 124.2131, subdivision 1; 270.80, subdivision 4; 270.84, subdivision 1; 270.86; 270.87; 270A.07, subdivision 5; 271.01, subdivision 5; 271.06, subdivision 6; 271.12; 273.123, by adding subdivisions; 273.13, subdivisions 9 and 19; 287.05, by adding subdivisions; 290.01, subdivision 20e; 290.06, by adding a subdivision; 290.19, subdivision 1a; 290.21, by adding a subdivision; 290.92, subdivision 11; 290.936; 290A.04, by adding a subdivision; 290A.07, subdivision 2a; 291.075; 291.09, subdivision 1a; 291.132, subdivision 2; 291.18; 291.215, subdivision 1; 294.09, subdivision 1; 296.18, subdivisions 3 and 8; 297A.01, by adding subdivisions; 297A.15, by adding a subdivision; 297B.035, subdivision 3; 298.09, subdivision 4; 299.05; 462.651, subdivision 1, and by adding a subdivision; and 477A.13; Minnesota Statutes 1983 Supplement, sections 16A.15, subdivision 6; 124.2137, subdivision 1; 273.11, subdivision 1; 273.13, subdivisions 6 and 21; 273.1314, subdivisions 6, 8, and 15; 278.01, subdivision 1; 278.05, subdivision 4; 290.06, subdivision 11; 290.09, subdivision 29; 290.18, subdivision 2; 290.21, subdivision 4; 290.50, subdivision 1; 290.92, subdivision 13; 290.93, subdivision 9; 290A.03, subdivisions 8 and 13; 290A.04, subdivision 2e, and by adding a subdivision; 290A.05; 290A.07, subdivision 3; 291.005, subdivision 1; 291.03, subdivision 1; 291.09, subdivision 3a; 296.14, subdivision 4; 296.18, subdivision 1; 297A.02, subdivision 2, and by adding a subdivision; 297A.14; 297A.25, subdivision 1; 297A.27, subdivision 1; 297A.35, subdivision 1; 297B.09; and 477A.013, subdivision 1; Laws 1979, chapter 189, section 2; proposing new law coded in Minnesota Statutes, chapters 270, 507 and 508; repealing Minnesota Statutes 1982, sections 270.90; 291.015; 291.03, subdivisions 3, 4, 5, 6, and 7; 291.05; 291.051; 291.06; 291.065; 291.07; 291.08; 291.09, subdivision 5; 291.111; and 462.651, subdivision 2; Minnesota Statutes 1983 Supplement, sections 273.11, subdivision 7; 290.06, subdivisions 2e and 13; 297A.275; and 462.651, subdivision 3; and Laws 1983, chapter 342, article 1, section 8.

### 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. 2016 and that the rules of the Senate be so far suspended as to give H.F. No. 2016 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 2016 was read the second time.

Mr. Johnson, D.J. moved to amend H.F. No. 2016 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 2016, and insert the language after the enacting clause, and the title, of S.F. No. 1969, the first engrossment.

The motion prevailed. So the amendment was adopted.

Mr. Johnson, D.J. then moved to amend H.F. No. 2016, as amended by

the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Page 27, line 32, delete "19" and insert "24"

Page 28, line 2, delete "20" and insert "24"

Page 28, line 13, delete "20 and 21" and insert "24 and 25"

Page 29, line 15, delete "23" and insert "27"

Page 30, line 36, delete "14" and insert "18"

Page 31, line 1, delete "14" and insert "18"

Page 31, line 4, delete "20 and 21" and insert "24 and 25"

Page 31, line 14, delete "9" and insert "13"

Page 31, line 16, delete "11 and 12" and insert "14 and 15"

Page 31, line 17, delete "13" and insert "17"

Page 31, line 18, delete "14 to 16, and 18 to 22" and insert "18 to 20, and 22 to 26"

Page 31, line 21, delete "23" and insert "27"

The motion prevailed. So the amendment was adopted.

Mr. Lessard moved to amend H.F. No. 2016, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Page 47, after line 1, insert:

"Sec. 12. Minnesota Statutes 1982, section 297A.01, subdivision 15, is amended to read:

Subd. 15. "Farm machinery" means new or used machinery, equipment, implements, accessories and contrivances used directly and principally in the production for sale, but not including the processing, of livestock, dairy animals, dairy products, poultry and poultry products, fruits, vegetables, forage, grains and bees and apiary products. "Farm machinery" shall include machinery for the preparation, seeding or cultivation of soil for growing agricultural crops, harvesting and threshing of agricultural products, and certain machinery for dairy, livestock and poultry farms, together with barn cleaners, milking systems, grain dryers, automatic feeding systems and similar installations. Irrigation equipment sold for exclusively agricultural use, including pumps, pipe fittings, valves, sprinklers and other equipment necessary to the operation of an irrigation system when sold as part of an irrigation system, except irrigation equipment which is situated below ground and considered to be a part of the real property, shall be included in the definition of farm machinery. *Logging equipment, except chain saws, shall be included in the definition of farm machinery.* Repair or replacement parts for farm machinery shall not be included in the definition of farm machinery.

Tools, shop equipment, grain bins, feed bunks, fencing material, communication equipment and other farm supplies shall not be considered to be farm

machinery. "Farm machinery" does not include motor vehicles taxed under chapter 297B, snowmobiles, snow blowers, lawn mowers, garden-type tractors or garden tillers and the repair and replacement parts for those vehicles and machines."

Page 60, line 24, delete "17, 19, and 20" and insert "18, 20, and 21"

Page 60, line 30, delete "16" and insert "17"

ReNUMBER the sections in sequence

Amend the title as follows:

Page 1, line 25, delete "subdivision 8" and insert "subdivisions 8 and 15"

The motion prevailed. So the amendment was adopted.

Mr. Ulland moved to amend H.F. No. 2016, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Delete everything after the enacting clause and insert:

#### "ARTICLE I

#### INCOME TAX; ESTATE TAX

Section 1. Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20a, is amended to read:

Subd. 20a. [MODIFICATIONS INCREASING FEDERAL ADJUSTED GROSS INCOME.] There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;

(3) Interest on indebtedness incurred or continued to purchase or carry securities the income from which is exempt from tax under this chapter, to the extent deductible in determining federal adjusted gross income;

(4) In the case of a change of residence from Minnesota to another state or nation, the amount of moving expenses which exceed total reimbursements and which were therefore deducted in arriving at federal adjusted gross income;

(5) The amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954 to the extent of the credit under section 38 of the Internal Revenue Code of 1954 that was previously allowed as a deduction under Minnesota Statutes 1982, section 290.01, subdivision 20b, clause (7);

(6) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(7) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101;



(8) The amount by which the gain determined pursuant to section 41.59, subdivision 2 exceeds the amount of such gain included in federal adjusted gross income;

(9) To the extent deducted in computing the taxpayer's federal adjusted gross income for the taxable year, losses recognized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(10) Interest income from qualified scholarship funding bonds as defined in section 103(e) of the Internal Revenue Code of 1954, if the nonprofit corporation is domiciled outside of Minnesota;

(11) Exempt-interest dividends, as defined in section 852(b)(5)(A) of the Internal Revenue Code of 1954, not included in federal adjusted gross income pursuant to section 852(b)(5)(B) of the Internal Revenue Code of 1954, except for that portion of exempt-interest dividends derived from interest income on obligations of the state of Minnesota, any of its political or governmental subdivisions, any of its municipalities, or any of its governmental agencies or instrumentalities;

(12) The amount of any excluded gain recognized by a trust on the sale or exchange of property as defined in section 641(c)(1) of the Internal Revenue Code of 1954;

(13) To the extent not included in the taxpayer's federal adjusted gross income, the amount of any gain, from the sale or other disposition of property having a lower adjusted basis for Minnesota income tax purposes than for federal income tax purposes. This modification shall not exceed the difference in basis. If the gain is considered a long term capital gain for federal income tax purposes, the modification shall be limited to 40 percent of the portion of the gain. This modification is limited to property that qualified for the equity investment credit contained in section 290.069, subdivision 4, and to property acquired in exchange for the release of the taxpayer's marital rights contained in section 290.14, clause (7);

(14) The amount of any loss from a source outside of Minnesota which is not allowed under section 290.17 including any capital loss or net operating loss carryforwards or carrybacks resulting from the loss;

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

(16) The deduction for two-earner married couples provided in section 221 of the Internal Revenue Code of 1954;

(17) Losses from the business of mining as defined in section 290.05, subdivision 1, clause (a) which is not subject to the Minnesota income tax;

(18) Expenses and depreciation attributable to property subject to Laws 1982, chapter 523, article 7, section 3 which has not been registered; and

(19) The amount of contributions to an individual retirement account, including a qualified voluntary employee contribution, simplified employee pension plan, or self-employed retirement plan which is allowed under sections 311 and 312 of Public Law Number 97-34, section 238 of Public Law Number

~~97-248, and section 103(d)(1)(B) of Public Law Number 97-448 to the extent those contributions were not an allowable deduction prior to the enactment of that law; and~~

(20) To the extent not included in the taxpayer's federal adjusted gross income, the amount of any contributions to a qualified pension plan, designated as employee contributions but which the employing unit picks up and which are treated as employer contributions pursuant to section 414(h)(2) of the Internal Revenue Code of 1954.

Sec. 2. Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20b, is amended to read:

Subd. 20b. [MODIFICATIONS REDUCING FEDERAL ADJUSTED GROSS INCOME.] There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to 40 per centum of the portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

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

(4) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks or out of state loss carryforwards resulting from the losses, and including any farm loss carryforwards or carrybacks;

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

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

pension, public employee retirement benefit, or any combination thereof, (ii) as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408, 409 or 409A of the Internal Revenue Code of 1954, or (iii) severance pay distributed to an individual upon discontinuance of the individual's employment due to termination of business operations by the individual's employer, provided that the termination is reasonably likely to be permanent, involves the discharge of at least 75 percent of the employees at that site within a one-year period, and the business is not acquired by another person who continues operations at that site. The maximum amount of this subtraction shall be \$11,000 less the amount by which the individual's federal adjusted gross income, plus the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, exceeds \$17,000. For purposes of this clause, "severance pay" means an amount received for cancellation of an employment contract or a collectively bargained termination payment made as a substitute for income which would have been earned for personal services to be rendered in the future. In the case of a volunteer firefighter who receives an involuntary lump sum distribution of his pension or retirement benefits, the maximum amount of this subtraction shall be \$11,000; this subtraction shall not be reduced by the amount of the individual's federal adjusted gross income in excess of \$17,000 equal to the maximum annual family benefit available as a federal old-age, survivors, and disability insurance benefit, effective July 1 of the calendar year preceding the first day of the taxable year, pursuant to United States Code, section 415 (i), as amended through December 31, 1983;

(7) To the extent included in the taxpayer's federal adjusted gross income for the taxable year, gain recognized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(8) The amount of any distribution from a qualified pension or profit sharing plan included in federal adjusted gross income in the year of receipt to the extent of any contribution not previously allowed as a deduction by reason of a change in federal law which was not adopted by Minnesota law for a taxable year beginning in 1974 or later, including distributions from an individual retirement account which represent a return of contributions if they were included in gross income on the individual's 1982 or 1983 income tax return. The distribution shall be allocated first to the return of contributions included in gross income until the amount of the contributions has been exhausted;

(9) Interest, including payment adjustment to the extent that it is applied to interest, earned by the seller of the property on a family farm security loan executed before January 1, 1986 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60;

(10) The first \$3,000 of compensation for personal services in the armed forces of the United States or the United Nations, and the next \$2,000 of compensation for personal services in the armed forces of the United States or the United Nations wholly performed outside the state of Minnesota. This modification does not apply to compensation defined in subdivision 20b, clause (6);

(11) The amount of any income earned for personal services rendered outside of Minnesota prior to the date when the taxpayer became a resident of

Minnesota. This modification does not apply to compensation defined in subdivision 20b, clause (6);

(12) In the case of wages or salaries paid or incurred on or after January 1, 1977, the amount of any credit for employment of certain new employees under sections 44B and 51 to 53 of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(13) In the case of work incentive program expenses paid or incurred on or after January 1, 1979, the amount of any credit for expenses of work incentive programs under sections 40, 50A and 50B of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(14) Unemployment compensation to the extent includible in gross income for federal income tax purposes under section 85 of the Internal Revenue Code of 1954;

(15) The amount of any income or gain which is not assignable to Minnesota under the provisions of section 290.17;

(16) Interest earned on a contract for deed entered into for the sale of property for agricultural use if the rate of interest set in the contract is no more than nine percent per year for the duration of the term of the contract. This exclusion shall be available only if (1) the purchaser is an individual who, together with his spouse and dependents, has a total net worth valued at less than \$150,000 and (2) the property sold under the contract is farm land as defined in section 41.52, subdivision 6 of no more than 1,000 acres that the purchaser intends to use for agricultural purposes. Compliance with these requirements shall be stated in an affidavit to be filed with the first income tax return on which the taxpayer claims the exclusion provided in this clause. Upon request accompanied by the information necessary to make the determination, the commissioner shall determine whether interest to be paid on a proposed transaction will qualify for this exclusion; the determination shall be provided within 30 days of receipt of the request, unless the commissioner finds it necessary to obtain additional information, or verification of the information provided, in which case the determination shall be provided within 30 days of receipt of the final item of information or verification. The exclusion provided in this clause shall apply to interest earned on contracts for deed entered into after December 31, 1981 and before July 1, 1983;

(17) Income from the business of mining as defined in section 290.05, subdivision 1, clause (a) which is not subject to the Minnesota income tax;

(18) To the extent included in federal adjusted gross income, distributions from a qualified governmental pension plan which represent a return of designated employee contributions to the plan and which contributions were included in gross income pursuant to subdivision 20a, clause (20); and

(19) To the extent included in federal adjusted gross income, distributions from an individual retirement account which represent a return of designated

employee contributions if the contributions were included in gross income pursuant to subdivision 20a, clause (19). The distribution shall be allocated first to return of contributions included in gross income until the amount of the contributions has been exhausted.

Sec. 3. Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2c, is amended to read:

Subd. 2c. [SCHEDULE OF RATES FOR INDIVIDUALS, ESTATES AND TRUSTS.] (a) The income taxes imposed by this chapter upon individuals, estates and trusts, other than those taxable as corporations, shall be computed by applying to their taxable net income the following schedule of rates:

- (1) On the first \$500, ~~one~~ and six-tenths of one percent;
- (2) On the second \$500, ~~two~~ one and two-tenths percent;
- (3) On the next \$1,000, ~~three~~ two and five-tenths percent;
- (4) On the next \$1,000, ~~five~~ four and eight-tenths percent;
- (5) On the next \$1,000, ~~seven~~ six and three-tenths percent;
- (6) On the next \$1,000, ~~eight~~ seven and eight-tenths percent;
- (7) On the next \$2,000, ~~ten~~ nine and two-tenths percent;
- (8) On the next \$2,000, ~~eleven~~ ten and five-tenths percent;
- (9) On the next \$3,500, ~~twelve~~ eleven and eight-tenths percent;
- (10) On all over \$12,500, and not over \$20,000, ~~fourteen~~ thirteen percent;
- (11) On all over \$20,000 and not over \$27,500, ~~fifteen~~ fourteen percent;
- (12) On all over \$27,500, sixteen percent.

(b) In lieu of a tax computed according to the rates set forth in clause (a) of this subdivision, the tax of any individual taxpayer whose taxable net income for the taxable year is less than \$40,000 shall be computed in accordance with tables prepared and issued by the commissioner of revenue based on income brackets of not more than \$100. The amount of tax for each bracket shall be computed at the rates set forth in this subdivision, provided that the commissioner may disregard a fractional part of a dollar unless it amounts to 50 cents or more, in which case it may be increased to \$1.

Sec. 4. Minnesota Statutes 1983 Supplement, section 290.089, subdivision 2, is amended to read:

Subd. 2. [ITEMIZED DEDUCTIONS.] Subject to the provisions of section 290.18, subdivision 1, an amount equal to the amount determined pursuant to section 63(f) of the Internal Revenue Code is allowed with the following adjustments:

(a) add the amount paid to others not to exceed \$500 for each dependent in grades K to 6 and \$700 for each dependent in grades 7 to 12, for tuition, textbooks, and transportation of each dependent in attending an elementary or secondary school situated in Minnesota, North Dakota, South Dakota, Iowa, or Wisconsin, wherein a resident of this state may legally fulfill the state's compulsory attendance laws, which is not operated for profit, and

which adheres to the provisions of the Civil Rights Act of 1964 and chapter 363. As used in this clause, "textbooks" includes books and other instructional materials and equipment used in elementary and secondary schools in teaching only those subjects legally and commonly taught in public elementary and secondary schools in this state. "Textbooks" does not include instructional books and materials used in the teaching of religious tenets, doctrines, or worship, the purpose of which is to instill such tenets, doctrines, or worship, nor does it include books or materials for, or transportation to, extracurricular activities including sporting events, musical or dramatic events, speech activities, driver's education, or similar programs;

(b) add the amount of Minnesota and other states' estate or inheritance taxes which were allowed as a deduction under section 290.077, subdivision 4, on income in respect of a decedent;

(c) add the amount by which the deduction for the taxable year allowed pursuant to subdivision 4 exceeds the amount determined pursuant to section 222 of the Internal Revenue Code;

*(d) add the amount the taxpayer has paid, not to exceed \$1,000, for tuition and fees charged by a postsecondary educational institution, including public or private colleges and universities, area vocational-technical institutes, and private professional and vocational schools for educational services provided to the taxpayer or the spouse or dependent of the taxpayer on whose behalf the taxpayer incurs the expense;*

(e) subtract income taxes paid or accrued within the taxable year under this chapter;

(e) (f) subtract income taxes paid to any other state or to any province or territory of Canada if a credit is allowed for the taxes under section 290.081;

(f) (g) if the deduction computed under section 164 of the Internal Revenue Code is not reduced by the amount of the credit or refund allowed under chapter 290A, subtract that amount;

(g) (h) subtract the amount of interest on investment indebtedness paid or accrued in a taxable year beginning before January 1, 1981, which has been carried forward and is allowed as a deduction in the taxable year under section 163(d) of the Internal Revenue Code;

(h) (i) subtract the amount of charitable contributions deducted under section 170 of the Internal Revenue Code that (i) exceeds the following limitations: (A) an overall limit of 30 percent of the taxpayer's Minnesota gross income which, for purposes of this paragraph, shall include the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code; and (B) the aggregate of contributions to organizations described in section 290.21, subdivision 3, clause (c) shall not exceed 20 percent of the taxpayer's Minnesota gross income; or (ii) was deducted as a carryover under section 170(d) of the Internal Revenue Code.

Sec. 5. Minnesota Statutes 1983 Supplement, section 290.10, is amended to read:

290.10 [NONDEDUCTIBLE ITEMS.]

In computing the net income no deduction shall in any case be allowed for:

- (1) Personal, living or family expenses;
- (2) Amounts paid out for new buildings or for permanent improvements or betterments made to increase the value of any property or estate, except as otherwise provided in this chapter;
- (3) Amounts expended in restoring property or in making good the exhaustion thereof for which an allowance is or has been made;
- (4) Premiums paid on any life insurance policy covering the life of the taxpayer or of any other person;
- (5) The shrinkage in value, due to the lapse of time, of a life or terminable interest of any kind in property acquired by gift, devise, bequest or inheritance;
- (6) Losses from sales or exchanges of property, directly or indirectly, between related taxpayers as defined and as provided in section 267 of the Internal Revenue Code of 1954, as amended through December 31, 1982;
- (7) In computing net income, no deduction shall be allowed under section 290.09, subdivision 2, relating to expenses incurred or under section 290.09, subdivision 3, relating to interest accrued as provided in section 267 of the Internal Revenue Code of 1954, as amended through December 31, 1982;
- (8) (a) Contributions by employees under the federal railroad retirement act and the federal social security act. (b) Payments to Minnesota or federal public employee retirement funds. (c) ~~Three-fourths (75 percent)~~ *In taxable years beginning after December 31, 1983 but before January 1, 1989, 60 percent of the amount of taxes imposed on self-employment income under section 1401 of the Internal Revenue Code after the credit determined under section 1401(c) of the Internal Revenue Code. In taxable years beginning after December 31, 1989, 60 percent of the amount of taxes imposed on self-employment income under section 1401 of the Internal Revenue Code of 1954, as amended through December 31, 1982. If the taxpayer has claimed a deduction for self-employment taxes under section 164(f) of the Internal Revenue Code, no deduction is allowed.*
- (9) Expenses, interest and taxes connected with or allocable against the production or receipt of all income not included in the measure of the tax imposed by this chapter.
- (10) In situations where this chapter provides for a subtraction from gross income of a specific dollar amount of an item of income assignable to this state, and within the measure of the tax imposed by this chapter, that portion of the federal income tax liability assessed upon such income subtracted, and any expenses attributable to earning such income, shall not be deductible in computing net income.
- (11) Amounts paid or accrued for such taxes and carrying charges as, under rules prescribed by the commissioner, are chargeable to capital account with respect to property, if the taxpayer elects, in accordance with such rules, to treat such taxes or charges as so chargeable.
- (12) No deduction or credit shall be allowed for any amount paid or incurred during the taxable year in carrying on any trade or business if the trade or business (or the activities which comprise the trade or business) consists of

trafficking in controlled substances (within the meaning of schedule I and II of the federal Controlled Substances Act) which is prohibited by federal law or the law of Minnesota.

*For purposes of this section references to the Internal Revenue Code mean the Internal Revenue Code of 1954, as amended through December 31, 1983.*

Sec. 6. Minnesota Statutes 1983 Supplement, section 290.18, subdivision 2, is amended to read:

Subd. 2. [FEDERAL INCOME TAX PAYMENTS AND REFUNDS.] The adjusted gross income shall be computed by deducting from the gross income assignable to this state under section 290.17, the deduction for allowable federal income taxes determined under the provisions of sections 290.09, subdivision 4, 290.10 (8), (9) or (10), and 290.18.

This deduction shall be allowed to individuals, estates, or trusts (i) for taxable years beginning after December 31, 1980 in the taxable year to which the liability applies. Such liability includes the portion of self-employment tax allowed under section 290.10, clause (8). The self-employment tax must be deducted by the person who is deriving the income. When the federal tax liability is joint and several under the computation of a joint federal return of husband and wife, the federal tax liability ~~must be split between the spouses in the same ratio that the federal adjusted gross income of that spouse bears to the total federal adjusted gross income. For purposes of the preceding sentence, "federal adjusted gross income" includes the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, as amended through December 31, 1981~~ may be taken by either spouse 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~~ *To the extent not deducted in a taxable year beginning before January 1, 1984, taxes* paid in a taxable year beginning after December 31, 1980 but before January 1, 1983 shall be ~~divided and~~ deducted in ~~equal installments reflected by the yearly periods beginning with the first day of the taxable year in which the payment was made and ending December 31, 1986 the first taxable year beginning after December 31, 1983.~~ For an amount which remains to be deducted in a taxable year beginning after December 31, 1982 1983, where the federal tax liability for the year in which the payment was made is joint and several under the computation of a joint federal return of husband and wife, the remaining amounts to be deducted ~~shall be claimed by the same spouse and in the same dollar amount as the deduction was claimed in the first taxable year beginning after December 31, 1981~~ may be taken by either spouse or divided between them as they elect.

(3) Those paid in a taxable year beginning after December 31, 1982 shall be claimed in the year in which the payment was made. This amount ~~shall~~ may be apportioned between spouses as provided in clause (i) and shall be allocated for exempt income under the provisions of section 290.10, clause (9) or (10) as though the payment was part of the federal tax liability for the



year in which the payment was made.

(4) In the case of a person who was self employed during all or a portion of the taxable year, the federal income tax liability for purposes of this clause shall be increased by the self-employment tax allowed under section 290.10, clause (8). The self-employment tax shall be deducted in the year paid as provided in paragraph (1), (2), or (3). The self-employment tax must be deducted by the person who earned the income. Self-employment tax paid in a taxable year beginning after December 31, 1982 shall be allocated for exempt income as provided in paragraph (3).

(iii) If a taxpayer's federal tax liability is eventually not paid by reason of compromise, discharge, or court order, the deduction allowed pursuant to this subdivision shall be disallowed for the taxable year in which the liability was accrued.

(iv) In the event a federal tax liability for a taxable year commencing after December 31, 1980 is increased, decreased or modified, and such increase, decrease or modification has resulted in a change in the amount of Minnesota income tax in the year to which such increase, decrease or modification is attributable, the taxpayer's deduction under this subdivision shall be modified for such year.

(v) If the readjustments required in (iii) or (iv) are for taxes reflected in the transition rule described in (ii)(2), the readjustment shall be made ~~equally to the remaining installments installment~~ and if a reduction to ~~such installments is required under this readjustment which exceeds the total of all remaining installments installment~~, the ~~remaining installments installment~~ will be reduced to zero and the excess included in income as a federal income tax refund.

(vi) Refunds which are not involved with any readjustments under the transition rule shall be included in income under Minnesota Statutes 1982, section 290.01, subdivision 20a, clause (6) if it is from a year beginning before January 1, 1981.

(vii) Refunds of taxes for years beginning after December 31, 1980, shall be used to adjust the deduction in the taxable year of the liability unless that year is closed by statute and no other adjustments are to be required or allowable in which case such refund shall be reportable in the year received.

#### Sec. 7. [TAX AMNESTY.]

*The commissioner of revenue shall establish a tax amnesty program. The amnesty program applies to taxes payable to the commissioner and is only available to a taxpayer who either has an unpaid liability on the department of revenue's accounts receivable system as of February 1, 1984, or who has failed to file a return which, if filed on February 1, 1984, would be considered a delinquent return subject to penalty by law. For a taxpayer who has an existing liability as of February 1, 1984, the commissioner shall accept as full payment of the account a certified check, cashier's check, or money order in the amount of tax liability, not including penalties, plus any interest due on February 1, 1984, plus any interest accruing on that account since February 1, 1984, plus any additional liabilities including tax, penalty, and interest established by the commissioner subsequent to July 1, 1984. Tax amnesty is not available to any taxpayer who has an account which includes a civil fraud*

*penalty imposed by the commissioner. Payment must be received by the commissioner on or after July 1, 1984, but before October 1, 1984. For the purposes of this section, "received" means actual receipt by the commissioner either at his office in Saint Paul or at any field office of the department of revenue on or before the final date allowed for payment under the terms of this program.*

*In the case of a taxpayer who has failed to file returns which if filed on February 1, 1984, would be considered delinquent returns, the commissioner is authorized to accept the delinquent returns along with payment of all tax and interest if payment is made by certified check, cashier's check, or money order and received by the commissioner on or after July 1, 1984, but before October 1, 1984. For these delinquent returns filed pursuant to this tax amnesty program, the civil and criminal penalties imposed by law are waived unless the commissioner later finds that the tax as shown on any return was understated by 25 percent or more. In that case the civil and criminal penalties are hereby reinstated, and the commissioner shall collect the civil penalties and may pursue the criminal penalties.*

*The department of revenue shall help taxpayers determine the amounts of tax liability, interest, and penalties owed.*

#### Sec. 8. [WITHHOLDING HOLIDAY.]

*Notwithstanding the provisions of Minnesota Statutes, section 290.92, every employer who withholds taxes from an employee pursuant to that section shall, for the first payroll period beginning more than 30 days after the date of enactment of this act, reduce the amount of tax withheld pursuant to that section from each employee by an amount equal to the amount withheld with respect to wages normally earned by the employee during a two week period.*

Sec. 9. Minnesota Statutes 1983 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 ~~March 12~~ December 31, 1983.

Sec. 10. Minnesota Statutes 1983 Supplement, section 291.03, subdivision 1, is amended to read:

Subdivision 1. [~~GENERALLY TAX AMOUNT.~~] 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:

~~10 percent on the first \$100,000,~~

~~11 percent on the next \$500,000 or part thereof,~~

~~12 percent on the excess, or~~

(2) A tax equal to the same proportion of the maximum credit allowable under section 2011 of the Internal Revenue Code for state death taxes ~~described herein~~ as the Minnesota gross estate bears to the value of the federal gross estate. The tax determined under this paragraph shall not be greater than the maximum credit allowable under section 2011 of the Internal Revenue Code.

Sec. 11. Minnesota Statutes 1982, section 291.075, is amended to read:

291.075 [SPECIAL USE VALUATION OF QUALIFIED PROPERTY.]

~~When property subject to the tax imposed by this chapter qualifies for valuation based on its use pursuant to section 2032A of the Internal Revenue Code, it shall have the same value for Minnesota estate tax purposes as it has for federal estate tax purposes. If, after the final determination of the tax imposed by this chapter, the property valued pursuant to section 2032A of the Internal Revenue Code is disposed of or fails to qualify and an additional tax is imposed pursuant to section 2032A(c), any increase in the credit for state death taxes shall be reported to the commissioner within 90 days after final determination of the increased credit. Upon notification the commissioner may assess an additional tax in accordance with section 291.03, subdivision 1, clause (2). No additional Minnesota estate tax computed in accordance with section 291.03, subdivision 1, clause (1) will be imposed nor will an additional~~

deduction for federal estate taxes paid be allowed under section 291.07 or 291.08.

Sec. 12. Minnesota Statutes 1982, 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 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 December 31, 1981 1983 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 all instances:

<p>In the case of a decedent dying in</p> <p>1982 ----- \$225,000</p> <p>1983 ----- 275,000</p> <p>1984 ----- 325,000</p> <p>1985 ----- 400,000</p> <p>1986 ----- 500,000</p> <p>1987 and thereafter. --- 600,000</p>	<p>A Minnesota estate tax return shall be filed if the federal gross estate equals or exceeds</p>
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in which a federal estate tax return is required to be filed.

The return shall be accompanied by a federal estate tax return, a schedule of all assets in the estate at their date of death values, and shall contain a computation of the Minnesota estate tax due. The return shall be signed by the personal representative.

Sec. 13. Minnesota Statutes 1983 Supplement, section 291.09, subdivision 3a, is amended to read:

Subd. 3a. (1) The commissioner may challenge matters of valuation or taxability of any assets reported on the return, or any deductions claimed, or the computation of tax, only if within 180 days from the due date of the return or the receipt of the return and all documents required to be filed with the return, whichever is later, the commissioner mails or delivers a written notice to the personal representative objecting to the return as filed and specifying the reasons for the objection.

(2) If the personal representative disagrees with the objection or does not wish to fully comply with the objection, he may request that the commissioner hold a hearing on the objection. Within 30 days of receipt of a request, the commissioner shall set a time and place for hearing. Unless otherwise agreed upon, the hearing date shall not be earlier than 30 days nor later than 60 days from the date of the notice setting the hearing. The notice of hearing shall set forth the rights available to the personal representative under chapter

14. Not later than 30 days after the commissioner receives the report and recommendation of the hearing examiner, or a written waiver of his hearing rights by the personal representative, the commissioner shall issue an order determining the tax. Any such determination made by the commissioner may be appealed to the tax court as provided in section 271.09.

(3) At any time together with or after the objection, the commissioner, on his own initiative, may set a time and place for a hearing in accordance with (2) above.

(4) In his objection, or at any time thereafter, the commissioner may assess any additional tax as the facts may warrant, subject to the right of the personal representative to demand a hearing under chapter 15. If the personal representative does not demand a hearing within 90 days of the date of the assessment, the tax so assessed shall be legally due and the commissioner may proceed to collect ~~any the~~ unpaid tax ~~after one year from the date of death~~. If the commissioner later finds the tax assessment to be erroneous, he may adjust the assessment prior to collection.

(5) The commissioner shall not be required to object to any subsequent original, amended or supplemental return in order to preserve his rights. The commissioner shall not be precluded from objecting to a subsequent original, amended or supplemental return even though an original return was accepted as filed. If the commissioner had accepted an original return showing no tax due and a subsequent original, amended or supplemental return discloses additional assets not disclosed on the original return, the commissioner may object to any matter of valuation, taxability, deduction or computation of tax on the original return within 180 days of receipt of the subsequent original, amended or supplemental return.

(6) Subject to the provisions of sections 291.11 and 291.215, the Minnesota estate tax liability shall be considered as finally determined on the date notification of acceptance is issued to the personal representative or, if no objection is filed, on the day following 180 days from the due date of the return or the receipt of the return, together with all other documents required to be filed with the return, whichever is later.

(7) Subject to the time limits imposed elsewhere in this chapter, the commissioner may refund an overpayment of tax, penalty or interest even though the personal representative has not made an application for refund.

Sec. 14. Minnesota Statutes 1982, section 291.132, subdivision 2, is amended to read:

Subd. 2. In lieu of an extension provided pursuant to subdivision 1 or payment of the estate tax in installments pursuant to section 291.11 on the property which qualifies under this subdivision, the personal representative may elect to extend the time for payment of the tax on property which qualifies for valuation under section ~~291.075~~ 2032A of the Internal Revenue Code. The personal representative of an estate containing such property may elect to pay all or part of the tax imposed by this chapter in one or more, but not to exceed ten, equal installments, provided that the maximum amount of tax which may be paid in installments pursuant to this subdivision shall be an amount which bears the same ratio to the estate's tax liability under this chapter as the value of property determined pursuant to section ~~291.075~~ 2032A of the Internal

*Revenue Code* and included in the Minnesota taxable estate bears to the amount of the Minnesota taxable estate. The first installment shall be paid on or before the date selected by the personal representative. The date may be no more than five years after the date prescribed by section 291.11, subdivision 1, for payment of the estate tax. Each succeeding installment shall be paid on or before that same date each year. An election under this subdivision shall be made not later than nine months after the decedent's death and shall be made in the manner as the commissioner shall prescribe by rule.

Sec. 15. Minnesota Statutes 1982, section 291.215, subdivision 1, is amended to read:

Subdivision 1. All property includable in the Minnesota gross estate of a decedent shall be valued in accordance with the provisions of sections 2031 or 2032 and, if applicable, 2032A, of the Internal Revenue Code and any elections made in valuing the federal gross estate shall be applicable in valuing the Minnesota gross estate. ~~Except as otherwise provided in section 291.075, the value of all property includable in the Minnesota gross estate of a decedent may be independently determined under said sections for Minnesota estate tax purposes.~~

Sec. 16. [REPEALER.]

*Subdivision 1. Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e, and Laws 1983, chapter 342, article 1, section 8, are repealed.*

*Subd. 2. Minnesota Statutes 1982, sections 291.015; 291.03, subdivisions 3, 4, 5, 6, and 7; 291.05; 291.051; 291.06; 291.065; 291.07; 291.08; 291.09, subdivision 5; and 291.111 are repealed.*

Sec. 17. [EFFECTIVE DATE.]

*Sections 1 to 7 and 16, subdivision 1, are effective for taxable years beginning after December 31, 1983. Sections 9 to 15 and 16, subdivision 2, are effective for estates of decedents dying after December 31, 1984.*

## ARTICLE 2

### PROPERTY TAX

Section 1. Minnesota Statutes 1983 Supplement, section 124.2122, subdivision 2, is amended to read:

Subd. 2. [BASIC MAINTENANCE MILL RATE.] "Basic maintenance mill rate" means the mill rate applicable to the adjusted assessed valuation of a district, used in the computation of basic foundation aid for a particular school year and of the basic maintenance levy for use in that school year. The basic maintenance mill rate shall be .024 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year. The basic maintenance mill rate shall be .024 for the 1982 payable 1983 levies and for foundation aid for the 1983-1984 school year. The basic maintenance mill rate shall be .024 for the 1983 payable 1984 levies and for foundation aid for the 1984-1985 school year. *The basic maintenance mill rate shall be .020 for the 1984 payable 1985 levies and for foundation aid for the 1985-1986 school year.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 124.2137, subdivision 1, is amended to read:

Subdivision 1. [TAX REDUCTIONS.] The county auditor shall reduce the

tax for school purposes on all property receiving the homestead credit pursuant to section 273.13, subdivision 6, by an amount equal to ~~29~~ 37 percent of the tax levy imposed on up to 320 acres of land including the buildings and structures thereon but excluding the homestead dwelling and surrounding one acre of land. The county auditor shall reduce the tax for school purposes on the next 320 acres classified pursuant to section 273.13, subdivision 6 by an amount equal to ~~43~~ 20 percent of the tax levy imposed on the property. The tax on all other agricultural lands classified pursuant to section 273.13, subdivision 6 shall be reduced by an amount equal to ~~ten~~ 15 percent of the tax levy imposed on the property. The tax on the first 320 acres of agricultural land classified pursuant to section 273.13, subdivision 4 and all real estate devoted to temporary and seasonal residential occupancy for recreational purposes, but not devoted to commercial purposes, shall be reduced by an amount equal to ~~43~~ 20 percent of the tax imposed on the property. The tax on timber land classified pursuant to section 273.13, subdivision 8a and agricultural land in excess of 320 acres classified pursuant to section 273.13, subdivision 4 shall be reduced by an amount equal to ~~ten~~ 15 percent of the tax levy imposed on the property. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review the certifications to determine their accuracy. He may make changes in the certification as he may deem necessary or return a certification to the county auditor for corrections. The amount of the reduction provided under this subdivision which any taxpayer can receive on all qualifying property which he owns shall not exceed \$2,000 in the case of agricultural property and shall not exceed \$100 in the case of seasonal residential recreational property. In the case of property owned by more than one person, the maximum amount of the reduction shall apply to the total of all the owners. For purposes of computing the credit pursuant to this subdivision, the "tax levy" shall be the tax levy reduced by the credits provided by sections 273.115, 273.116, 273.123, 273.42, subdivision 2, and 473H.10.

### Sec. 3. [COMPUTATION; REFUNDS.]

*The county auditor shall recompute the tax for taxes payable in 1984 for all property subject to section 2 and shall mail amended statements to the affected taxpayers by May 10, 1984. The statements shall contain the information required in section 276.04, except that a notice must be enclosed stating that the statement is amended pursuant to this section. The auditor shall recertify the agricultural aid amounts to the commissioner of revenue by the time and in the form determined by the commissioner. The commissioner of revenue shall review the recertifications to determine their accuracy. He may make changes in the recertification he deems necessary or return a certification to the county auditor for corrections.*

*If property taxes payable in 1984 have been paid in full without the adjustments required by this section, the taxpayer shall receive a refund equal to the difference between the taxes paid and the tax as recomputed. The county auditor shall determine the amount of the refund and mail it to the taxpayer.*

*If property taxes payable in 1984 have been partially paid without the adjustments required by this section, the auditor shall reduce the remaining*

*taxes due by the amount of the tax reduction required by this section, and refund any excess. In lieu of the reduction, a taxpayer may elect to receive a refund, and upon application of the taxpayer, the auditor shall refund the amount of the reduction attributable to the partial tax payment.*

*Refunds paid under this section do not include interest.*

*If the county auditor has settled and distributed funds under section 276.10 with respect to any amount refunded to taxpayers under this section, the amounts of the refund must be deducted from the next settlement and distribution. The county auditor shall notify the school districts of the amount to be deducted.*

#### Sec. 4. [PAYMENT; PENALTIES.]

*Sections 2 and 3 do not excuse timely payment of taxes as required in section 279.01. Penalties shall accrue as provided in section 279.01 only on the amount of the taxes as recomputed under section 3.*

#### Sec. 5. [PROPERTY TAX REFUNDS.]

*For purposes of Minnesota Statutes, section 290A.03, subdivision 13, "property taxes payable" means property taxes as recomputed under section 3. Taxpayers who filed property tax refund returns on property taxes before the recomputation must file an amended return and attach an amended property tax statement to the return.*

Sec. 6. Minnesota Statutes 1983 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 capitalizing its free market gross rental rate as determined for that grade of land at a rate of ~~5-6~~ seven percent. Each county assessor shall survey the farm rental values of each grade of farmland in each township in the county 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. Nontillable agricultural land and buildings on agricultural land shall be valued in the usual manner. The data collected by political subdivisions relating to farm rental values shall be classified as private data pursuant to section 13.02, subdivision 12. Any data collected shall be made available to the commissioner and, upon request, to other county assessors.

#### Sec. 7. [EFFECTIVE DATE.]

*The percentage changes in section 2 are effective for taxes levied in 1983, payable in 1984, and thereafter. The removal of the maximum credit in section 2 is effective for taxes levied in 1983, payable in 1984, and thereafter.*



*Sections 3 to 5 are effective the day following final enactment. Section 6 is effective for taxes levied in 1984, payable in 1985, and thereafter.*

### ARTICLE 3

#### ECONOMIC DEVELOPMENT

Section 1. Minnesota Statutes 1983 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 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, 290.20, 290.35, or 290.36, 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, ~~±~~ 9.8 percent.

Sec. 2. Minnesota Statutes 1983 Supplement, section 290.07, subdivision 1, is amended to read:

Subdivision 1. [ANNUAL ACCOUNTING PERIOD.] Net income and taxable net income shall be computed upon the basis of the taxpayer's annual accounting period. If a taxpayer has no annual accounting period, or has one other than a fiscal year, as heretofore defined, the net income and taxable net income shall be computed on the basis of the calendar year. Taxpayers shall employ the same accounting period on which they report, or would be required to report, their net income under the Internal Revenue Code. ~~The commissioner shall provide by rule for the determination of the accounting period for taxpayers who file a combined report under section 290.34, subdivision 2, when members of the group use different accounting periods for federal income tax purposes. Unless the taxpayer changes its accounting period for federal purposes, the due date of the return is not changed.~~

A taxpayer may change his accounting period only with the consent of the commissioner. In case of any such change, he shall pay a tax for the period not included in either his former or newly adopted taxable year, computed as provided in section 290.32.

Sec. 3. Minnesota Statutes 1982, section 290.095, subdivision 3, is amended to read:

Subd. 3. [CARRYOVER AND CARRYBACK.] (a) Except as provided in clause (d) or subdivision 8, a net operating loss for any taxable year shall be:

(1) A net operating loss carryback to each of the three taxable years preceding the taxable year of such loss, and

(2) A net operating loss carryover to each of the five taxable years following the taxable year of such loss.

(b) The entire amount of the net operating loss for any taxable year shall be

carried to the earliest of the taxable years to which, by reason of subdivision 3, clause (a) or (d), such loss may be carried. The portion of such loss which shall be carried to each of the other taxable years shall be the excess, if any, of the amount of such loss over the sum of the taxable net income, adjusted by the modifications specified in subdivision 4, for each of the prior taxable years to which such loss may be carried.

(c) Where a corporation does business both within and without Minnesota, and apportions its income under the provisions of section 290.19, the net operating loss deduction shall be allowed to the extent of the apportionment ratio of the loss year, or the year to which the loss is carried, whichever is smaller.

~~(d) Where a corporation files a combined report which reflects the entire unitary business as provided in section 290.34, subdivision 2, the corporation shall not be allowed a net operating loss carryback to a year in which it did not file a combined report. The number of taxable years for which a net operating loss carryover is allowed shall be increased by the number of taxable years for which a net operating loss carryback is not allowed under this clause.~~

Sec. 4. Minnesota Statutes 1983 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) (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 from winnings on Minnesota pari-mutuel betting tickets shall be assigned to 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 or is a resident trust or estate.

(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 except for business income subject to the provisions of clause (1) and farm income subject to the provisions of clause (2). The term “unitary business” shall mean 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 but the absence of these centralized activities will not necessarily evidence a nonunitary business. Unity of ownership will not be deemed to exist when a corporation is involved unless that corporation is a member of a group of two or more corporations more than 50 percent of the voting stock of each member of the group is directly or indirectly owned by a common owner or by common owners, either corporate or noncorporate, or by one or more of the member corporations of the group.

The entire income of a unitary business 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) For purposes of this section, amounts received by a nonresident 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, 1981, 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.

(6) All other items of gross income shall be assigned to the taxpayer's domicile.

Sec. 5. Minnesota Statutes 1983 Supplement, section 290.21, subdivision 4, is amended to read:

Subd. 4. (a) 85 percent of dividends received by a corporation during the taxable year from another corporation, when the corporate stock with respect to which dividends are paid does not constitute the stock in trade of the taxpayer or would not be included in the inventory of the taxpayer, or does not constitute property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business, or when the trade or business of

the taxpayer does not consist principally of the holding of the stocks and the collection of the income and gains therefrom. The remaining 15 percent shall be allowed if the recipient owns 80 percent or more of all the voting stock of such 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.

The dividend deduction provided in this subdivision does not apply to a dividend from a corporation which, for the taxable year of the corporation in which the distribution is made or for the next preceding taxable year of the corporation, is a corporation exempt from tax under section 501 of the Internal Revenue Code of 1954, as amended through December 31, 1982.

The dividend deduction provided in this subdivision applies to the amount of regulated investment company dividends only to the extent determined under section 854(b) of the Internal Revenue Code of 1954, as amended through December 31, 1982.

(d) ~~If dividends received by a corporation that does not have nexus with Minnesota under the provisions of Public Law 86-272 are included as income on the return of an affiliated corporation permitted or required to file a combined report under section 290.34, subdivision 2, then for purposes of this subdivision the determination as to whether the trade or business of the corporation consists principally of the holding of stocks and the collection of income and gains therefrom shall be made with reference to the trade or business of the affiliated corporation having a nexus with Minnesota.~~

Sec. 6. Minnesota Statutes 1983 Supplement, section 290.34, subdivision 2, is amended to read:

Subd. 2. [~~AFFILIATED OR RELATED CORPORATIONS, COMBINED REPORT 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 ~~combined report consolidated statements~~ as, in his opinion, ~~is are~~ necessary in order to determine the taxable net income of 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, and 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, the District of Columbia, the commonwealth of Puerto Rico, any possession of the United States, or any political subdivision of any of the foregoing. All inter-company transactions between companies which are contained on the combined report shall be eliminated. This subdivision shall not apply to insurance companies whose income is determined under section 290.35 or to investment companies whose income is determined under section 290.36.~~

Sec. 7. [JOBS PROGRAM; SUPPLEMENTAL APPROPRIATION.]

*\$5,000,000 is appropriated to the department of economic security to be expended pursuant to the Minnesota emergency development act. The Minnesota emergency development coordinator shall allocate the funds to those service delivery areas having the highest unemployment levels.*

Sec. 8. [ALLOCATION TO DULUTH.]

*The city of Duluth is allocated \$6,610,940 of the tax reductions permitted by section 273.1314, subdivision 8, pursuant to its designation under section 273.1312, subdivision 4, paragraph (c), clause (3).*

Sec. 9. [REPEALER.]

*(a) Minnesota Statutes 1982, section 290.06, subdivision 15; and Laws 1982, chapter 523, article XXIX, section 6; and*

*(b) Minnesota Statutes 1983 Supplement, sections 16.072 and 16.0721, are repealed.*

Sec. 10. [EFFECTIVE DATE.]

*Section 1 is effective for taxable years beginning after December 31, 1984. Sections 2 to 6 and section 9, paragraph (a), are effective for tax years beginning after June 30, 1984. Section 9, paragraph (b), is effective August 1, 1984. Sections 7 and 8 are effective July 1, 1984."*

Delete the title and insert:

"A bill for an act relating to taxation; adopting federal income tax treat-

ment of individual retirement accounts and other pension plans; changing the pension exclusion; reducing income tax rates; adding a deduction for higher education tuition; changing the self-employment tax deduction; changing the deduction for federal income taxes; providing a tax amnesty; providing that the estate tax equals the federal death tax credit; repealing the surtax; changing the basic maintenance mill rate; changing the agricultural aid credit and providing for a recomputation of 1984 taxes; increasing the rent capitalization rate; repealing the unitary reporting method; appropriating money; abolishing the buy Minnesota law; amending Minnesota Statutes 1982, sections 290.095, subdivision 3; 291.075; 291.09, subdivision 1a; 291.132, subdivision 2; and 291.215, subdivision 1; Minnesota Statutes 1983 Supplement, sections 124.2122, subdivision 2; 124.2137, subdivision 1; 273.11, subdivision 7; 290.01, subdivisions 20a and 20b; 290.06, subdivisions 1 and 2c; 290.07, subdivision 1; 290.089, subdivision 2; 290.10; 290.17, subdivision 2; 290.18, subdivision 2; 290.21, subdivision 4; 290.34, subdivision 2; 291.005, subdivision 1; 291.03, subdivision 1; and 291.09, subdivision 3a; repealing Minnesota Statutes 1982, sections 290.06, subdivision 15; 291.015; 291.03, subdivisions 3, 4, 5, 6, and 7; 291.05; 291.051; 291.06; 291.065; 291.07; 291.08; 291.09, subdivision 5; and 291.111; Minnesota Statutes 1983 Supplement, sections 16.072; 16.0721; and 290.06, subdivision 2e; Laws 1982, chapter 523, article XXIX, section 6; and Laws 1983, chapter 342, article 1, section 8."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 39, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Kamrath	McQuaid	Renneke
Belanger	Frederick	Knaak	Mehrkens	Sietoff
Benson	Frederickson	Knutson	Olson	Taylor
Berg	Isackson	Kronebusch	Peterson, D.L.	Ulland
Bernhagen	Johnson, D.E.	Laidig	Ramstad	

Those who voted in the negative were:

Adkins	Diessner	Langseth	Novak	Samuelson
Berglin	Dieterich	Lantry	Pehler	Schmitz
Bertram	Frank	Lessard	Peterson, D.C.	Spear
Chmielewski	Freeman	Luther	Peterson, R.W.	Stumpf
Dahl	Hughes	Merriam	Petty	Vega
Davis	Johnson, D.J.	Moe, D. M.	Pogemiller	Waldorf
DeCramer	Jude	Moe, R. D.	Purferst	Willet
Dicklich	Kroening	Nelson	Reichgott	

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

Mr. Merriam moved to amend H.F. No. 2016, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Page 2, after line 9, insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20b, is amended to read:

Subd. 20b. [MODIFICATIONS REDUCING FEDERAL ADJUSTED GROSS INCOME.] There shall be subtracted from federal adjusted gross

income:

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to 40 per centum of the portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

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

(4) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks or out of state loss carryforwards resulting from the losses, and including any farm loss carryforwards or carrybacks;

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

(6) To the extent included in federal adjusted gross income, or the amount reflected as the ordinary income portion of a lump sum distribution under section 402(e) of the Internal Revenue Code of 1954, notwithstanding any other law to the contrary, the amount received by any person (i) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, (ii) as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408, 409 or 409A of the Internal Revenue Code of 1954, or (iii) severance pay distributed to an individual upon discontinuance of the individual's employment due to termination of business operations by the individual's employer, provided that the termination is reasonably likely to be permanent, involves the discharge of at least 75 percent of the employees at that site within a one-year period, and the business is not acquired by another person who continues operations at that site. The maximum amount of this subtraction shall be \$11,000 less the amount by which the individual's federal adjusted gross income, plus the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, exceeds \$17,000. For purposes of this clause, "severance pay" means an amount received for cancellation of an employment contract or a collectively



~~bargained termination payment made as a substitute for income which would have been earned for personal services to be rendered in the future. In the case of a volunteer firefighter who receives an involuntary lump sum distribution of his pension or retirement benefits, the maximum amount of this subtraction shall be \$11,000; this subtraction shall not be reduced by the amount of the individual's federal adjusted gross income in excess of \$17,000 Pension income as provided by section 2;~~

(7) To the extent included in the taxpayer's federal adjusted gross income for the taxable year, gain recognized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(8) The amount of any distribution from a qualified pension or profit sharing plan included in federal adjusted gross income in the year of receipt to the extent of any contribution not previously allowed as a deduction by reason of a change in federal law which was not adopted by Minnesota law for a taxable year beginning in 1974 or later;

(9) Interest, including payment adjustment to the extent that it is applied to interest, earned by the seller of the property on a family farm security loan executed before January 1, 1986 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60;

(10) The first \$3,000 of compensation for personal services in the armed forces of the United States or the United Nations, and the next \$2,000 of compensation for personal services in the armed forces of the United States or the United Nations wholly performed outside the state of Minnesota. This modification does not apply to compensation defined in subdivision 20b, clause (6);

(11) The amount of any income earned for personal services rendered outside of Minnesota prior to the date when the taxpayer became a resident of Minnesota. This modification does not apply to compensation defined in subdivision 20b, clause (6);

(12) In the case of wages or salaries paid or incurred on or after January 1, 1977, the amount of any credit for employment of certain new employees under sections 44B and 51 to 53 of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(13) In the case of work incentive program expenses paid or incurred on or after January 1, 1979, the amount of any credit for expenses of work incentive programs under sections 40, 50A and 50B of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(14) Unemployment compensation to the extent includible in gross income for federal income tax purposes under section 85 of the Internal Revenue Code of 1954;

(15) The amount of any income or gain which is not assignable to Minne-

sota under the provisions of section 290.17;

(16) Interest earned on a contract for deed entered into for the sale of property for agricultural use if the rate of interest set in the contract is no more than nine percent per year for the duration of the term of the contract. This exclusion shall be available only if (1) the purchaser is an individual who, together with his spouse and dependents, has a total net worth valued at less than \$150,000 and (2) the property sold under the contract is farm land as defined in section 41.52, subdivision 6 of no more than 1,000 acres that the purchaser intends to use for agricultural purposes. Compliance with these requirements shall be stated in an affidavit to be filed with the first income tax return on which the taxpayer claims the exclusion provided in this clause. Upon request accompanied by the information necessary to make the determination, the commissioner shall determine whether interest to be paid on a proposed transaction will qualify for this exclusion; the determination shall be provided within 30 days of receipt of the request, unless the commissioner finds it necessary to obtain additional information, or verification of the information provided, in which case the determination shall be provided within 30 days of receipt of the final item of information or verification. The exclusion provided in this clause shall apply to interest earned on contracts for deed entered into after December 31, 1981 and before July 1, 1983;

(17) Income from the business of mining as defined in section 290.05, subdivision 1, clause (a) which is not subject to the Minnesota income tax;

(18) To the extent included in federal adjusted gross income, distributions from a qualified governmental pension plan which represent a return of designated employee contributions to the plan and which contributions were included in gross income pursuant to subdivision 20a, clause (20); and

(19) To the extent included in federal adjusted gross income, distributions from an individual retirement account which represent a return of designated employee contributions if the contributions were included in gross income pursuant to subdivision 20a, clause (19). The distribution shall be allocated first to return of contributions included in gross income until the amount of the contributions has been exhausted.

Sec. 2. Minnesota Statutes 1982, section 290.08, is amended by adding a subdivision to read:

*Subd. 32. [PENSION INCOME.] (a) [EXCLUSION.] Gross income shall not include the taxpayer's pension income. The maximum amount of this exclusion is the greater of the following two amounts:*

*(1) \$11,000 reduced by the amount of the taxpayer's federal adjusted gross income in excess of \$17,000; or*

*(2) \$11,000 reduced by the sum of*

*(A) social security benefits,*

*(B) railroad retirement benefits, and*

*(C) the excess over \$23,000 of federal adjusted gross income, but excluding social security benefits and railroad retirement benefits to the extent included in federal adjusted gross income.*

*(3) Notwithstanding clauses (1) and (2), in the case of an involuntary lump*

sum distribution of pension or retirement benefits to volunteer firefighters, the maximum amount of the exclusion is \$11,000. This amount is not subject to reduction for other income of the taxpayer.

(b) [DEFINITIONS.] For purposes of this subdivision the following terms have the meanings given:

(1) "Internal Revenue Code" means the Internal Revenue Code of 1954, as amended through December 31, 1983.

(2) "Federal adjusted gross income" includes the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code.

(3) "Pension income" means to the extent included in the taxpayer's federal adjusted gross income the amount received by the taxpayer

(A) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof,

(B) as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408, 409 or 409A of the Internal Revenue Code, or

(C) severance pay distributed to an individual upon discontinuance of the individual's employment due to termination of business operations by the individual's employer, if the termination is reasonably likely to be permanent, involves the discharge of at least 75 percent of the employees at that site within a one-year period, and the business is not acquired by another person who continues operations at that site.

(4) "Severance pay" means an amount received for cancellation of an employment contract or a collectively bargained termination payment made as a substitute for income which would have been earned for personal services to be rendered in the future."

Page 6, line 30, before "Section" insert "Sections 1 and 2 are effective for taxable years beginning after December 31, 1984." and delete "3" and insert "5"

Page 6, line 31, delete "3" and insert "5"

Page 6, line 34, delete "4" and insert "6"

Renumber the section in sequence

Amend the title as follows:

Page 1, line 24, after the semicolon insert "290.08, by adding a subdivision;"

Page 1, line 37, after "276.04;" insert "290.01, subdivision 20b;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Novak	Samuelson
Anderson	Dieterich	Kroening	Olson	Schmitz
Belanger	Frank	Kronebusch	Pehler	Sieloff
Benson	Frederick	Laidig	Peterson, C. C.	Spear
Berg	Frederickson	Langseth	Peterson, D. C.	Stumpf
Berglin	Freeman	Lantry	Peterson, D. L.	Taylor
Bernhagen	Hughes	Lessard	Peterson, R. W.	Ulfand
Bertram	Isackson	Luther	Petty	Vega
Brataas	Johnson, D.E.	McQuaid	Pogemiller	Waldorf
Chmielewski	Johnson, D.J.	Mehrkens	Purfeerst	Willet
Dahl	Jude	Merriam	Ramstad	
Davis	Kamrath	Moe, R. D.	Reichgott	
DeCramer	Knaak	Nelson	Renneke	

The motion prevailed. So the amendment was adopted.

Mr. Merriam then moved to amend H.F. No. 2016, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Page 2, after line 9, insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 290.06, subdivision 11, is amended to read:

Subd. 11. [CONTRIBUTIONS TO POLITICAL PARTIES AND CANDIDATES.] ~~A taxpayer~~ *An individual* may take a credit against the tax due under this chapter of 50 percent of his ~~contributions to candidates for elective state or federal public office and to any political party~~ *political contributions and newsletter fund contributions as defined in section 41 of the Internal Revenue Code of 1954, as amended through December 31, 1983, except that a contribution does not qualify for this credit if it is made to a candidate for elective office from another state.* The maximum credit for an individual shall not exceed \$50 and, for a married couple filing jointly or filing a combined return, shall not exceed \$100. ~~No credit shall be allowed under this subdivision for a contribution to any candidate, other than a candidate for elective judicial office or federal office, who has not signed an agreement to limit his campaign expenditures as provided in section 10A.32, subdivision 3b. For purposes of this subdivision, a political party means a major political party as defined in section 200.02, subdivision 7.~~

This credit shall be allowed only if the contribution is verified in the manner the commissioner of revenue shall prescribe.”

Page 6, line 30, before “Section” insert “Section 1 is effective for taxable years beginning after December 31, 1983.” and delete “3” and insert “4”

Page 6, line 31, delete “3” and insert “4”

Page 6, line 34, delete “4” and insert “5”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 37, after “276.04;” insert “290.06, subdivision 11;”

The motion prevailed. So the amendment was adopted.

Mr. Taylor moved to amend H.F. No. 2016, as amended by the Senate

April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Page 6, after line 14, insert:

“Sec. 3. Minnesota Statutes 1983 Supplement, section 290.10, is amended to read:

290.10 [NONDEDUCTIBLE ITEMS.]

In computing the net income no deduction shall in any case be allowed for:

- (1) Personal, living or family expenses;
- (2) Amounts paid out for new buildings or for permanent improvements or betterments made to increase the value of any property or estate, except as otherwise provided in this chapter;
- (3) Amounts expended in restoring property or in making good the exhaustion thereof for which an allowance is or has been made;
- (4) Premiums paid on any life insurance policy covering the life of the taxpayer or of any other person;
- (5) The shrinkage in value, due to the lapse of time, of a life or terminable interest of any kind in property acquired by gift, devise, bequest or inheritance;
- (6) Losses from sales or exchanges of property, directly or indirectly, between related taxpayers as defined and as provided in section 267 of the Internal Revenue Code of 1954, as amended through December 31, 1982;
- (7) In computing net income, no deduction shall be allowed under section 290.09, subdivision 2, relating to expenses incurred or under section 290.09, subdivision 3, relating to interest accrued as provided in section 267 of the Internal Revenue Code of 1954, as amended through December 31, 1982;
- (8) (a) Contributions by employees under the federal railroad retirement act and the federal social security act. (b) Payments to Minnesota or federal public employee retirement funds. (c) ~~Three-fourths (75 percent)~~ *In taxable years beginning after December 31, 1983, but before January 1, 1989, 60 percent of the amount of taxes imposed on self-employment income under section 1401 of the Internal Revenue Code after the credit determined under section 1401(c) of the Internal Revenue Code. In taxable years beginning after December 31, 1989, 60 percent of the amount of taxes imposed on self-employment income under section 1401 of the Internal Revenue Code of 1954, as amended through December 31, 1982. If the taxpayer has claimed a deduction for self-employment taxes under section 164(f) of the Internal Revenue Code, no deduction is allowed.*
- (9) Expenses, interest and taxes connected with or allocable against the production or receipt of all income not included in the measure of the tax imposed by this chapter.
- (10) In situations where this chapter provides for a subtraction from gross income of a specific dollar amount of an item of income assignable to this state, and within the measure of the tax imposed by this chapter, that portion of the federal income tax liability assessed upon such income subtracted, and

any expenses attributable to earning such income, shall not be deductible in computing net income.

(11) Amounts paid or accrued for such taxes and carrying charges as, under rules prescribed by the commissioner, are chargeable to capital account with respect to property, if the taxpayer elects, in accordance with such rules, to treat such taxes or charges as so chargeable.

(12) No deduction or credit shall be allowed for any amount paid or incurred during the taxable year in carrying on any trade or business if the trade or business (or the activities which comprise the trade or business) consists of trafficking in controlled substances (within the meaning of schedule I and II of the federal Controlled Substances Act) which is prohibited by federal law or the law of Minnesota.

*For purposes of this section references to the Internal Revenue Code mean the Internal Revenue Code of 1954, as amended through December 31, 1983."*

Page 6, line 30, delete "Section 3 is" and insert "Sections 3 and 4 are"

Page 6, line 31, delete "3" and insert "4"

Page 6, line 34, delete "4" and insert "5"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 39, after the first semicolon insert "290.10;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 41, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Kamrath	McQuaid	Renneke
Belanger	Frederick	Knaak	Mehrkens	Sietoff
Benson	Frederickson	Knutson	Olson	Taylor
Berg	Isackson	Kronebusch	Peterson, D.L.	Ulland
Bernhagen	Johnson, D.E.	Laidig	Ramstad	

Those who voted in the negative were:

Adkins	Dieterich	Lessard	Peterson, D.C.	Spear
Berglin	Frank	Luther	Peterson, R.W.	Stumpf
Bertram	Freeman	Merriam	Petty	Vega
Chmielewski	Hughes	Moe, D. M.	Pogemiller	Waldorf
Dahl	Johnson, D.J.	Moe, R. D.	Purfeerst	Willet
Davis	Jude	Nelson	Reichgott	
DeCramer	Kroening	Novak	Samuelson	
Dicklich	Langseth	Pehler	Schmitz	
Diessner	Lantry	Peterson, C.C.	Solon	

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

Mr. Sietoff moved to amend H.F. No. 2016, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Page 6, after line 28, insert:

"Sec. 5. [WITHHOLDING HOLIDAY.]

*Notwithstanding the provisions of Minnesota Statutes, section 290.92, every employer who withholds taxes from an employee pursuant to that section shall, for the first payroll period beginning more than 30 days after the date of enactment of this act, reduce the amount of tax withheld pursuant to that section from each employee by an amount equal to the amount withheld with respect to wages normally earned by the employee during a two-week period."*

Page 6, line 35, after the period insert "*Section 5 is effective the day after final enactment.*"

Renumber the remaining section

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:

Anderson	Brataas	Kamrath	McQuaid	Renneke
Befanger	Frederick	Knaak	Mehrkens	Sieloff
Benson	Frederickson	Knutson	Olson	Ulland
Berg	Isackson	Kronebusch	Peterson, D.L.	
Bernhagen	Johnson, D.E.	Laidig	Ramstad	

Those who voted in the negative were:

Adkins	Diessner	Langseth	Pehler	Samuelson
Berglin	Dieterich	Lantry	Peterson, C.C.	Schmitz
Bertram	Frank	Lessard	Peterson, D.C.	Solon
Chmielewski	Freeman	Luther	Peterson, R.W.	Spear
Dahl	Hughes	Merriam	Petty	Stumpf
Davis	Johnson, D.J.	Moe, R. D.	Pogemiller	Vega
DeCramer	Jude	Nelson	Purfeerst	Waldorf
Dicklich	Kroening	Novak	Reichgott	Willet

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

Mr. Berg moved to amend H.F. No. 2016, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Page 21, lines 32 and 35, strike "20" and insert "15"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 39, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knaak	McQuaid	Ramstad
Benson	Frederickson	Knutson	Mehrkens	Renneke
Berg	Isackson	Kronebusch	Olson	Sieloff
Bernhagen	Johnson, D.E.	Laidig	Peterson, D.L.	Ulland
Brataas	Kamrath	Lessard	Purfeerst	

Those who voted in the negative were:

Adkins	Diessner	Langseth	Peterson, C.C.	Solon
Berglin	Dieterich	Lantry	Peterson, D.C.	Spear
Bertram	Frank	Luther	Peterson, R.W.	Stumpf
Chmielewski	Freeman	Merriam	Petty	Vega
Dahl	Hughes	Moe, R. D.	Pogemiller	Waldorf
Davis	Johnson, D.J.	Nelson	Reichgott	Wegscheid
DeCramer	Jude	Novak	Samuelson	Willet
Dicklich	Kroening	Pehler	Schmitz	

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

Mr. Frederick moved to amend H.F. No. 2016, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Page 2, after line 9, insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20a, is amended to read:

Subd. 20a. [MODIFICATIONS INCREASING FEDERAL ADJUSTED GROSS INCOME.] There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;

(3) Interest on indebtedness incurred or continued to purchase or carry securities the income from which is exempt from tax under this chapter, to the extent deductible in determining federal adjusted gross income;

(4) In the case of a change of residence from Minnesota to another state or nation, the amount of moving expenses which exceed total reimbursements and which were therefore deducted in arriving at federal adjusted gross income;

(5) The amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954 to the extent of the credit under section 38 of the Internal Revenue Code of 1954 that was previously allowed as a deduction under Minnesota Statutes 1982, section 290.01, subdivision 20b, clause (7);

(6) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(7) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101;

(8) The amount by which the gain determined pursuant to section 41.59, subdivision 2 exceeds the amount of such gain included in federal adjusted gross income;

(9) To the extent deducted in computing the taxpayer's federal adjusted gross income for the taxable year, losses recognized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(10) Interest income from qualified scholarship funding bonds as defined in section 103(e) of the Internal Revenue Code of 1954, if the nonprofit corporation is domiciled outside of Minnesota;

(11) Exempt-interest dividends, as defined in section 852(b)(5)(A) of the Internal Revenue Code of 1954, not included in federal adjusted gross income pursuant to section 852(b)(5)(B) of the Internal Revenue Code of 1954, except for that portion of exempt-interest dividends derived from interest



income on obligations of the state of Minnesota, any of its political or governmental subdivisions, any of its municipalities, or any of its governmental agencies or instrumentalities;

(12) The amount of any excluded gain recognized by a trust on the sale or exchange of property as defined in section 641(c)(1) of the Internal Revenue Code of 1954;

(13) To the extent not included in the taxpayer's federal adjusted gross income, the amount of any gain, from the sale or other disposition of property having a lower adjusted basis for Minnesota income tax purposes than for federal income tax purposes. This modification shall not exceed the difference in basis. If the gain is considered a long term capital gain for federal income tax purposes, the modification shall be limited to 40 percent of the portion of the gain. This modification is limited to property that qualified for the equity investment credit contained in section 290.069, subdivision 4, and to property acquired in exchange for the release of the taxpayer's marital rights contained in section 290.14, clause (7);

(14) The amount of any loss from a source outside of Minnesota which is not allowed under section 290.17 including any capital loss or net operating loss carryforwards or carrybacks resulting from the loss;

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

(16) The deduction for two-earner married couples provided in section 221 of the Internal Revenue Code of 1954;

(17) Losses from the business of mining as defined in section 290.05, subdivision 1, clause (a) which is not subject to the Minnesota income tax;

(18) Expenses and depreciation attributable to property subject to Laws 1982, chapter 523, article 7, section 3 which has not been registered; and

(19) ~~The amount of contributions to an individual retirement account, including a qualified voluntary employee contribution, simplified employee pension plan, or self-employed retirement plan which is allowed under sections 311 and 312 of Public Law Number 97-34, section 238 of Public Law Number 97-248, and section 103(d)(1)(B) of Public Law Number 97-448 to the extent those contributions were not an allowable deduction prior to the enactment of that law; and~~

(20) To the extent not included in the taxpayer's federal adjusted gross income, the amount of any contributions to a qualified pension plan, designated as employee contributions but which the employing unit picks up and which are treated as employer contributions pursuant to section 414(h)(2) of the Internal Revenue Code of 1954.

Sec. 2. Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20b, is amended to read:

Subd. 20b. [MODIFICATIONS REDUCING FEDERAL ADJUSTED GROSS INCOME.] There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of any authority, commission or

instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to 40 per centum of the portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

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

(4) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks or out of state loss carryforwards resulting from the losses, and including any farm loss carryforwards or carrybacks;

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

(6) To the extent included in federal adjusted gross income, or the amount reflected as the ordinary income portion of a lump sum distribution under section 402(e) of the Internal Revenue Code of 1954, notwithstanding any other law to the contrary, the amount received by any person (i) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, (ii) as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408, 409 or 409A of the Internal Revenue Code of 1954, or (iii) severance pay distributed to an individual upon discontinuance of the individual's employment due to termination of business operations by the individual's employer, provided that the termination is reasonably likely to be permanent, involves the discharge of at least 75 percent of the employees at that site within a one-year period, and the business is not acquired by another person who continues operations at that site. The maximum amount of this subtraction shall be \$11,000 less the amount by which the individual's federal adjusted gross income, plus the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, exceeds \$17,000. For purposes of this clause, "severance pay" means an amount received for cancellation of an employment contract or a collectively bargained termination payment made as a substitute for income which would have been earned for personal services to be rendered in the future. In

the case of a volunteer firefighter who receives an involuntary lump sum distribution of his pension or retirement benefits, the maximum amount of this subtraction shall be \$11,000; this subtraction shall not be reduced by the amount of the individual's federal adjusted gross income in excess of \$17,000;

(7) To the extent included in the taxpayer's federal adjusted gross income for the taxable year, gain recognized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(8) The amount of any distribution from a qualified pension or profit sharing plan included in federal adjusted gross income in the year of receipt to the extent of any contribution not previously allowed as a deduction by reason of a change in federal law which was not adopted by Minnesota law for a taxable year beginning in 1974 or later, *including distributions from an individual retirement account which represent a return of contributions if they were included in gross income on the individual's 1982 or 1983 income tax return. The distribution shall be allocated first to the return of contributions included in gross income until the amount of the contributions has been exhausted;*

(9) Interest, including payment adjustment to the extent that it is applied to interest, earned by the seller of the property on a family farm security loan executed before January 1, 1986 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60;

(10) The first \$3,000 of compensation for personal services in the armed forces of the United States or the United Nations, and the next \$2,000 of compensation for personal services in the armed forces of the United States or the United Nations wholly performed outside the state of Minnesota. This modification does not apply to compensation defined in subdivision 20b, clause (6);

(11) The amount of any income earned for personal services rendered outside of Minnesota prior to the date when the taxpayer became a resident of Minnesota. This modification does not apply to compensation defined in subdivision 20b, clause (6);

(12) In the case of wages or salaries paid or incurred on or after January 1, 1977, the amount of any credit for employment of certain new employees under sections 44B and 51 to 53 of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(13) In the case of work incentive program expenses paid or incurred on or after January 1, 1979, the amount of any credit for expenses of work incentive programs under sections 40, 50A and 50B of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(14) Unemployment compensation to the extent includible in gross income for federal income tax purposes under section 85 of the Internal Revenue

Code of 1954;

(15) The amount of any income or gain which is not assignable to Minnesota under the provisions of section 290.17;

(16) Interest earned on a contract for deed entered into for the sale of property for agricultural use if the rate of interest set in the contract is no more than nine percent per year for the duration of the term of the contract. This exclusion shall be available only if (1) the purchaser is an individual who, together with his spouse and dependents, has a total net worth valued at less than \$150,000 and (2) the property sold under the contract is farm land as defined in section 41.52, subdivision 6 of no more than 1,000 acres that the purchaser intends to use for agricultural purposes. Compliance with these requirements shall be stated in an affidavit to be filed with the first income tax return on which the taxpayer claims the exclusion provided in this clause. Upon request accompanied by the information necessary to make the determination, the commissioner shall determine whether interest to be paid on a proposed transaction will qualify for this exclusion; the determination shall be provided within 30 days of receipt of the request, unless the commissioner finds it necessary to obtain additional information, or verification of the information provided, in which case the determination shall be provided within 30 days of receipt of the final item of information or verification. The exclusion provided in this clause shall apply to interest earned on contracts for deed entered into after December 31, 1981 and before July 1, 1983;

(17) Income from the business of mining as defined in section 290.05, subdivision 1, clause (a) which is not subject to the Minnesota income tax; *and*

(18) To the extent included in federal adjusted gross income, distributions from a qualified governmental pension plan which represent a return of designated employee contributions to the plan and which contributions were included in gross income pursuant to subdivision 20a, clause ~~(20)~~; *and*

~~(19) To the extent included in federal adjusted gross income, distributions from an individual retirement account which represent a return of designated employee contributions if the contributions were included in gross income pursuant to subdivision 20a, clause (19). The distribution shall be allocated first to return of contributions included in gross income until the amount of the contributions has been exhausted (19)."~~

Page 6, line 30, delete "*Section 3 is*" and insert "*Sections 1, 2, and 5 are*"

Page 6, line 31, delete "3" and insert "5"

Page 6, line 34, delete "4" and insert "6"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon insert "conforming to federal law for treatment of certain contributions to individual retirement plans and other pension plans;"

Page 1, line 37, after "276.04;" insert "290.01, subdivisions 2a and 2b;"

The question was taken on the adoption of the amendment.

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

Those who voted in the affirmative were:

Anderson	Brataas	Jude	Laidig	Ramstad
Belanger	Frederick	Kamrath	McQuaid	Renneke
Benson	Frederickson	Knaak	Mehrkens	Sieloff
Berg	Isackson	Knutson	Olson	Ulland
Bernhagen	Johnson, D.E.	Kronebusch	Peterson, D.L.	

Those who voted in the negative were:

Adkins	Diessner	Lantry	Peterson, D.C.	Spear
Berglin	Dieterich	Lessard	Peterson, R.W.	Stumpf
Bertram	Frank	Luther	Petty	Vega
Chmielewski	Freeman	Merriam	Pogemiller	Waldorf
Dahl	Hughes	Moe, R. D.	Purfeerst	Wegscheid
Davis	Johnson, D.J.	Nelson	Reichgott	Willet
DeCramer	Kroening	Pehler	Samuelson	
Dicklich	Langseth	Peterson, C.C.	Solon	

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

Mr. Isackson moved to amend H.F. No. 2016, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Page 7, line 2 to page 8, line 9, delete section 1 and insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 124.2122, subdivision 2, is amended to read:

Subd. 2. [BASIC MAINTENANCE MILL RATE.] “Basic maintenance mill rate” means the mill rate applicable to the adjusted assessed valuation of a district, used in the computation of basic foundation aid for a particular school year and of the basic maintenance levy for use in that school year. The basic maintenance mill rate shall be .024 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year. The basic maintenance mill rate shall be .024 for the 1982 payable 1983 levies and for foundation aid for the 1983-1984 school year. The basic maintenance mill rate shall be .024 for the 1983 payable 1984 levies and for foundation aid for the 1984-1985 school year. *The basic maintenance mill rate shall be .020 for the 1984 payable 1985 levies and for foundation aid for the 1985-1986 school year.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 124.2137, subdivision 1, is amended to read:

Subdivision 1. [TAX REDUCTIONS.] The county auditor shall reduce the tax for school purposes on all property receiving the homestead credit pursuant to section 273.13, subdivision 6, by an amount equal to ~~29~~ 37 percent of the tax levy imposed on up to 320 acres of land including the buildings and structures thereon but excluding the homestead dwelling and surrounding one acre of land. The county auditor shall reduce the tax for school purposes on the next 320 acres classified pursuant to section 273.13, subdivision 6 by an amount equal to ~~43~~ 20 percent of the tax levy imposed on the property. The tax on all other agricultural lands classified pursuant to section 273.13, subdivision 6 shall be reduced by an amount equal to ~~ten~~ 15 percent of the tax levy imposed on the property. The tax on the first 320 acres of agricultural land classified pursuant to section 273.13, subdivision 4 and all real estate

devoted to temporary and seasonal residential occupancy for recreational purposes, but not devoted to commercial purposes, shall be reduced by an amount equal to ~~13~~ 20 percent of the tax imposed on the property. The tax on timber land classified pursuant to section 273.13, subdivision 8a and agricultural land in excess of 320 acres classified pursuant to section 273.13, subdivision 4 shall be reduced by an amount equal to ~~ten~~ 15 percent of the tax levy imposed on the property. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review the certifications to determine their accuracy. He may make changes in the certification as he may deem necessary or return a certification to the county auditor for corrections. The amount of the reduction provided under this subdivision which any taxpayer can receive on all qualifying property which he owns ~~shall not exceed \$2,000 in the case of agricultural property and shall not exceed \$100 in the case of seasonal residential recreational property.~~ In the case of property owned by more than one person, the maximum amount of the reduction shall apply to the total of all the owners. For purposes of computing the credit pursuant to this subdivision, the "tax levy" shall be the tax levy reduced by the credits provided by sections 273.115, 273.116, 273.123, 273.42, subdivision 2, and 473H.10."

Page 8, line 12, delete "1" and insert "2"

Page 8, line 17, before "section" insert "this" and delete "1"

Page 8, line 25, before "section" insert "this" and delete "1"

Page 8, line 30, before "section" insert "this" and delete "1"

Page 8, line 32, before "section" insert "this" and delete "1"

Page 9, line 8, delete "1 and 2" and insert "2 and 3"

Page 9, line 11, delete "1" and insert "3"

Page 9, line 15, delete "1" and insert "3"

Page 29, line 15, delete "23" and insert "28"

Page 30, line 36, delete "14" and insert "25"

Page 31, line 1, delete "14" and insert "25"

Page 31, line 10, delete "1" and insert "2"

Page 31, line 11, delete "1984" and insert "1983"; delete "1985" and insert "1984"; delete "increase" and insert "elimination"

Page 31, line 12, delete "1" and insert "2"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon insert "decreasing the basic maintenance mill rate;"

Page 1, line 32, after the semicolon insert "124.2122, subdivision 2;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 40, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Kamrath	Mehrkens	Renneke
Belanger	Frederick	Knaak	Olson	Sieloff
Benson	Frederickson	Kronebusch	Peterson, D.L.	Taylor
Berg	Isackson	Laidig	Purfeerst	Ulland
Bernhagen	Johnson, D.E.	McQuaid	Ramstad	

Those who voted in the negative were:

Adkins	Diessner	Langseth	Novak	Schmitz
Berglin	Dieterich	Lantry	Peterson, C.C.	Solon
Bertram	Frank	Lessard	Peterson, D.C.	Spear
Chmielewski	Freeman	Luther	Peterson, R.W.	Stumpf
Dahl	Hughes	Merriam	Petty	Vega
Davis	Johnson, D.J.	Moe, D. M.	Pogemiller	Waldorf
DeCramer	Jude	Moe, R. D.	Reichgott	Wegscheid
Dicklich	Kroening	Nelson	Samuelson	Willet

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

Mr. Berg moved to amend H.F. No. 2016, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Pages 15 and 16, delete section 8, and insert:

“Sec. 8. Minnesota Statutes 1983 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 capitalizing its free market gross rental rate as determined for that grade of land at a rate of ~~5-6~~ seven percent. Each county assessor shall survey the farm rental values of each grade of farmland in each township in the county 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. Nontillable agricultural land and buildings on agricultural land shall be valued in the usual manner. The data collected by political subdivisions relating to farm rental values shall be classified as private data pursuant to section 13.02, subdivision 12. Any data collected shall be made available to the commissioner and, upon request, to other county assessors.”

Page 31, lines 6 to 8, delete section 33

ReNUMBER the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon insert "changing the rent capitalization rate;"

Page 1, line 34, delete "1" and insert "7"

Page 2, line 3, delete "sections 273.11, subdivision 7; and" and insert "section"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 25 and nays 37, as follows:

Those who voted in the affirmative were:

Anderson	DeCramer	Kamrath	Mehrkens	Renneke
Belanger	Frederick	Knaak	Olson	Sieloff
Benson	Frederickson	Kronebusch	Peterson, D.L.	Stumpf
Berg	Isackson	Laidig	Purfeerst	Taylor
Bernhagen	Johnson, D.E.	McQuaid	Ramstad	Ulland

Those who voted in the negative were:

Adkins	Dieterich	Lantry	Peterson, C.C.	Spear
Berglin	Frank	Lessard	Peterson, D.C.	Vega
Bertram	Freeman	Luther	Peterson, R.W.	Waldorf
Chmielewski	Hughes	Merriam	Pogemiller	Wegscheid
Dahl	Johnson, D.J.	Moe, D. M.	Reichgott	Willet
Davis	Jude	Moe, R. D.	Samuelson	
Dicklich	Kroening	Nelson	Schmitz	
Diessner	Langseth	Novak	Solon	

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

Mr. Laidig moved to amend H.F. No. 2016, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Page 83, line 17 to page 85, line 30, delete sections 1 and 2 and insert:

"Section 1. [TAX AMNESTY.]

*The commissioner of revenue shall establish a tax amnesty program. The amnesty program applies to taxes payable to the commissioner and is only available to a taxpayer who either has an unpaid liability on the department of revenue's accounts receivable system as of February 1, 1984, or who has failed to file a return which, if filed on February 1, 1984, would be considered a delinquent return subject to penalty by law. For a taxpayer who has an existing liability as of February 1, 1984, the commissioner shall accept as full payment of the account a certified check, cashier's check, or money order in the amount of tax liability, not including penalties, plus any interest due on February 1, 1984, plus any interest accruing on that account since February 1, 1984, plus any additional liabilities including tax, penalty, and interest established by the commissioner subsequent to July 1, 1984. Tax amnesty is not available to any taxpayer who has an account which includes a civil fraud penalty imposed by the commissioner. Payment must be received by the commissioner on or after July 1, 1984, but before October 1, 1984. For the purposes of this section, "received" means actual receipt by the commissioner either at his office in Saint Paul or at any field office of the department of revenue on or before the final date allowed for payment under the terms of this program.*



*In the case of a taxpayer who has failed to file returns which if filed on February 1, 1984, would be considered delinquent returns, the commissioner is authorized to accept the delinquent returns along with payment of all tax and interest if payment is made by certified check, cashier's check, or money order and received by the commissioner on or after July 1, 1984, but before October 1, 1984. For these delinquent returns filed pursuant to this tax amnesty program, the civil and criminal penalties imposed by law are waived unless the commissioner later finds that the tax as shown on any return was understated by 25 percent or more. In that case the civil and criminal penalties are hereby reinstated, and the commissioner shall collect the civil penalties and may pursue the criminal penalties.*

*The department of revenue shall help taxpayers determine the amounts of tax liability, interest, and penalties owed."*

Page 101, line 35, delete "2" and insert "1"

Page 102, line 2, delete everything up to and including the period and delete "2" and insert "1"

Page 102, line 3, delete "13" and insert "12"

Page 102, line 4, delete "14" and insert "13"; delete "3" and insert "2"

Page 102, line 6, delete "7" and insert "6"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 16, delete everything after the semicolon

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

Page 2, line 1, delete "270,"

The question was taken on the adoption of the amendment.

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

Those who voted in the affirmative were:

Anderson	Brataas	Kamrath	McQuaid	Renneke
Belanger	Frederick	Knaak	Mehrkens	Sieloff
Benson	Frederickson	Knutson	Olson	Storm
Berg	Isackson	Kronebusch	Peterson, D.L.	Taylor
Bernhagen	Johnson, D.E.	Laidig	Ramstad	Ulland

Those who voted in the negative were:

Adkins	Dieterich	Lessard	Peterson, D.C.	Stumpf
Berglin	Frank	Luther	Peterson, R.W.	Vega
Bertram	Freeman	Merriam	Petty	Waldorf
Chmielewski	Hughes	Moe, D. M.	Pogemiller	Wegscheid
Dahl	Johnson, D.J.	Moe, R. D.	Purfeerst	Willet
Davis	Jude	Nelson	Reichgott	
DeCramer	Kroening	Novak	Samuelson	
Dicklich	Langseth	Pehler	Schmitz	
Diessner	Lantry	Peterson, C.C.	Spear	

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

Mrs. McQuaid moved to amend H.F. No. 2016, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Page 6, after line 14, insert:

“Sec. 3. Minnesota Statutes 1983 Supplement, section 290.18, subdivision 2, is amended to read:

Subd. 2. [FEDERAL INCOME TAX PAYMENTS AND REFUNDS.] The adjusted gross income shall be computed by deducting from the gross income assignable to this state under section 290.17, the deduction for allowable federal income taxes determined under the provisions of sections 290.09, subdivision 4, 290.10 (8), (9) or (10), and 290.18.

This deduction shall be allowed to individuals, estates, or trusts (i) for taxable years beginning after December 31, 1980 in the taxable year to which the liability applies. Such liability includes the portion of self-employment tax allowed under section 290.10, clause (8). The self-employment tax must be deducted by the person who is deriving the income. When the federal tax liability is joint and several under the computation of a joint federal return of husband and wife, the federal tax liability ~~must be split between the spouses in the same ratio that the federal adjusted gross income of that spouse bears to the total federal adjusted gross income. For purposes of the preceding sentence, “federal adjusted gross income” includes the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, as amended through December 31, 1981~~ may be taken by either spouse 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 but before January 1, 1983 shall be divided and deducted in equal installments reflected by the yearly periods beginning with the first day of the taxable year in which the payment was made and ending December 31, 1986. For an amount which remains to be deducted in a taxable year beginning after December 31, ~~1982 1983~~, where the federal tax liability for the year in which the payment was made is joint and several under the computation of a joint federal return of husband and wife, the remaining amounts to be deducted ~~shall be claimed by the same spouse and in the same dollar amount as the deduction was claimed in the first taxable year beginning after December 31, 1981~~ may be taken by either spouse or divided between them as they elect.

(3) Those paid in a taxable year beginning after December 31, 1982 shall be claimed in the year in which the payment was made. This amount ~~shall~~ may be apportioned between spouses as provided in clause (i) and shall be allocated for exempt income under the provisions of section 290.10, clause (9) or (10) as though the payment was part of the federal tax liability for the year in which the payment was made.

(4) In the case of a person who was self employed during all or a portion of the taxable year, the federal income tax liability for purposes of this clause shall be increased by the self-employment tax allowed under section 290.10, clause (8). The self-employment tax shall be deducted in the year paid as

provided in paragraph (1), (2), or (3). The self-employment tax must be deducted by the person who earned the income. Self-employment tax paid in a taxable year beginning after December 31, 1982 shall be allocated for exempt income as provided in paragraph (3).

(iii) If a taxpayer's federal tax liability is eventually not paid by reason of compromise, discharge, or court order, the deduction allowed pursuant to this subdivision shall be disallowed for the taxable year in which the liability was accrued.

(iv) In the event a federal tax liability for a taxable year commencing after December 31, 1980 is increased, decreased or modified, and such increase, decrease or modification has resulted in a change in the amount of Minnesota income tax in the year to which such increase, decrease or modification is attributable, the taxpayer's deduction under this subdivision shall be modified for such year.

(v) If the readjustments required in (iii) or (iv) are for taxes reflected in the transition rule described in (ii)(2), the readjustment shall be made equally to the remaining installments and if a reduction to such installments is required under this readjustment which exceeds the total of all remaining installments, the remaining installments will be reduced to zero and the excess included in income as a federal income tax refund.

(vi) Refunds which are not involved with any readjustments under the transition rule shall be included in income under Minnesota Statutes 1982, section 290.01, subdivision 20a, clause (6) if it is from a year beginning before January 1, 1981.

(vii) Refunds of taxes for years beginning after December 31, 1980, shall be used to adjust the deduction in the taxable year of the liability unless that year is closed by statute and no other adjustments are to be required or allowable in which case such refund shall be reportable in the year received."

Page 6, line 30, delete "Section 3 is" and insert "Sections 3 and 4 are"

Page 6, line 31, delete "3" and insert "4"

Page 6, line 34, delete "4" and insert "5"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon insert "allowing spouses to apportion the federal tax deduction as they elect;"

Page 1, line 39, after "29;" insert "290.18, subdivision 2;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 41, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Kamrath	McQuaid	Sieloff
Belanger	Frederick	Knaak	Mehrkens	Storm
Benson	Frederickson	Knutson	Olson	Taylor
Berg	Isackson	Kronebusch	Ramstad	Ulland
Bernhagen	Johnson, D.E.	Laidig	Renneke	

Those who voted in the negative were:

Adkins	Dieterich	Lessard	Peterson, D. C.	Spear
Berglin	Frank	Luther	Peterson, R. W.	Stumpf
Bertram	Freeman	Merriam	Petty	Vega
Chmielewski	Hughes	Moe, D. M.	Pogemiller	Waldorf
Dahl	Johnson, D. J.	Moe, R. D.	Purfeerst	Willet
Davis	Jude	Nelson	Reichgott	
DeCramer	Kroening	Novak	Samuelson	
Dicklich	Langseth	Pehler	Schmitz	
Diessner	Lantry	Peterson, C. C.	Solon	

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

Mr. Sieloff moved to amend H.F. No. 2016, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Page 6, after line 14, insert:

“Sec. 3. Minnesota Statutes 1983 Supplement, section 290.18, subdivision 2, is amended to read:

Subd. 2. [FEDERAL INCOME TAX PAYMENTS AND REFUNDS.]  
The adjusted gross income shall be computed by deducting from the gross income assignable to this state under section 290.17, the deduction for allowable federal income taxes determined under the provisions of sections 290.09, subdivision 4, 290.10 (8), (9) or (10), and 290.18.

This deduction shall be allowed to individuals, estates, or trusts (i) for taxable years beginning after December 31, 1980 in the taxable year to which the liability applies. Such liability includes the portion of self-employment tax allowed under section 290.10, clause (8). The self-employment tax must be deducted by the person who is deriving the income. When the federal tax liability is joint and several under the computation of a joint federal return of husband and wife, the federal tax liability must be split between the spouses in the same ratio that the federal adjusted gross income of that spouse bears to the total federal adjusted gross income. For purposes of the preceding sentence, “federal adjusted gross income” includes the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, as amended through December 31, 1981.

(ii) Taxes paid for a taxable year beginning before January 1, 1981 shall be allowed as follows:

(1) Those taxes paid in a taxable year beginning before January 1, 1981, shall be claimed in the year in which the payment was made.

(2) ~~Those~~ *To the extent not deducted in a taxable year beginning before January 1, 1984, taxes* paid in a taxable year beginning after December 31, 1980 but before January 1, 1983 shall be ~~divided and~~ deducted in equal installments reflected by the yearly periods beginning with the first day of the taxable year in which the payment was made and ending December 31, 1986 the first taxable year beginning after December 31, 1983. For an amount which remains to be deducted in a taxable year beginning after December 31, 1982-1983, where the federal tax liability for the year in which the payment was made is joint and several under the computation of a joint federal return of husband and wife, the remaining amounts to be deducted shall be claimed by the same spouse ~~and in the same dollar amount~~ as the deduction was

claimed in the first taxable year beginning after December 31, 1981.

(3) Those paid in a taxable year beginning after December 31, 1982 shall be claimed in the year in which the payment was made. This amount shall be apportioned between spouses as provided in clause (i) and shall be allocated for exempt income under the provisions of section 290.10, clause (9) or (10) as though the payment was part of the federal tax liability for the year in which the payment was made.

(4) In the case of a person who was self employed during all or a portion of the taxable year, the federal income tax liability for purposes of this clause shall be increased by the self-employment tax allowed under section 290.10, clause (8). The self-employment tax shall be deducted in the year paid as provided in paragraph (1), (2), or (3). The self-employment tax must be deducted by the person who earned the income. Self-employment tax paid in a taxable year beginning after December 31, 1982 shall be allocated for exempt income as provided in paragraph (3).

(iii) If a taxpayer's federal tax liability is eventually not paid by reason of compromise, discharge, or court order, the deduction allowed pursuant to this subdivision shall be disallowed for the taxable year in which the liability was accrued.

(iv) In the event a federal tax liability for a taxable year commencing after December 31, 1980 is increased, decreased or modified, and such increase, decrease or modification has resulted in a change in the amount of Minnesota income tax in the year to which such increase, decrease or modification is attributable, the taxpayer's deduction under this subdivision shall be modified for such year.

(v) If the readjustments required in (iii) or (iv) are for taxes reflected in the transition rule described in (ii)(2), the readjustment shall be made ~~equally to the remaining installments installment~~ and if a reduction to such ~~installments is required under this readjustment which exceeds the total of all remaining installments installment~~, the ~~remaining installments installment~~ will be reduced to zero and the excess included in income as a federal income tax refund.

(vi) Refunds which are not involved with any readjustments under the transition rule shall be included in income under Minnesota Statutes 1982, section 290.01, subdivision 20a, clause (6) if it is from a year beginning before January 1, 1981.

(vii) Refunds of taxes for years beginning after December 31, 1980, shall be used to adjust the deduction in the taxable year of the liability unless that year is closed by statute and no other adjustments are to be required or allowable in which case such refund shall be reportable in the year received."

Page 6, line 30, delete "*Section 3 is*" and insert "*Sections 3 and 4 are*"

Page 6, line 31, delete "3" and insert "4"

Page 6, line 34, delete "4" and insert "5"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "allowing a final deduction in

1984 for certain taxes paid in tax year 1981 or 1982;”

Page 1, line 39, after “29;” insert “290.18, subdivision 2;”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 25 and nays 40, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Kamrath	McQuaid	Renneke
Belanger	Frederick	Knaak	Mehrkens	Sieloff
Benson	Frederickson	Knutson	Olson	Storm
Berg	Isackson	Kronebusch	Peterson, D.C.	Taylor
Bernhagen	Johnson, D.E.	Laidig	Ramstad	Ulland

Those who voted in the negative were:

Adkins	Diessner	Langseth	Novak	Samuelson
Berglin	Dieterich	Lantry	Pehler	Schmitz
Bertram	Frank	Lessard	Peterson, C.C.	Solon
Chmielewski	Freeman	Luther	Peterson, R.W.	Spear
Dahl	Hughes	Merriam	Petty	Stumpf
Davis	Johnson, D.J.	Moe, D. M.	Pogemiller	Vega
DeCramer	Jude	Moe, R. D.	Purfeerst	Waldorf
Dicklich	Kroening	Nelson	Reichgott	Wegscheid

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

Mr. Belanger moved to amend H.F. No. 2016, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Page 102, after line 7, insert:

#### “ARTICLE 7

### INTEREST RATE ON REFUNDS

#### Section 1. [270.76] [INTEREST ON REFUNDS.]

*When any tax payable to the commissioner of revenue or to the department of revenue is overpaid and an amount is due the taxpayer as a refund of the overpayment, the overpayment shall bear interest from the date of payment of the tax until the date the refund is paid or credit is made, unless another period for computing interest is provided by law. The interest rate per annum on overpayments shall be the interest rate contained in section 270.75, the rate shall be adjusted annually and become effective as provided in section 270.75, subdivision 5, and the result of the adjustment in the rate shall be rounded to the nearest full percent. The determination of the commissioner pursuant to this subdivision shall not be considered a “rule” and shall not be subject to the Administrative Procedure Act contained in chapter 14.*

Sec. 2. Minnesota Statutes 1982, section 270A.07, subdivision 5, is amended to read:

Subd. 5. [INTEREST ON REFUNDS.] Any refund wrongfully or incorrectly applied to a debt and transferred to a claimant agency shall be paid by the agency to the debtor. The sum wrongfully or incorrectly withheld shall bear interest at ~~six percent per year~~ *the rate specified in section 270.76*, computed from the date when the refund would begin to bear interest under sec-

tion 290.92, subdivision 13, clause (1), regardless of whether the refund is payable under chapter 290 or 290A. If the claimant agency is a state agency, the payment shall be made out of the agency's appropriation.

Sec. 3. Minnesota Statutes 1982, section 271.12, is amended to read:

271.12 [WHEN ORDER EFFECTIVE.]

No order for refundment by the commissioner of revenue, the appropriate unit of government, or the tax court shall take effect until the time for appeal therefrom or review thereof by all parties entitled thereto has expired. Otherwise every order of the commissioner, the appropriate unit of government, or the tax court shall take effect immediately upon the filing thereof, and no appeal therefrom or review thereof shall stay the execution thereof or extend the time for payment of any tax or other obligation unless otherwise expressly provided by law; provided, that in case an order which has been acted upon, in whole or in part, shall thereafter be set aside or modified upon appeal, the determination upon appeal or review shall supersede the order appealed from and be binding upon all parties affected thereby, and such adjustments as may be necessary to give effect thereto shall be made accordingly. If it be finally determined upon such appeal or review that any person is entitled to refundment of any amount which has been paid for a tax or other obligation, such amount, unless otherwise provided by law, shall be paid to him by the state treasurer, or other proper officer, out of funds derived from taxes of the same kind, if available for the purpose, or out of other available funds, if any, with interest at ~~six percent~~ *the rate specified in section 270.76* from the date of payment of the tax, unless a different rate of interest is otherwise provided by law, in which case such other rate shall apply, upon certification by the commissioner of revenue, the appropriate unit of government, the tax court or the supreme court. If any tax, assessment, or other obligation be increased upon such appeal or review, the increase shall be added to the original amount, and may be enforced and collected therewith.

Sec. 4. Minnesota Statutes 1983 Supplement, section 290.50, subdivision 1, is amended to read:

Subdivision 1. [PROCEDURE, TIME LIMIT.] (a) A taxpayer who has paid or from whom there has been collected an amount of tax for any year in excess of the amount legally due for that year, may file with the commissioner a claim for a refund of such excess. Except as otherwise provided in this section, no claim or refund shall be allowed or made after three and one-half years from the date prescribed for filing the return (plus any extension of time granted for filing the return, but only if filed within the extended time) or after two years from the date of overpayment, whichever period is longer, unless before the expiration of the period a claim is filed by the taxpayer. For this purpose an income tax return or amended return claiming an overpayment shall constitute a claim for refund.

(b) If no claim was filed, the credit or refund shall not exceed the amount which would be allowable if a claim was filed on the date the credit or refund is allowed.

(c) If a claim relates to an overpayment on account of a failure to deduct a loss due to a bad debt or to a security becoming worthless, the claim shall be allowed if filed within seven years from the date prescribed in section 290.42

for the filing of the return, and the refund or credit shall be limited to the amount of overpayment attributable to the loss.

(d) For purposes of this section, the prepayment of tax made through the withholding of tax at the source, or payment of estimated tax, prior to the due date of the tax are considered as having been paid on the last day prescribed by law for the payment of the tax by the taxpayer. A return filed before the due date shall be considered as filed on the due date.

(e) Except as provided in sections 290.92, subdivision 13, 290.93, subdivision 9, and 290.936, interest on the overpayment refunded or credited to the taxpayer shall be allowed at the rate of ~~six percent per annum~~ *specified in section 270.76* computed from the date of payment of the tax until the date the refund is paid or credit is made to the taxpayer. However, to the extent that the basis for the refund is a net operating loss carryback or a capital loss carryback, interest shall be computed only from the end of the taxable year in which the loss occurs.

(f) If a taxpayer reports a change in his federal gross income, items of tax preference, deductions, credits, or a renegotiation, or files a copy of his amended federal return, within 90 days as provided by section 290.56, subdivision 2, a refund may be made of any overpayment within one year after such report or amended return is filed except as provided in subdivision 2.

(g) There is hereby appropriated from the general fund to the commissioner of revenue the amounts necessary to make payments of refunds allowed pursuant to this section.

Sec. 5. Minnesota Statutes 1982, section 290.92, subdivision 11, is amended to read:

Subd. 11. [REFUNDS.] Where there has been an overpayment of tax imposed by this section, refund of such overpayment or credit shall be made to the employer in accordance with regulations prescribed by the commissioner, but only to the extent that the amount of such overpayment was not deducted and withheld under subdivision 2a or subdivision 3 by the employer. Any overpayment which is refunded shall bear interest at the rate of ~~six percent per annum~~ *specified in section 270.76*, computed from the date of payment until the date the refund is paid to the employer. The commissioner of finance shall cause any such refund of tax and interest to be paid out of the general fund in accordance with the provisions of section 290.62 and so much of said fund as may be necessary is hereby appropriated for that purpose. Notwithstanding the provisions of section 290.50, written findings by the commissioner, notice by mail to the taxpayer, and certificate for refundment by the commissioner, shall not be necessary. The provisions of section 270.10, shall not be applicable.

Sec. 6. Minnesota Statutes 1983 Supplement, section 290.92, subdivision 13, is amended to read:

Subd. 13. [REFUNDS.] (1) Where the amount of the tax withheld at the source under subdivision 2a or subdivision 3 exceeds by \$1 or more the taxes (and any added penalties and interest) reported in the return of the employee taxpayer or imposed upon him by this chapter, the amount of such excess shall be refunded to the employee taxpayer. If the amount of such excess is less than \$1 the commissioner shall not be required to refund that amount.



Where any amount of such excess to be refunded exceeds \$10, such amount on the original return shall bear interest at the rate of ~~six percent per annum~~ *specified in section 270.76*, computed from 90 days after (a) the due date of the return of the employee taxpayer or (b) the date on which his return is filed, whichever is later, to the date the refund is paid to the taxpayer. A return shall not be treated as filed until it is in processible form. A return is in processible form when it is filed on a permitted form containing the taxpayer's name, address, social security account number, the required signature, and sufficient required information (whether on the return or on required attachments) to permit the mathematical verification of tax liability shown on the return. Notwithstanding the provisions of section 290.50, written findings by the commissioner, notice by mail to the taxpayer, and certificate for refundment by the commissioner, shall not be necessary. The provisions of section 270.10, shall not be applicable.

(2) Any action of the commissioner in refunding the amount of such excess shall not constitute a determination of the correctness of the return of the employee taxpayer within the purview of section 290.46.

(3) The commissioner of finance shall cause any such refund of tax and interest, to be paid out of the general fund in accordance with the provisions of section 290.62, and so much of said fund as may be necessary is hereby appropriated for that purpose.

Sec. 7. Minnesota Statutes 1983 Supplement, section 290.93, subdivision 9, is amended to read:

Subd. 9. [OVERPAYMENT OF ESTIMATED TAX.] (1) Where the amount of an installment payment of estimated tax exceeds the amount determined to be the correct amount of such installment payment, the overpayment shall be credited against the unpaid installments, if any. Where the total amount of the estimated tax payments plus (a) the total amount of tax withheld at the source under section 290.92, subdivision 2a or subdivision 3 (if any) and (b) and other payments (if any) exceeds by \$1 or more the taxes (and any added penalties and interest) reported in the return of the taxpayer or imposed upon him by this chapter, the amount of such excess shall be refunded to the taxpayer. If the amount of such excess is less than \$1 the commissioner shall not be required to refund that amount. Where any amount of such excess to be refunded exceeds \$10, such amount on the original return shall bear interest at the rate of ~~six percent per annum~~ *specified in section 270.76*, 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. A return shall not be treated as filed until it is in processible form. A return is in processible form when the return is filed on a permitted form, and the return contains the taxpayer's name, address, social security account number, the required signature, and sufficient required information (whether on the return or on required attachments) to permit the mathematical verification of tax liability shown on the return. Notwithstanding the provisions of section 290.50, written findings by the commissioner, notice by mail to the taxpayer, and certificate for refundment by the commissioner, shall not be necessary. The provisions of section 270.10, shall not be applicable.

(2) Any action of the commissioner in refunding the amount of such excess

shall not constitute a determination of the correctness of the return of the taxpayer within the purview of section 290.46.

(3) The commissioner of finance shall cause any such refund of tax and interest to be paid out of the general fund in accordance with the provisions of section 290.62, and so much of said fund as may be necessary is hereby appropriated for that purpose.

Sec. 8. Minnesota Statutes 1982, section 290.936, is amended to read:

290.936 [OVERPAYMENT OF ESTIMATED TAX.]

(1) Where the amount of an installment payment of estimated tax exceeds the amount determined to be the correct amount of such installment payment, the overpayment shall be credited against the unpaid installments, if any. Where the total amount of the estimated tax payments and other payments, if any, exceeds by \$1 or more the taxes (and any added penalties and interest) reported in the return of the taxpayer or imposed upon him by this chapter, the amount of such excess shall be refunded to the taxpayer. If the amount of such excess is less than \$1, the commissioner shall not be required to refund. Where any amount of such excess to be refunded exceeds \$10, such amount on the original return shall bear interest at the rate of ~~six percent per annum~~ *specified in section 270.76*, 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. Notwithstanding the provisions of section 290.50, written findings by the commissioner, notice by mail to the taxpayer, and certificate for refundment by the commissioner, shall not be necessary. The provisions of section 270.10, shall not be applicable.

(2) Any action of the commissioner in refunding the amount of such excess shall not constitute a determination of the correctness of the return of the taxpayer within the purview of section 290.46.

(3) The commissioner of finance shall cause any such refund of tax and interest to be paid out of the general fund in accordance with the provisions of section 290.62, and so much of said fund as may be necessary is hereby appropriated for that purpose.

Sec. 9. Minnesota Statutes 1982, section 290A.07, subdivision 2a, is amended to read:

Subd. 2a. A claimant who is a renter shall receive full payment prior to August 15 or 60 days after receipt of the application, whichever is later. Interest shall be added at ~~six percent per annum~~ *the rate specified in section 270.76* from August 15 or 60 days after receipt of the application whichever is later.

Sec. 10. Minnesota Statutes 1983 Supplement, section 290A.07, subdivision 3, is amended to read:

Subd. 3. Any claimant not included in subdivision 2a shall receive full payment after August 31 and prior to September 15. Interest shall be added at ~~six percent per annum~~ *the rate specified in section 270.76* from September 15 or 60 days after receipt of the application if the application is filed after August 31. Interest will be computed until the date the claim is paid.

Sec. 11. Minnesota Statutes 1982, section 291.18, is amended to read:

## 291.18 [OVERPAYMENT OF TAX; REFUNDS; APPROPRIATION.]

(1) When any tax or penalty and accrued interest thereon, imposed by this chapter shall have been paid or collected, in excess of the amount legally due, the person or corporation paying the same shall be entitled to a refundment of the amount of such taxes, penalty and interest overpaid, together with interest thereon at the rate of ~~six percent per annum~~ *specified in section 270.76* from the date of payment, or from the date beginning nine months after death of the decedent, whichever date occurs later, in the manner provided by section 291.32; provided that all applications for such refundment shall be made within two years from the date of final determination or adjustment of any part of such tax by the taxpayer and the commissioner, the probate court or the tax court, as the case may be.

(2) There is hereby appropriated to the persons entitled to such refund, from the fund or account in the state treasury to which the money was credited, an amount sufficient to make the refund and payment.

Sec. 12. Minnesota Statutes 1982, section 294.09, subdivision 1, is amended to read:

Subdivision 1. [PROCEDURES; TIME LIMIT.] A company, joint stock association, copartnership, corporation, or individual who has paid, voluntarily or otherwise, or from whom there has been collected (other than by proceedings instituted by the attorney general under sections 294.06 and 294.08, subdivision 3) an amount of gross earnings tax for any year in excess of the amount legally due for that year, may file with the commissioner of revenue a claim for a refund of such excess. Except as provided in subdivision 4, no such claim shall be entertained unless filed within two years after such tax was paid or collected, or within three and one-half years from the filing of the return, whichever period is the longer. Upon the filing of a claim the commissioner shall examine the same and shall make and file written findings thereon denying or allowing the claim in whole or in part and shall mail a notice thereof to such company, joint stock association, copartnership, corporation, or individual at the address stated upon the return. If such claim is allowed in whole or in part, the commissioner shall credit the amount of the allowance against any tax due the state from the claimant and for the balance of said allowance, if any, the commissioner shall issue his certificate for the refundment of the excess paid. The commissioner of finance shall cause such refund to be paid out of the proceeds of the gross earnings taxes imposed by Minnesota Statutes 1967, Chapters 294 and 295 as other state moneys are expended. So much of the proceeds as may be necessary are hereby appropriated for that purpose. Any allowance so made by the commissioner shall include interest at the rate of ~~six percent~~ *specified in section 270.76* computed from the date of payment or collection of the tax until the date the refund is paid to the claimant.

Sec. 13. Minnesota Statutes 1983 Supplement, section 297A.35, subdivision 1, is amended to read:

Subdivision 1. A person who has, pursuant to the provisions of this chapter, 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 such excess subject to the conditions specified in subdivision 5. Except as provided in subdivision 4 no such claim shall be enter-

tained unless filed within two years after such tax was paid, or within three years from the filing of the return, whichever period is the longer. The commissioner shall examine the claim and make and file written findings thereon denying or allowing the claim in whole or in part and shall mail a notice thereof to such person at the address stated upon the claim. Any allowance shall include interest on the excess determined at a rate of ~~six percent per annum~~ *specified in section 270.76* from the date such excess was paid or collected until the date it is refunded or credited. If such claim is allowed in whole or in part, the commissioner shall credit the amount of the allowance against any taxes under sections 297A.01 to 297A.44 due from the claimant and for the balance of said allowance, if any, the commissioner shall issue his certificate for the refundment of the excess paid, and the commissioner of finance shall cause such refund to be paid out of the proceeds of the taxes imposed by sections 297A.01 to 297A.44, as other state moneys are expended. So much of the proceeds of such taxes as may be necessary are hereby appropriated for that purpose.

Sec. 14. Minnesota Statutes 1982, section 298.09, subdivision 4, is amended to read:

Subd. 4. If the amount of tax determined by the commissioner is subsequently found to be erroneous, the commissioner may, at any time within three years from the date the tax is certified as provided in section 298.10, redetermine the amount thereof. No such redetermination shall be made increasing the tax unless the person from whom the additional amount is due is given ten days written notice thereof and an opportunity to be heard thereon. If an order is made increasing the tax, the same proceedings shall be had as provided for occupation taxes originally determined and certified. Any person who has paid an occupation tax may apply to the commissioner within the time herein limited for a redetermination of the tax, and if the commissioner determines that the tax has been overpaid, he shall make and file an order determining the amount of such overpayment, and credit it against occupation taxes otherwise payable by the person who has overpaid the amount as so determined. If the tax is increased, interest at the rate specified in section 270.75 from the date payment should have been made shall be determined and paid; if the tax is reduced, interest at the rate of ~~six percent per annum~~ *specified in section 270.76* from the date of overpayment shall be allowed.

Sec. 15. Minnesota Statutes 1982, section 299.05, is amended to read:

299.05 [ASSESSMENT BY COMMISSIONER.]

Upon receipt of the report provided for in section 299.03, the commissioner of revenue shall determine, from information as may be possessed, or obtained, whether the report is correct, or incorrect; and, if found correct, the commissioner shall determine the amount of tax due from the person, enter the amount of the tax in department records, make assessment of taxes due from the person, and the amount that has been paid; and, on or before June 30, of each year, demand payment from the person. The commissioner of revenue shall have power, in case he shall deem the report incorrect, or in case the report is not made and filed with the commissioner as provided in section 299.03, to make findings as to the amount of taxes due after hearing upon notice to the person interested, and the findings shall have the same effect as the determination of the amount of such taxes upon a report made as

hereinbefore provided.

A person subletting land for the use of which is received royalty shall be required to pay taxes only on the difference between the amount of royalty paid by him or her and the amount received.

If the amount of tax determined by the commissioner is subsequently found to be erroneous, the commissioner may, at any time within three years from the date allowed above for the original assessment, redetermine the amount of the tax. No redetermination shall be made increasing the tax unless the person from whom the additional amount is due is given ten days written notice of the proposed increase and the person's right to a hearing pursuant to chapter 14. Any person who has paid a royalty tax may apply to the commissioner within three years from the date allowed above for the original assessment for a redetermination of the tax and if the commissioner determines that the tax has been overpaid, he or she shall make and file an order determining the amount of the overpayment and credit the overpayment against the royalty taxes otherwise payable by the person who overpaid the tax. If the tax is increased, interest at the rate specified in section 270.75 from the date payment should have been made shall be determined and added to the tax. If the tax is reduced, interest at the rate of ~~six percent per annum~~ *specified in section 270.76* from the date of the overpayment shall be allowed.

Sec. 16. [EFFECTIVE DATE.]

*This article is effective for interest earned on overpayments after December 31, 1984.*

Amend the title as follows:

Page 1, line 20, after the first semicolon, insert "increasing the interest rate on state tax refunds;"

Page 1, line 22, after the second semicolon, insert "270A.07, subdivision 5;"

Page 1, line 23, after the first semicolon, insert "271.12;"

Page 1, line 24, after the first semicolon, insert "290.92, subdivision 11; 290.936;"

Page 1, line 25, after the semicolon, insert "290A.07, subdivision 2a; 291.18; 294.09, subdivision 1;"

Page 1, line 29, after the second semicolon, insert "299.05;"

Page 1, line 39, after the second semicolon, insert "290.50, subdivision 1; 290.92, subdivision 13; 290.93, subdivision 9;"

Page 1, line 40, after the first semicolon, insert "290A.07, subdivision 3;"

Page 1, line 41, after the second semicolon, insert "297A.35, subdivision 1;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 40, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Kamrath	McQuaid	Sieloff
Belanger	Frederick	Knaak	Mehrkens	Storm
Benson	Frederickson	Knutson	Olson	Taylor
Berg	Isackson	Kronebusch	Ramstad	Ulland
Bernhagen	Johnson, D.E.	Laidig	Renneke	

Those who voted in the negative were:

Adkins	Diessner	Langseth	Novak	Samuelson
Berglin	Dieterich	Lantry	Pehler	Schmitz
Bertram	Frank	Lessard	Peterson, D.C.	Solon
Chmielewski	Freeman	Luther	Peterson, R.W.	Spear
Dahl	Hughes	Merriam	Petty	Stumpf
Davis	Johnson, D.J.	Moe, D. M.	Pogemiller	Waldorf
DeCramer	Jude	Moe, R. D.	Purfeerst	Wegscheid
Dicklich	Kroening	Nelson	Reichgott	Willet

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

Mr. Sieloff moved to amend H.F. No. 2016, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Page 3, line 5, after "(d)" insert "*Add the amount the taxpayer has paid, not to exceed \$1,000, for tuition and fees charged by a postsecondary educational institution, including public or private colleges and universities, area vocational-technical institutes, and private professional and vocational schools for educational services provided to the taxpayer or the spouse or dependent of the taxpayer on whose behalf the taxpayer incurs the expense;*

(e)"

Page 3, line 7, strike "(e)" and insert "(f)"

Page 3, line 10, strike "(f)" and insert "(g)"

Page 3, line 13, strike "(g)" and insert "(h)"

Page 3, line 18, strike "(h)" and insert "(i)"

Page 6, line 30, delete "*Section 3 is*" and insert "*Sections 1, clause (d), and 3 are*"

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "allowing a deduction for higher education tuition;"

The question was taken on the adoption of the amendment.

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

Those who voted in the affirmative were:

Anderson	Brataas	Kamrath	McQuaid	Renneke
Belanger	Frederick	Knaak	Mehrkens	Sieloff
Benson	Frederickson	Knutson	Moe, D. M.	Storm
Berg	Isackson	Kronebusch	Olson	Taylor
Bernhagen	Johnson, D.E.	Laidig	Ramstad	Ulland

Those who voted in the negative were:

Adkins	Dieterich	Lessard	Peterson, R. W.	Stumpf
Berglin	Frank	Luther	Petty	Vega
Bertram	Freeman	Merriam	Pogemiller	Waldorf
Chmielewski	Hughes	Moe, R. D.	Purfeerst	Wegscheid
Dahl	Johnson, D.J.	Nelson	Reichgott	Willet
Davis	Jude	Novak	Samuelson	
DeCramer	Kroening	Pehler	Schmitz	
Dicklich	Langseth	Peterson, C.C.	Solon	
Diessner	Lantry	Peterson, D.C.	Spear	

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

Mr. Isackson moved to amend H.F. No. 2016, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Page 2, after line 9, insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2c, is amended to read:

Subd. 2c. [SCHEDULE OF RATES FOR INDIVIDUALS, ESTATES AND TRUSTS.] (a) The income taxes imposed by this chapter upon individuals, estates and trusts, other than those taxable as corporations, shall be computed by applying to their taxable net income the following schedule of rates:

- (1) On the first \$500, ~~one~~ and six-tenths of one percent;
- (2) On the second \$500, ~~two~~ one and two-tenths percent;
- (3) On the next \$1,000, ~~three~~ two and five-tenths percent;
- (4) On the next \$1,000, ~~five~~ four and eight-tenths percent;
- (5) On the next \$1,000, ~~seven~~ six and three-tenths percent;
- (6) On the next \$1,000, ~~eight~~ seven and eight-tenths percent;
- (7) On the next \$2,000, ~~ten~~ nine and two-tenths percent;
- (8) On the next \$2,000, ~~eleven~~ ten and five-tenths percent;
- (9) On the next \$3,500, ~~twelve~~ eleven and eight-tenths percent;
- (10) On all over \$12,500, and not over \$20,000, ~~fourteen~~ thirteen percent;
- (11) On all over \$20,000 and not over \$27,500, ~~fifteen~~ fourteen percent;
- (12) On all over \$27,500, sixteen percent.

(b) In lieu of a tax computed according to the rates set forth in clause (a) of this subdivision, the tax of any individual taxpayer whose taxable net income for the taxable year is less than \$40,000 shall be computed in accordance with tables prepared and issued by the commissioner of revenue based on income brackets of not more than \$100. The amount of tax for each bracket shall be computed at the rates set forth in this subdivision, provided that the commissioner may disregard a fractional part of a dollar unless it amounts to 50 cents or more, in which case it may be increased to \$1.

(c) *The brackets contained in clause (a) are the brackets adjusted under subdivision 2d.*"

Page 6, after line 29, insert:

*"Section 1 is effective for tax years beginning after June 30, 1984."*

Page 6, lines 30 and 31, delete "3" and insert "4"

Page 6, line 34, delete "4" and insert "5"

ReNUMBER the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "reducing income tax rates for individuals, estates, and trusts;"

Page 1, line 37, after "276.04" insert "290.06, subdivision 2c;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 41, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Kamrath	McQuaid	Sieloff
Belanger	Frederick	Knaak	Mehrrens	Storm
Benson	Frederickson	Knutson	Olson	Taylor
Berg	Isackson	Kronebusch	Ramstad	Ulland
Bernhagen	Johnson, D.E.	Laidig	Renneke	

Those who voted in the negative were:

Adkins	Dieterich	Lessard	Peterson, D.C.	Stumpf
Berglin	Frank	Luther	Peterson, R.W.	Vega
Bertram	Freeman	Merriam	Petty	Waldorf
Chmielewski	Hughes	Moe, D. M.	Pogemiller	Wegscheid
Dahl	Johnson, D.J.	Moe, R. D.	Purfeerst	Willet
Davis	Jude	Nelson	Reichgott	
DeCramer	Kroening	Novak	Schmitz	
Dicklich	Langseth	Pehler	Solon	
Diessner	Lantry	Peterson, C.C.	Spear	

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

Mr. Belanger moved to amend H.F. No. 2016, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Page 34, after line 25, insert:

"Sec. 3. Minnesota Statutes 1983 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 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, 290.20, 290.35, or 290.36, 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~~ 9.8 percent."

Page 60, line 24, delete "17, 19 and 20" and insert "18, 20, and 21"

Page 60, line 24, after the period insert "Section 3 is effective for taxable years beginning after December 31, 1984."

Page 60, line 25, delete "3 to 10" and insert "4 to 11"

Page 60, line 28, delete "11" and insert "12"

Page 60, line 30, delete "12 to 16" and insert "13 to 17"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "reducing the corporate tax rate;"

Page 1, line 37, after the second semicolon, insert "290.06, subdivision 1;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 39, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Kamrath	McQuaid	Sieloff
Belanger	Frederick	Knaak	Mehrkens	Storm
Benson	Frederickson	Knutson	Olson	Taylor
Berg	Isackson	Kronebusch	Ramstad	Ulland
Bernhagen	Johnson, D.E.	Laidig	Renneke	

Those who voted in the negative were:

Adkins	Diessner	Langseth	Pehler	Schmitz
Berglin	Dieterich	Lantry	Peterson, D.C.	Spear
Bertram	Frank	Lessard	Peterson, R.W.	Stumpf
Chmielewski	Freeman	Luther	Petty	Vega
Dahl	Hughes	Merriam	Pogemiller	Waldorf
Davis	Johnson, D.J.	Moe, R. D.	Purfeerst	Wegscheid
DeCramer	Jude	Nelson	Reichgott	Willet
Dicklich	Kroening	Novak	Samuelson	

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

Mr. Anderson moved to amend H.F. No. 2016, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Page 102, after line 7, insert:

#### “ARTICLE 7

#### ESTATE TAX

Section 1. Minnesota Statutes 1982, section 290.01, subdivision 20e, is amended to read:

Subd. 20e. [MODIFICATION IN COMPUTING TAXABLE INCOME OF THE ESTATE OF A DECEDENT.] Amounts allowable under ~~section~~

291.07, subdivision 1, clause (2) sections 2053 or 2054 of the Internal Revenue Code of 1954 in computing Minnesota inheritance or federal 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 a valid election is 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 1983 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 ~~March 12~~ *December 31, 1983*.

Sec. 3. Minnesota Statutes 1983 Supplement, section 291.03, subdivision 1, is amended to read:

Subdivision 1. [~~GENERALLY TAX AMOUNT.~~] 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:~~

~~10 percent on the first \$100,000,~~

~~11 percent on the next \$500,000 or part thereof,~~

~~12 percent on the excess; or~~

(2) ~~A tax equal to the same proportion of the maximum credit allowable under section 2011 of the Internal Revenue Code for state death taxes described herein as the Minnesota gross estate bears to the value of the federal gross estate. The tax determined under this paragraph shall not be greater than the maximum credit allowable under section 2011 of the Internal Revenue Code.~~

Sec. 4. Minnesota Statutes 1982, section 291.075, is amended to read:

291.075 [SPECIAL USE VALUATION OF QUALIFIED PROPERTY.]

~~When property subject to the tax imposed by this chapter qualifies for valuation based on its use pursuant to section 2032A of the Internal Revenue Code, it shall have the same value for Minnesota estate tax purposes as it has for federal estate tax purposes. If, after the final determination of the tax imposed by this chapter, the property valued pursuant to section 2032A of the Internal Revenue Code is disposed of or fails to qualify and an additional tax is imposed pursuant to section 2032A(c), any increase in the credit for state death taxes shall be reported to the commissioner within 90 days after final determination of the increased credit. Upon notification the commissioner may assess an additional tax in accordance with section 291.03, subdivision 1, clause (2). No additional Minnesota estate tax computed in accordance with section 291.03, subdivision 1, clause (1) will be imposed nor will an additional deduction for federal estate taxes paid be allowed under section 291.07 or 291.08.~~

Sec. 5. Minnesota Statutes 1982, 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 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 December 31, 1981/1983 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 all 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

in which a federal estate tax return is required to be filed.

The return shall be accompanied by a federal estate tax return, a schedule of all assets in the estate at their date of death values, and shall contain a computation of the Minnesota estate tax due. The return shall be signed by the personal representative.

Sec. 6. Minnesota Statutes 1983 Supplement, section 291.09, subdivision 3a, is amended to read:

Subd. 3a. (1) The commissioner may challenge matters of valuation or taxability of any assets reported on the return, or any deductions claimed, or the computation of tax, only if within 180 days from the due date of the return or the receipt of the return and all documents required to be filed with the return, whichever is later, the commissioner mails or delivers a written notice to the personal representative objecting to the return as filed and specifying the reasons for the objection.

(2) If the personal representative disagrees with the objection or does not wish to fully comply with the objection, he may request that the commissioner hold a hearing on the objection. Within 30 days of receipt of a request, the commissioner shall set a time and place for hearing. Unless otherwise agreed upon, the hearing date shall not be earlier than 30 days nor later than 60 days from the date of the notice setting the hearing. The notice of hearing shall set forth the rights available to the personal representative under chapter 14. Not later than 30 days after the commissioner receives the report and recommendation of the hearing examiner, or a written waiver of his hearing rights by the personal representative, the commissioner shall issue an order determining the tax. Any such determination made by the commissioner may be appealed to the tax court as provided in section 271.09.

(3) At any time together with or after the objection, the commissioner, on his own initiative, may set a time and place for a hearing in accordance with (2) above.

(4) In his objection, or at any time thereafter, the commissioner may assess any additional tax as the facts may warrant, subject to the right of the personal representative to demand a hearing under chapter 15. If the personal representative does not demand a hearing within 90 days of the date of the assessment, the tax so assessed shall be legally due and the commissioner may proceed to collect any the unpaid tax after one year from the date of

**death.** If the commissioner later finds the tax assessment to be erroneous, he may adjust the assessment prior to collection.

(5) The commissioner shall not be required to object to any subsequent original, amended or supplemental return in order to preserve his rights. The commissioner shall not be precluded from objecting to a subsequent original, amended or supplemental return even though an original return was accepted as filed. If the commissioner had accepted an original return showing no tax due and a subsequent original, amended or supplemental return discloses additional assets not disclosed on the original return, the commissioner may object to any matter of valuation, taxability, deduction or computation of tax on the original return within 180 days of receipt of the subsequent original, amended or supplemental return.

(6) Subject to the provisions of sections 291.11 and 291.215, the Minnesota estate tax liability shall be considered as finally determined on the date notification of acceptance is issued to the personal representative or, if no objection is filed, on the day following 180 days from the due date of the return or the receipt of the return, together with all other documents required to be filed with the return, whichever is later.

(7) Subject to the time limits imposed elsewhere in this chapter, the commissioner may refund an overpayment of tax, penalty or interest even though the personal representative has not made an application for refund.

Sec. 7. Minnesota Statutes 1982, section 291.132, subdivision 2, is amended to read:

Subd. 2. In lieu of an extension provided pursuant to subdivision 1 or payment of the estate tax in installments pursuant to section 291.11 on the property which qualifies under this subdivision, the personal representative may elect to extend the time for payment of the tax on property which qualifies for valuation under section ~~291.075~~ 2032A of the Internal Revenue Code. The personal representative of an estate containing such property may elect to pay all or part of the tax imposed by this chapter in one or more, but not to exceed ten, equal installments, provided that the maximum amount of tax which may be paid in installments pursuant to this subdivision shall be an amount which bears the same ratio to the estate's tax liability under this chapter as the value of property determined pursuant to section ~~291.075~~ 2032A of the Internal Revenue Code and included in the Minnesota taxable estate bears to the amount of the Minnesota taxable estate. The first installment shall be paid on or before the date selected by the personal representative. The date may be no more than five years after the date prescribed by section 291.11, subdivision 1, for payment of the estate tax. Each succeeding installment shall be paid on or before that same date each year. An election under this subdivision shall be made not later than nine months after the decedent's death and shall be made in the manner as the commissioner shall prescribe by rule.

Sec. 8. Minnesota Statutes 1982, section 291.215, subdivision 1, is amended to read:

Subdivision 1. All property includable in the Minnesota gross estate of a decedent shall be valued in accordance with the provisions of sections 2031 or 2032 and, if applicable, 2032A, of the Internal Revenue Code and any elections made in valuing the federal gross estate shall be applicable in valu-

ing the Minnesota gross estate. Except as otherwise provided in section 291.075, the value of all property includable in the Minnesota gross estate of a decedent may be independently determined under said sections for Minnesota estate tax purposes.

Sec. 9. [REPEALER.]

*Minnesota Statutes 1982, sections 291.015; 291.03, subdivisions 3, 4, 5, 6, and 7; 291.05; 291.051; 291.06; 291.065; 291.07; 291.08; 291.09, subdivision 5; and 291.111 are repealed.*

Sec. 10. [EFFECTIVE DATE.]

*Section 1 is effective for taxable years beginning after December 31, 1984. Sections 2 to 9 are effective for estates of decedents dying after December 31, 1984.*"

Amend the title as follows:

Page 1, line 20, after the first semicolon, insert "providing that the estate tax equals the federal death tax credit;"

Page 1, line 24, after the semicolon, insert "290.01, subdivision 20e;"

Page 1, line 25, after the semicolon, insert "291.075; 291.09, subdivision 1a; 291.132, subdivision 2; 291.215, subdivision 1;"

Page 1, line 40, after the first semicolon, insert "291.005, subdivision 1; 291.03, subdivision 1; 291.09, subdivision 3a;"

Page 2, line 2, after the semicolon, insert "291.015; 291.03, subdivisions 3, 4, 5, 6, and 7; 291.05; 291.051; 291.06; 291.065; 291.07; 291.08; 291.09, subdivision 5; and 291.111;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 37, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Kamrath	McQuaid	Sieloff
Belanger	Frederick	Knaak	Mehrkens	Storm
Benson	Frederickson	Knutson	Olson	Taylor
Berg	Isackson	Kronebusch	Ramstad	Ulland
Bernhagen	Johnson, D.E.	Laidig	Renneke	

Those who voted in the negative were:

Adkins	Diessner	Langseth	Peterson, D.C.	Stumpf
Berglin	Dieterich	Lantry	Peterson, R.W.	Vega
Bertram	Frank	Lessard	Petty	Waldorf
Chmielewski	Freeman	Luther	Pogemiller	Wegscheid
Dahl	Hughes	Merriam	Reichgott	Willet
Davis	Johnson, D.J.	Moe, R. D.	Samuelson	
DeCramer	Jude	Nelson	Schmitz	
Dicklich	Kroening	Novak	Spear	

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

Mr. Storm moved to amend H.F. No. 2016, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Page 102, after line 7, insert:

"ARTICLE 7  
UNITARY TAX

Section 1. Minnesota Statutes 1983 Supplement, section 290.07, subdivision 1, is amended to read:

Subdivision 1. [ANNUAL ACCOUNTING PERIOD.] Net income and taxable net income shall be computed upon the basis of the taxpayer's annual accounting period. If a taxpayer has no annual accounting period, or has one other than a fiscal year, as heretofore defined, the net income and taxable net income shall be computed on the basis of the calendar year. Taxpayers shall employ the same accounting period on which they report, or would be required to report, their net income under the Internal Revenue Code. ~~The commissioner shall provide by rule for the determination of the accounting period for taxpayers who file a combined report under section 290.34, subdivision 2, when members of the group use different accounting periods for federal income tax purposes. Unless the taxpayer changes its accounting period for federal purposes, the due date of the return is not changed.~~

A taxpayer may change his accounting period only with the consent of the commissioner. In case of any such change, he shall pay a tax for the period not included in either his former or newly adopted taxable year, computed as provided in section 290.32.

Sec. 2. Minnesota Statutes 1982, section 290.095, subdivision 3, is amended to read:

Subd. 3. [CARRYOVER AND CARRYBACK.] (a) Except as provided in clause (d) or subdivision 8, a net operating loss for any taxable year shall be:

(1) A net operating loss carryback to each of the three taxable years preceding the taxable year of such loss, and

(2) A net operating loss carryover to each of the five taxable years following the taxable year of such loss.

(b) The entire amount of the net operating loss for any taxable year shall be carried to the earliest of the taxable years to which, by reason of subdivision 3, clause (a) or (d), such loss may be carried. The portion of such loss which shall be carried to each of the other taxable years shall be the excess, if any, of the amount of such loss over the sum of the taxable net income, adjusted by the modifications specified in subdivision 4, for each of the prior taxable years to which such loss may be carried.

(c) Where a corporation does business both within and without Minnesota, and apportions its income under the provisions of section 290.19, the net operating loss deduction shall be allowed to the extent of the apportionment ratio of the loss year, or the year to which the loss is carried, whichever is smaller.

(d) ~~Where a corporation files a combined report which reflects the entire unitary business as provided in section 290.34, subdivision 2, the corporation shall not be allowed a net operating loss carryback to a year in which it did not file a combined report. The number of taxable years for which a net operating loss carryover is allowed shall be increased by the number of taxable years for~~

~~which a net operating loss carryback is not allowed under this clause.~~

Sec. 3. Minnesota Statutes 1983 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) (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 from winnings on Minnesota pari-mutuel betting tickets shall be assigned to 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 or is a resident trust or estate.

(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 except for business income subject to the provisions of clause (1) and farm income subject to the provisions of clause (2). The term "unitary business" shall mean 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 but the absence of these centralized activities will not necessarily evidence a nonunitary business. Unity of ownership will not be deemed to exist when a corporation is involved unless that corporation is a member of a group of two or more corporations more than 50 percent of the voting stock of each member of the group is directly or indirectly owned by a common owner or by common owners, either corporate or noncorporate, or by one or more of the member corporations of the group.

The entire income of a unitary business 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) For purposes of this section, amounts received by a nonresident 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, 1981, 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.

(6) All other items of gross income shall be assigned to the taxpayer's domicile.

Sec. 4. Minnesota Statutes 1983 Supplement, section 290.21, subdivision 4, is amended to read:

Subd. 4. (a) 85 percent of dividends received by a corporation during the taxable year from another corporation, when the corporate stock with respect to which dividends are paid does not constitute the stock in trade of the taxpayer or would not be included in the inventory of the taxpayer, or does not constitute property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business, or when the trade or business of the taxpayer does not consist principally of the holding of the stocks and the collection of the income and gains therefrom. The remaining 15 percent shall be allowed if the recipient owns 80 percent or more of all the voting stock of such 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, divi-

dends 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.

The dividend deduction provided in this subdivision does not apply to a dividend from a corporation which, for the taxable year of the corporation in which the distribution is made or for the next preceding taxable year of the corporation, is a corporation exempt from tax under section 501 of the Internal Revenue Code of 1954, as amended through December 31, 1982.

The dividend deduction provided in this subdivision applies to the amount of regulated investment company dividends only to the extent determined under section 854(b) of the Internal Revenue Code of 1954, as amended through December 31, 1982.

(d) If dividends received by a corporation that does not have nexus with Minnesota under the provisions of Public Law 86-272 are included as income on the return of an affiliated corporation permitted or required to file a combined report under section 290.34, subdivision 2, then for purposes of this subdivision the determination as to whether the trade or business of the corporation consists principally of the holding of stocks and the collection of income and gains therefrom shall be made with reference to the trade or business of the affiliated corporation having a nexus with Minnesota.

Sec. 5. Minnesota Statutes 1983 Supplement, section 290.34, subdivision 2, is amended to read:

Subd. 2. [AFFILIATED OR RELATED CORPORATIONS, COMBINED REPORT 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 combined report consolidated statements as, in his opinion, is are necessary in order to determine the taxable net income of 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, and 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, the District of Columbia, the commonwealth of Puerto Rico, any possession of the United States, or any political subdivision of any of the foregoing. All inter-company transactions between companies which are contained on the combined report shall be eliminated. This subdivision shall not apply to insurance companies whose income is determined under section 290.35 or to investment companies whose income is determined under section 290.36.

Sec. 6. [REPEALER.]

*Minnesota Statutes 1982, section 290.06, subdivision 15; and Laws 1982, chapter 523, article XXIX, section 6 are repealed.*

Sec. 7. [EFFECTIVE DATE.]

*Sections 1 to 6 are effective for tax years beginning after June 30, 1984."*

Amend the title as follows:

Page 1, line 20, after the first semicolon, insert "repealing the unitary tax;"

Page 1, line 24, after the semicolon, insert "290.095, subdivision 3;"

Page 1, line 38, after the first semicolon, insert "290.07, subdivision 1;"

Page 1, line 39, after the first semicolon, insert "290.17, subdivision 2;"

Page 1, line 39, after the second semicolon, insert "290.34, subdivision 2;"

Page 2, line 2, delete "section" and insert "sections" and after the semicolon, insert "and 290.06, subdivision 15;"

Page 2, line 4, after the second semicolon, insert "Laws 1982, chapter 523, article XXIX, section 6;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 25 and nays 38, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Kamrath	McQuaid	Renneke
Belanger	Frederick	Knaak	Mehrkens	Sieloff
Benson	Frederickson	Knutson	Olson	Storm
Berg	Isackson	Kronebusch	Peterson, D.L.	Taylor
Bernhagen	Johnson, D.E.	Laidig	Ramstad	Ulland

Those who voted in the negative were:

Adkins	Diessner	Langseth	Peterson, D.C.	Spear
Berglin	Dieterich	Lantry	Peterson, R.W.	Stumpf
Bertram	Frank	Luther	Petty	Vega
Chmielewski	Freeman	Merriam	Pogemiller	Waldorf
Dahl	Hughes	Moe, R. D.	Purfeerst	Wegscheid
Davis	Johnson, D.J.	Nelson	Reichgott	Willet
DeCramer	Jude	Novak	Samuelson	
Dicklich	Kroening	Pehler	Schmitz	

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

Mr. Sieloff moved to amend H.F. No. 2016, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1969.)

Page 47, line 9, delete everything after "retail"

Page 47, delete lines 10 to 15

Page 47, line 16, delete everything before the period; and after the period, insert "*Repair or replacement parts for capital equipment are not included in the definition of capital equipment.*"

*"Capital equipment" includes: peripheral machinery and equipment necessary for the complete function of the machinery and equipment used directly in the manufacturing process; machinery and equipment required to handle materials, supplies, and finished goods during manufacture, warehousing, and shipment; engineering, laboratory, and testing machinery and equipment used to research, develop, and design products and conduct in-process or performance checks; and machinery and equipment used in marketing, sales, accounting, billing, payroll, or other office functions auxiliary to the manufacture or fabrication of the product to be sold at retail."*

Page 60, line 30, before the period, insert "*and apply to capital equipment purchased or for which a purchase contract has been signed after November 30, 1983*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 37, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Kamrath	McQuaid	Sieloff
Belanger	Frederick	Knaak	Mehrkens	Storm
Benson	Frederickson	Knutson	Olson	Taylor
Berg	Isackson	Kronebusch	Ramstad	Ulland
Bernhagen	Johnson, D.E.	Laidig	Renneke	

Those who voted in the negative were:

Adkins	Dieterich	Lessard	Peterson, R.W.	Spear
Berglin	Freeman	Luther	Petty	Vega
Bertram	Hughes	Merriam	Pogemiller	Waldorf
Chmielewski	Johnson, D.J.	Moe, D. M.	Purfeerst	Wegscheid
Dahl	Jude	Moe, R. D.	Reichgott	Willet
DeCramer	Kroening	Pehler	Samuelson	
Dicklich	Langseth	Peterson, C.C.	Schmitz	
Diessner	Lantry	Peterson, D.C.	Solon	

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

Mr. Benson moved to amend the Lessard amendment to H.F. No. 2016, adopted by the Senate April 12, 1984, as follows:

Page 1, line 29, strike "not"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 28 and nays 38, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Solon
Belanger	Frederickson	Kronebusch	Peterson, D.L.	Storm
Benson	Isackson	Laidig	Purfeerst	Taylor
Bernhagen	Johnson, D.E.	Langseth	Ramstad	Ulland
Brataas	Kamrath	McQuaid	Renneke	
DeCramer	Knaak	Mehrkens	Sieloff	

Those who voted in the negative were:

Adkins	Dieterich	Lessard	Peterson, C. C.	Spear
Berglin	Frank	Luther	Peterson, D. C.	Stumpf
Bertram	Freeman	Merriam	Peterson, R. W.	Vega
Chmielewski	Hughes	Moe, D. M.	Petty	Waldorf
Dahl	Johnson, D. J.	Moe, R. D.	Pogemiller	Wegscheid
Davis	Jude	Nelson	Reichgott	Willet
Dicklich	Kroening	Novak	Samuelson	
Diessner	Lantry	Pehler	Schmitz	

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

H.F. No. 2016 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 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Olson	Sieloff
Anderson	Dieterich	Kronebusch	Pehler	Solon
Belanger	Frank	Laidig	Peterson, C. C.	Spear
Benson	Frederick	Langseth	Peterson, D. C.	Storm
Berg	Frederickson	Lantry	Peterson, D. L.	Stumpf
Berglin	Freeman	Lessard	Peterson, R. W.	Taylor
Bernhagen	Hughes	Luther	Petty	Ulland
Bertram	Isackson	McQuaid	Pogemiller	Vega
Brataas	Johnson, D. E.	Mehrkens	Purfeerst	Waldorf
Chmielewski	Johnson, D. J.	Merriam	Ramstad	Wegscheid
Dahl	Jude	Moe, D. M.	Reichgott	Willet
Davis	Kamrath	Moe, R. D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	
Dicklich	Knutson	Novak	Schmitz	

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

## MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Johnson, D.J. moved that S.F. No. 1969, No. 186 on Special Orders, be stricken and laid on the table. The motion prevailed.

Mr. Willet moved that H.F. No. 1393 be taken from the table and given its second reading. The motion prevailed.

H.F. No. 1393: A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; modifying the foundation aid formula; granting certain powers and duties to school boards, school districts, the state board of education, the commissioner of education, the department of education, the state board of vocational-technical education, the state director of vocational-technical education, the higher education coordinating board, and others; providing for an equalized summer school aid and levy; increasing the community education aid and levy; modifying the vocational instructional aid payment formula; establishing a schools of excellence program; requiring an arts education study; expanding in-service and instructional effectiveness training programs; improving the planning, evaluation, and reporting process; establishing assessment programs; establishing a research and development grant program; appropriating money; amending Minnesota Statutes 1982, sections 121.908, by adding

a subdivision; 121.935, subdivisions 2 and 6; 121.936, subdivision 1; 122.532, by adding a subdivision; 123.36, subdivision 10; 123.74; 123.741, as amended; 123.742, as amended; 124.19, by adding a subdivision; 124.20; 124.201, subdivision 1; 124.214, subdivision 1; 124.565, subdivision 7; 136A.02, subdivision 6; 275.125, by adding subdivisions; 465.721; 471.61, subdivisions 1 and 2a; Minnesota Statutes 1983 Supplement, sections 120.17, subdivision 3b; 121.601; 121.608; 121.609; 121.904, subdivision 4a; 123.36, subdivision 13; 123.743; 124.155, subdivision 1; 124.195, subdivisions 1, 9, and 10; 124.201, subdivisions 2, 4, and 5; 124.2122; 124.2126, subdivision 3; 124.2138; 124.271, subdivision 2b; 124.5615, subdivision 5; 124.5629; 124A.06, subdivision 1; 124A.12, subdivision 1; 124A.14, subdivision 1; 124A.16, subdivision 4; 125.032, subdivision 2; 129B.32, subdivision 3; 129B.36, by adding a subdivision; 136C.04, by adding a subdivision; 275.125, subdivisions 2e, 2k, 8, 8a, 9b, 11a, and 11c; 298.28, subdivision 1; 466.06; 475.61, subdivision 3; Laws 1976, chapter 20, section 5, subdivision 1; Laws 1983, chapter 314, article 6, section 34, subdivision 12; article 7, section 45; article 8, section 23; and article 9, section 14, subdivision 3; proposing new law coded in Minnesota Statutes, chapters 121, 123, 124, and 136C; repealing Minnesota Statutes 1982, sections 124.201, as amended; 124.32, subdivisions 1a, 1e, and 2a; 125.60, subdivision 2a; and 275.125, subdivision 2g; and Minnesota Statutes 1983 Supplement, sections 124.32, subdivision 5a; and 275.125, subdivisions 2i and 2j.

H.F. No. 1393 was read the second time.

### SUSPENSION OF RULES

Mr. Nelson moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 1393 and that the rules of the Senate be so far suspended as to give H.F. No. 1393 its third reading and place it on its final passage. The motion prevailed.

Mr. Nelson moved to amend H.F. No. 1393 as follows:

Delete everything after the enacting clause, and delete the title, of H. F. No. 1393, and insert the language after the enacting clause, and the title, of S. F. No. 1404, the third engrossment.

The motion prevailed. So the amendment was adopted.

Mr. Dieterich moved to amend H.F. No. 1393, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1404.)

Page 47, line 29, after "*position*" insert "*, or is not on unrequested leave of absence from a supervisory or administrative position,*"

The motion prevailed. So the amendment was adopted.

Mr. Berg moved to amend H.F. No. 1393 as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1404.)

Page 49, after line 12, insert:

“Sec. 10. Minnesota Statutes 1982, section 126.12, is amended to read:

126.12 [SCHOOL CALENDAR.]

*Subdivision 1. A school district shall not commence a school year prior to the existence of a collective bargaining agreement governing teacher employment during that school year.*

*Subd. 2. Every Saturday shall be a school holiday, except that school may be held on a Saturday if necessary to meet the requirement in section 124.19 of making a good faith attempt to make up time lost on account of circumstances which were beyond the control of the school board. The school board shall determine the number of school days of each school year on or before April 1 of the calendar year in which such school year commences.”*

Renumber the sections in sequence and change cross-references accordingly

Amend the title as follows:

Page 1, line 20, after “4;” insert “126.12;”

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

Mr. Mehrkens moved to amend H.F. No. 1393, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1404.)

Page 36, after line 31, insert:

“Sec. 7. [124.274] [CITATION.]

*Sections 8 to 10 may be cited as the “Minnesota Initiatives for Excellence Act of 1984.”*

Sec. 8. [124.275] [PURPOSE OF INITIATIVES FOR EXCELLENCE.]

*The purpose of sections 9 and 10 is:*

*(1) to recognize and support local initiatives that promise to improve educational programs for elementary and secondary students in this state;*

*(2) to provide incentives for innovative strategies that expand opportunities and reward achievement in the public schools; and*

*(3) to foster education renewal and change that increases local effort and commitment to excellence in education.*

Sec. 9. [124.276] [INITIATIVES FOR EXCELLENCE GRANTS.]

*Subdivision 1. [CONDITIONS FOR GRANT.] The state board of education shall award an initiative for excellence grant to a district that agrees to implement new means to accomplish two or more of the following goals:*

*(1) to train, evaluate, and reward the outstanding performance of teachers, principals, and other school personnel;*

*(2) to establish firm, explicit, and demanding requirements concerning discipline, curriculum, attendance, homework, and grades;*

*(3) to clearly identify expected student skill levels and to regularly measure student progress;*



(4) to increase student-teacher contact time; and

(5) to establish partnerships with business and community groups to marshal resources and cooperation with the community.

*Subd. 2. [ELIGIBILITY.] A grant shall not be awarded to a district that has not entered into a collective bargaining agreement by May 15, 1984, between the school board and the teachers, as defined in section 179.63, subdivision 13.*

*Subd. 3. [AMOUNT OF GRANT.] A grant to a district shall equal \$1,550 times the number of full-time equivalent licensed classroom teachers employed by the district in the 1983-1984 school year.*

*Subd. 4. [PAYMENT SCHEDULE.] The commissioner shall pay one-half of the grant amount by November 1, 1984, and one-half by April 1, 1985.*

*Subd. 5. [CERTIFICATION.] Grant recipients shall certify to the commissioner by May 1, 1985, that the initiatives for excellence program described in the grant application has been implemented. Failure to certify or false certification of implementation shall be cause for the rescission of the grant and for the recovery of grant moneys in the same way erroneously paid state aids are recovered under section 124.14.*

**Sec. 10. [124.277] [SELECTION PROCEDURES.]**

*Subdivision 1. [APPLICATIONS.] The commissioner shall prescribe the form and manner of application for an initiatives for excellence grant. Applications for grants may be accepted after June 1, 1984 for grants to be paid in fiscal year 1985. Grants to be paid in 1985 shall be announced by October 1, 1984.*

*Subd. 2. [COMMISSIONER'S DETERMINATION.] The commissioner shall determine if the means to accomplish the goals listed in a district's application are a good faith effort at new means in the district to accomplish the listed goals. The application may contain and the commissioner may require documentation to support the application. After review of the applications, the commissioner shall recommend grant awards to the state board.*

*Subd. 3. [APPROVAL.] The state board shall award grants to districts meeting the conditions of section 9. The state board may waive a district's required compliance with its rules. The waiver applies to rules that would impair implementation of an initiatives for excellence program grant."*

Page 43, after line 3, insert:

*"Subd. 3. [INITIATIVES FOR EXCELLENCE.] There is appropriated from the general fund to the department of education \$62,500,000, for fiscal year 1985 for initiatives for excellence grants."*

Page 43, line 5, after "7" insert ", 8, 9, 10, and 11" and delete "is" and insert "are"

Page 85, delete section 1

Page 87, line 3, delete "the amount of" and insert "forecasts of general fund revenues and expenditures prepared by the commissioner of finance pursuant to chapter 16A prior to December 1, 1984, indicate a projected general fund balance for the biennium ending June 30, 1985, in excess of

\$8,000,000''

Page 87, delete lines 4 to 6

Page 87, line 7, delete "\$31,000,000''

Page 87, line 15, delete "sum" and insert "amount"

Page 87, line 16, delete everything after "balance" and insert a comma

Page 87, delete line 17

Page 93, line 25, delete "1" and insert "2"

Renumber the sections in sequence and change the cross references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 23 and nays 37, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knaak	Mehrkens	Sieloff
Belanger	Frederickson	Knutson	Olson	Storm
Berg	Isackson	Kronebusch	Peterson, D.L.	Ulland
Bernhagen	Johnson, D.E.	Laidig	Ramstad	
Brataas	Kamrath	McQuaid	Renneke	

Those who voted in the negative were:

Adkins	Diessner	Lantry	Peterson, D.C.	Stumpf
Berglin	Dieterich	Lessard	Peterson, R.W.	Vega
Bertram	Frank	Luther	Petty	Waldorf
Chmielewski	Hughes	Merriam	Pogemiller	Wegscheid
Dahl	Johnson, D.J.	Moe, D. M.	Purfeerst	Willet
Davis	Jude	Moe, R. D.	Reichgott	
DeCramer	Kroening	Nelson	Samuelson	
Dicklich	Langseth	Pehler	Spear	

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

Mr. Moe, D.M. moved to amend H.F. No. 1393, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1404.)

Page 52, line 11, delete "shall" and insert "may"

Page 52, line 14, after "plans" insert "for the 1984-1985, 1985-1986 school years"

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

Mr. Knutson moved to amend H.F. No. 1393, as amended by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1404.)

Page 47, after line 32, insert:

"Sec. 8. Minnesota Statutes 1983 Supplement, section 125.12, subdivision 6b, is amended to read:

Subd. 6b. [UNREQUESTED LEAVE OF ABSENCE.] The school board

may place on unrequested leave of absence, without pay or fringe benefits, as many teachers as may be necessary because of discontinuance of position, lack of pupils, financial limitations, or merger of classes caused by consolidation of districts. The unrequested leave shall be effective at the close of the school year. In placing teachers on unrequested leave, the board shall be governed by the following provisions:

(a) The board may place probationary teachers on unrequested leave first in the inverse order of their employment. No teacher who has acquired continuing contract rights shall be placed on unrequested leave of absence while probationary teachers are retained in positions for which the teacher who has acquired continuing contract rights is licensed;

(b) Teachers who have acquired continuing contract rights shall be placed on unrequested leave of absence in fields in which they are licensed *and have been employed during at least one of the five prior years* in the inverse order in which they were employed by the school district. In the case of equal seniority, the order in which teachers who have acquired continuing contract rights shall be placed on unrequested leave of absence in fields in which they are licensed shall be negotiable;

(c) Notwithstanding the provisions of clause (b), no teacher shall be entitled to exercise any seniority when that exercise results in that teacher being retained by the district in a field for which the teacher holds only a provisional license, as defined by the board of teaching, unless that exercise of seniority results in the placement on unrequested leave of absence of another teacher who also holds a provisional license in the same field. The provisions of this clause shall not apply to vocational education licenses;

(d) Notwithstanding clauses (a), (b) and (c), if the placing of a probationary teacher on unrequested leave before a teacher who has acquired continuing rights, the placing of a teacher who has acquired continuing contract rights on unrequested leave before another teacher who has acquired continuing contract rights but who has greater seniority, or the restriction imposed by the provisions of clause (c) would place the district in violation of its affirmative action program, the district may retain the probationary teacher, the teacher with less seniority, or the provisionally licensed teacher;

(e) Teachers placed on unrequested leave of absence shall be reinstated to the positions from which they have been given leaves of absence or, if not available, to other available positions in the school district in fields in which they are licensed *and have been employed during at least one of the five years prior to being placed on unrequested leave of absence*. Reinstatement shall be in the inverse order of placement on leave of absence. No teacher shall be reinstated to a position in a field in which the teacher holds only a provisional license, other than a vocational education license, while another teacher who holds a nonprovisional license in the same field remains on unrequested leave. The order of reinstatement of teachers who have equal seniority and who are placed on unrequested leave in the same school year shall be negotiable;

(f) No appointment of a new teacher shall be made while there is available, on unrequested leave, a teacher who is properly licensed to fill such vacancy, unless the teacher fails to advise the school board within 30 days of the date of notification that a position is available to that teacher, that he or she may

return to employment and that he or she will assume the duties of the position to which appointed on a future date determined by the board;

(g) A teacher placed on unrequested leave of absence may engage in teaching or any other occupation during the period of this leave;

(h) The unrequested leave of absence shall not impair the continuing contract rights of a teacher or result in a loss of credit for previous years of service;

(i) The unrequested leave of absence of a teacher who is placed on unrequested leave of absence prior to January 1, 1978 and who is not reinstated shall continue for a period of two years after which the right to reinstatement shall terminate. The unrequested leave of absence of a teacher who is placed on unrequested leave of absence on or after January 1, 1978 and who is not reinstated shall continue for a period of five years, after which the right to reinstatement shall terminate; provided the teacher's right to reinstatement shall also terminate if he or she fails to file with the board by April 1 of any year a written statement requesting reinstatement;

(j) The same provisions applicable to terminations of probationary or continuing contracts in subdivisions 3 and 4 shall apply to placement on unrequested leave of absence;

(k) Nothing in this subdivision shall be construed to impair the rights of teachers placed on unrequested leave of absence to receive unemployment compensation if otherwise eligible."

Renumber the sections in sequence and change cross references accordingly

Amend the title as follows:

Page 1, line 31, after "2;" insert "125.12, subdivision 6b;"

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

H.F. No. 1393 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 66 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Pehler	Solon
Anderson	Dieterich	Kronebusch	Peterson, C. C.	Spear
Belanger	Frank	Laidig	Peterson, D. C.	Storm
Benson	Frederick	Langseth	Peterson, D. L.	Stumpf
Berg	Frederickson	Lantry	Peterson, R. W.	Taylor
Berglin	Freeman	Lessard	Petty	Ulland
Bernhagen	Hughes	Luther	Pogemiller	Vega
Bertram	Isackson	McQuaid	Purfeerst	Waldorf
Brataas	Johnson, D. E.	Mehrkens	Ramstad	Wegscheid
Chmielewski	Johnson, D. J.	Merriam	Reichgott	Willet
Dahl	Jude	Moe, R. D.	Renneke	
Davis	Kamrath	Nelson	Samuelson	
DeCramer	Knaak	Novak	Schmitz	
Dicklich	Knutson	Olson	Sieloff	

Mr. Moe, D.M. voted in the negative.

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

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Nelson moved that S.F. No. 1404 on Special Orders, be stricken and laid on the table. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Special Orders Calendar. The motion prevailed.

### SPECIAL ORDER

S.F. No. 1762: A bill for an act relating to the human rights department; prohibiting waiver of legal rights; changing the statute of limitations; providing sanctions for intentional delays; permitting award of attorney fees in administrative hearings; changing damage awards; amending Minnesota Statutes 1982, sections 363.06, subdivisions 1 and 3; 363.071, by adding a subdivision; 363.116; 363.117; 363.14, subdivisions 1 and 2; Minnesota Statutes 1983 Supplement, sections 363.06, subdivision 4; 363.071, subdivision 2; and 363.072, subdivision 1; proposing new law coded in chapter 363.

Mr. Sieloff moved to amend S.F. No. 1762 as follows:

Page 5, line 29, delete "*commissioner*" and insert "*hearing examiner*"

The motion prevailed. So the amendment was adopted.

Mr. Sieloff then moved to amend S. F. No. 1762 as follows:

Page 6, line 12, delete "*the charging*" and insert "*either*"

Page 6, line 13, delete "*respondent*" and insert "*losing party*" and delete "*charging*" and insert "*prevailing*"

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

Mr. Sieloff then moved to amend S.F. No. 1762 as follows:

Pages 1 and 2, delete section 2

Page 4, lines 15 and 16, reinstate the stricken language and delete the new language

Page 8, line 9, reinstate the stricken language and delete the new language

Page 9, delete section 9

Page 10, lines 28 to 30, reinstate the stricken language and delete the new language

Re-number the sections in sequence

Amend the title as follows:

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

Page 1, line 9, delete "363.117;"

The motion prevailed. So the amendment was adopted.

Mr. Sieloff then moved to amend S. F. No. 1762 as follows:

Page 7, line 5, delete everything after the period

Page 7, delete lines 6 to 10

Page 7, line 11, delete everything before "In"

The motion prevailed. So the amendment was adopted.

Mr. Sieloff then moved to amend S. F. No. 1762 as follows:

Page 7, line 5, before the period, insert "*but the excess amount over the actual damages shall not exceed \$8,000*"

Page 7, line 14, delete "*in addition to*" and strike the old language

Page 7, strike lines 15 to 23

Page 7, line 24, strike everything before the period

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

S.F. No. 1762 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 50 and nays 14, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Novak	Schmitz
Anderson	Dieterich	Langseth	Pehler	Solon
Belanger	Frank	Lantry	Peterson,C.C.	Spear
Berglin	Frederickson	Luther	Peterson,D.C.	Storm
Brataas	Freeman	McQuaid	Peterson,D.L.	Stumpf
Chmielewski	Hughes	Mehrkens	Peterson,R.W.	Ulland
Dahl	Johnson, D.E.	Merriam	Petty	Vega
Davis	Johnson, D.J.	Moe, D. M.	Pogemiller	Waldorf
DeCramer	Jude	Moe, R. D.	Ramstad	Wegscheid
Dicklich	Knaak	Nelson	Reichgott	Willet

Those who voted in the negative were:

Benson	Bertram	Kamrath	Laidig	Renneke
Berg	Frederick	Knutson	Lessard	Sieloff
Bernhagen	Isackson	Kronebusch	Purfeerst	

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

## MOTIONS AND RESOLUTIONS - CONTINUED

### RECONSIDERATION

Mr. Waldorf moved that the vote whereby H.F. No. 1445 was passed by the Senate on April 12, 1984, be now reconsidered. The motion prevailed.

H.F. No. 1445: A bill for an act relating to crimes; defining aggravated criminal damage to property; amending Minnesota Statutes 1982, section 609.595, subdivision 1.

Was read the third time 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:

Adkins	Dicklich	Knaak	Moe, R. D.	Renneke
Anderson	Diessner	Knutson	Nelson	Schmitz
Belanger	Dieterich	Kroening	Novak	Sieloff
Benson	Frank	Kronebusch	Olson	Solon
Berg	Frederick	Laidig	Pehler	Spear
Berglin	Frederickson	Langseth	Peterson, C.C.	Storm
Bernhagen	Freeman	Lantry	Peterson, D.C.	Stumpf
Bertram	Hughes	Lessard	Peterson, D.L.	Taylor
Brataas	Isackson	Luther	Peterson, R.W.	Ulland
Chmielewski	Johnson, D.E.	McQuaid	Petty	Vega
Dahl	Johnson, D.J.	Mehrkens	Pogemiller	Waldorf
Davis	Jude	Merriam	Ramstad	Wegscheid
DeCramer	Kamrath	Moe, D. M.	Reichgott	Willet

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate revert to the Order of Business of Reports of Committees. The motion prevailed.

## REPORTS OF COMMITTEES

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 1514: A bill for an act relating to solid and hazardous waste management; defining resource recovery facility; amending various provisions of the waste management act; prescribing various powers and duties of the waste management board and the pollution control agency relating to hazardous waste management planning and the development of hazardous waste facilities; establishing programs for public education, technical, financial and research assistance to generators, and studies of hazardous waste reduction and processing and collection facilities; requiring a report on the need and feasibility of hazardous waste facilities; authorizing volunteer candidate sites; requiring requests for proposals for hazardous waste processing facilities; prescribing procedures for the designation of solid waste facilities by counties and waste management districts; amending various provisions relating to county and metropolitan solid waste management; designating resource recovery facilities; appropriating money; amending Minnesota Statutes 1982, sections 115A.03, subdivisions 1 and 28; 115A.06, by adding a subdivision; 115A.08, by adding a subdivision; 115A.18; 115A.21, by adding a subdivision; 115A.42; 115A.46, subdivisions 1 and 2; 115A.57, subdivision 1; 115A.59; 115A.70, by adding a subdivision; 116J.88, by adding a subdivision; 116J.90, by adding subdivisions; 116J.91, by adding a subdivision; 290.06, by adding a subdivision; 400.04, subdivision 3, and by adding a subdivision; 400.162; 473.181, subdivision 4; 473.811, subdivision 10; 473.833, subdivision 4; Minnesota Statutes 1983 Supplement, sections 115A.08, subdivision 5; 115A.11; 115A.21, subdivision 1; 115A.22, subdivisions 1 and 4; 115A.24; 115A.241; 115A.25, subdivisions 1, 1a, and 1b; 115A.26; 115A.27, subdivision 2; 115A.28, subdivision 1; 115A.291; 115B.22, subdivision 1; 116J.90, subdivision 4; 297A.25, subdivision 1; 473.823, subdivision 6; and 473.831; proposing new law coded in Minnesota Statutes, chapters 115A; 116E; and 473; repealing Minnesota Statutes 1982, sections 115A.071; 115A.46, subdivision 3; 115A.70, subdivisions 1, 2, 4,

5, and 6; 473.827; and Minnesota Statutes 1983 Supplement, section 115A.70, subdivisions 3 and 7.

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

Page 2, line 5, delete "55" and insert "54"

Page 3, line 36, delete "(1)" and insert "(a)"

Page 4, line 6, delete "clause (2)" and insert "paragraph (b)"

Page 4, line 7, delete "(2)" and insert "(b)"

Page 4, line 22, delete "clause" and insert "paragraph"

Page 4, line 25, delete "(3)" and insert "(c)"

Page 4, line 26, delete "clause (2)" and insert "paragraph (b)"

Page 4, line 27, delete "(a)" and insert "(1)"

Page 4, line 29, delete "clause (1)" and insert "paragraph (a)"

Page 4, line 31, delete "(b)" and insert "(2)"

Page 4, line 35, delete "(c)" and insert "(3)"

Page 5, line 1, delete "(4)" and insert "(d)"

Page 5, line 3, delete "(5)" and insert "(e)"

Page 5, line 26, before "The" insert "(a)"

Page 6, line 8, before "The" insert "(b)"

Page 12, line 28, after the semicolon, insert "and"

Page 21, line 22, before the stricken "On" insert "(a)"

Page 21, line 34, delete the paragraph coding

Page 22, line 20, before the stricken "The" insert "(b)"

Page 32, line 19, delete "3" and insert "4"

Page 33, line 6, delete "3" and insert "4"

Page 35, line 25, after the semicolon, insert "and"

Page 39, delete section 45

Page 39, line 12, delete "46" and insert "45"

Page 40, line 7, delete "area"

Page 40, line 12, delete "weight or"

Page 40, after line 20, insert:

*"(d) Waste residue from energy and resource recovery facilities at which solid waste is processed for the purpose of extracting, reducing, converting to energy, or otherwise separated and prepared for reuse shall be exempt from one-half of the amount of the fee imposed by this subdivision if there is at least an 85 percent volume reduction in the solid waste processed. Any waste residue under this clause must be verified by the waste source appli-*



*cant and brought to a disposal facility separately before the waste source seeks a reduction of the amount of fee. The commissioner shall prescribe procedures for verification of the amount of waste residue by the waste source in applying for a reduction in the amount of fee."*

Page 40, line 25, delete "pollution control"

Page 41, lines 15, 17, and 20, before "landfill" insert "metropolitan"

Page 41, line 19, before "LANDFILL" insert "METROPOLITAN"

Page 41, line 27, delete "47 to 53" and insert "46 to 52"

Page 41, line 30, after the semicolon, insert "and"

Page 42, line 3, before the period, insert "except that grants may not be made to a person owning a metalcasting facility until January 1, 1988"

Page 42, line 5, before the period, insert "except that grants and loans may not be made to a person owning a metalcasting facility until January 1, 1988"

Page 42, line 33, before "LANDFILL" insert "METROPOLITAN"

Page 42, line 34, before "landfill" insert "metropolitan"

Page 43, line 8, delete "51" and insert "50"

Page 43, line 19, before "contingency" insert "metropolitan landfill"

Page 43, line 26, before "landfill" insert "metropolitan"

Page 43, line 30, delete "metropolitran" and insert "metropolitan"

Page 43, line 33, delete "52" and insert "51"

Page 44, line 7, delete "49" and insert "48"

Page 44, line 8, delete "and" and delete "51" and insert "50" and after the third comma insert "and section 51, subdivision 1"

Page 45, line 12, after "This" insert "section"

Page 45, line 14, after "agency" insert "within the metropolitan area"

Page 45, line 15, after "the" insert "metropolitan"

Page 45, line 35, delete "charge an additional" and insert "impose a" and delete "to" and insert "on"

Page 46, after line 6, insert:

*"Waste residue from energy and resource recovery facilities at which solid waste is processed for the purpose of extracting, reducing, converting to energy, or otherwise separating and preparing solid waste for reuse shall be exempt from one-half the amount of the fee imposed by a county under this section if there is at least an 85 percent volume reduction in the solid waste processed. Before any fee is reduced, the verification procedures of section 46, subdivision 1, paragraph (d), must be followed and submitted to the appropriate county."*

Page 46, line 8, delete "\$1 per ton" and insert "30 cents per cubic yard"

Page 46, line 14, after the period, insert "Waste residue from energy and resource recovery facilities at which solid waste is processed for the purpose

*of extracting, reducing, converting to energy, or otherwise separating and preparing solid waste for reuse shall be exempt from one-half the amount of the fee imposed by a city or town under this section if there is at least an 85 percent volume reduction in the solid waste processed. Before any fee is reduced, the verification procedures of section 46, subdivision 1, paragraph (d), must be followed and submitted to the appropriate city or town."*

Page 47, line 9, before "The" insert "(a)"

Page 47, line 12, delete "therefore" and insert "therefor"

Page 47, line 23, delete "(a)" and insert "(1)"

Page 47, line 25, delete "(b)" and insert "(2)"

Page 47, line 27, delete "(c)" and insert "(3)"

Page 47, line 29, before "The" insert "(b)"

Page 47, line 32, before "The" insert "(c)"

Page 48, line 4, before "The" insert "(d)"

Pages 48 and 49, delete sections 60 to 62

Page 49, line 11, before "A" insert "(a)"

Page 49, line 12, delete "real and tangible personal property" and insert "equipment"

Page 49, line 17, before "If" insert "(b)"

Page 49, after line 20, insert:

"Sec. 60. Minnesota Statutes 1982, section 290.06, is amended by adding a subdivision to read:

*Subd. 16. [POLLUTION CONTROL EQUIPMENT, CREDIT.] (a) A credit of five percent of the net cost of equipment used primarily to abate or control pollutants to meet or exceed state laws, rules, or standards, or equipment used primarily to reduce the generation of hazardous waste, to the extent the property is so used and which is included in section 290.09, subdivision 7, paragraph (A), clause (a), may be deducted from the tax due under this chapter in the first year for which a depreciation deduction is allowed for the equipment. The credit allowed by this subdivision may not exceed the lesser of the liability for tax for the taxable year or \$75,000. The credit shall apply only if*

*(1) the equipment meets rules prescribed by the Minnesota pollution control agency and is installed or operated in accordance with a permit or order issued by the agency; or*

*(2) the pollution control agency certifies that the equipment reduces the generation of hazardous waste and that the generator is in compliance with applicable hazardous waste laws and rules.*

*(b) If the amount of the credit determined under paragraph (a) for any taxable year for which a depreciation deduction is allowed exceeds the limitation provided by paragraph (a) for the taxable year, referred to in this subdivision as the "unused credit year", the excess is a credit carryover to each of the four taxable years following the unused credit year.*

(c) *The entire amount of the unused credit for an unused credit year must be carried to the earliest of the four taxable years to which such credit may be carried and then to each of the other three taxable years. The maximum credit allowable in any one taxable year under this subdivision including the credit allowable under paragraph (a) and the carryforward allowable under paragraph (b) and this paragraph shall in no event exceed \$75,000.*

Sec. 61. Minnesota Statutes 1982, section 290.06, is amended by adding a subdivision to read:

*Subd. 17. [FEEDLOT POLLUTION CONTROL EQUIPMENT.] A credit of ten percent of the net cost of pollution control and abatement equipment, including but not limited to, lagoons, concrete storage pits, slurry handling equipment, and other equipment and devices approved by the pollution control agency, purchased, installed and operated within the state by a feedlot operator to prevent pollution of air, land, or water in connection with the operation of a livestock feedlot, poultry lot or other animal lot, may be deducted from the tax due under this chapter in the taxable year in which the equipment is purchased; provided that no deduction may be taken for any portion of the cost of the same equipment pursuant to subdivision 16.*

*If the amount of the credit provided by this subdivision exceeds the taxpayer's liability for taxes pursuant to chapter 290 in the taxable year in which the equipment is purchased, the excess amount may be carried forward to the four taxable years following the year of purchase. The entire amount of the credit not used in the year purchased shall be carried to the earliest of the four taxable years to which the credit may be carried and then to each of the three successive taxable years."*

Page 58, line 17, delete "tangible personal"

Page 58, line 18, delete "property" and insert "equipment"

Page 65, line 9, delete "(2)" and insert "(b)"

Page 69, lines 13 and 14, delete "solid waste management" and insert "resource recovery"

Page 69, line 14, delete "waste disposal" and insert "tipping"

Page 69, line 15, after the period, insert "Subject to review and approval by the metropolitan council, pursuant to section 473.813,"

Page 69, line 16, delete "40" and insert "30"

Page 69, line 17, delete everything after "any" and insert "resource recovery purposes."

Page 69, delete lines 18 to 21

Page 70, line 4, delete "53" and insert "68"

Page 71, line 35, delete "1 and 2" and insert "3 and 4"

Page 72, lines 5 and 7, delete "41" and insert "46"

Page 72, line 12, delete "53" and insert "77"

Page 72, delete line 20

Page 72, line 21, delete everything before "are" and insert "Sections 46 to

48 and 50”

Page 72, delete line 25 and insert “Sections 1 to 45, 51 to 58, and 63 to 79 are effective the day following”

Page 72, line 26, delete “47 to 51, 54, and 55” and insert “46 to 50, 53, and 54”

Page 72, line 27, before the period, insert “except that the fees imposed in sections 46, 53, and 54 shall be effective on January 1, 1988, with respect to nonhazardous solid waste from metalcasting facilities. Prior to January 1, 1988, an operator of a facility that is located in the metropolitan area for the disposal of mixed municipal solid waste shall deduct from the fee charged under sections 46, 53, and 54 the amount attributable to nonhazardous solid waste from metalcasting facilities”

Page 72, line 27, delete “55” and insert “59”

Page 72, line 28, delete “63” and insert “62”

Page 72, line 29, after the period, insert “Sections 60 and 61 are effective for taxable years beginning after December 31, 1984.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after “to” insert “solid and”

Page 1, line 10, after “financial” insert a comma and delete “, and” and insert a semicolon

Page 1, line 11, delete “studies” and insert “development”

Page 1, line 11, delete “and” and insert a comma and after “processing” insert a comma

Page 1, line 17, delete “solid waste” and insert “resource recovery”

Page 1, line 20, delete “designating” and insert “imposing a solid waste landfill fee in the metropolitan area; providing an income tax credit and sales tax exemption to encourage processing of waste at”

Page 1, line 27, delete “subdivisions” and insert “a subdivision”

Page 1, line 28, delete everything before “290.06”

Page 1, line 28, delete the second “a”

Page 1, line 29, delete the first “subdivision” and insert “subdivisions”

Page 1, line 37, delete “116J.90, subdivision 4;”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 1703: A bill for an act relating to transportation; public transit; creating a regional transit board and specifying its powers and duties; transferring certain powers and duties to the regional transit board from the com-

missioner of transportation and the metropolitan transit commission; specifying certain powers of the metropolitan council; creating a suburban service demonstration project; providing for tiered property tax levies; reducing and reappropriating certain appropriations; amending Minnesota Statutes 1982, sections 174.22, subdivisions 5, 10, 13, and by adding a subdivision; 174.23, subdivisions 2 and 4; 174.24, subdivisions 1, 2, and 5; 473.121, subdivisions 18, 19, and by adding a subdivision; 473.146, subdivision 3; 473.167, subdivision 1; 473.402; 473.404; 473.405; 473.411; 473.435; 473.446, subdivision 1a; Minnesota Statutes 1983 Supplement, sections 174.24, subdivision 3; 221.041, by adding a subdivision; 221.071, subdivision 1; 473.446, subdivision 1; proposing new law coded in Minnesota Statutes, chapters 221; and 473; repealing Minnesota Statutes 1982, sections 174.03, subdivision 5a; 174.24, subdivisions 3a and 4; 174.265; 174.31; 473.411, subdivision 1; 473.413, subdivisions 1 to 6, as amended.

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

Page 7, line 4, delete "221.096" and insert "221.296"

Page 12, line 4, reinstate the stricken "for the metropolitan area"

Page 12, line 5, after the period, insert "*The regional transit board is the legal successor in all respects of the metropolitan transit commission and all bonds, resolutions, contracts, and liabilities of the metropolitan transit commission are the bonds, resolutions, contracts, and liabilities of the regional transit board.*"

Page 13, line 8, delete "each commission" and insert "the transit board"

Page 13, line 15, delete "commission"

Pages 13 and 14, delete section 3 and insert:

"Sec. 3. [TERMS EXPIRE.]

*Effective August 1, 1984, the terms of the members and chair of the metropolitan transit commission expire, provided that they may continue to serve as members until the chair and at least seven transit board members have been appointed and qualified under section 473.404.*"

Page 13, lines 17, 19, 31, 32, and 35, delete "commission" and insert "transit board"

Page 13, line 26, delete "commission's" and insert "transit board's"

Page 14, lines 7, 24, 28, 30 and 33, delete "commission" and insert "transit board"

Page 14, line 35, delete "commission's" and insert "transit board's"

Page 14, line 36, strike "commission" and insert "transit board"

Page 15, lines 11, 21, 23, and 33, strike "commission" and insert "transit board"

Page 16, line 7, strike "commission" and insert "board"

Page 16, lines 8, 11, and 15, strike "commission" and insert "transit board"

Page 16, lines 17, 26, 29, 31, and 36, delete "*commission*" and insert "*transit board*"

Page 16, line 34, delete "COMMISSION" and insert "TRANSIT BOARD"

Page 17, lines 3, 6, and 33, delete "*commission*" and insert "*transit board*"

Page 17, lines 9 and 26, strike "*commission*" and insert "*transit board*"

Page 18, lines 4, 7, and 12, delete "*commission*" and insert "*transit board*"

Page 18, line 14, after the period, insert "*Employees of a contract manager may serve only in the operations division.*"

Page 18, lines 25 and 28, strike "*commission*" and insert "*transit board*"

Page 19, lines 2, 4, and 18, strike "*commission*" and insert "*transit board*"

Page 19, lines 25, 31, 33, and 36, delete "*commission*" and insert "*transit board*"

Page 19, line 33, delete "*commission's*" and insert "*transit board's*"

Page 20, lines 5, 7, 11, 15, 20, 23, and 33, delete "*commission*" and insert "*transit board*"

Page 21, line 20, delete "*commission*" and insert "*board*"

Page 21, lines 26, 28, and 30, delete "*commission*" and insert "*transit board*"

Page 22, lines 1, 3, 6, 12, 14, 17, 19, 29, 32, and 33, delete "*commission*" and insert "*transit board*"

Page 23, lines 2, 17, 18, and 35, delete "*commission*" and insert "*transit board*"

Page 24, lines 4, 8, 13, 15, 18, 21, 23, 24, 25, 29, 31, 34, and 35, delete "*commission*" and insert "*transit board*"

Page 25, lines 1, 7, 8, 14, 15, 19, 20, 22, 26, and 27, delete "*commission*" and insert "*transit board*"

Page 27, lines 10 and 31, strike "*commission*" and insert "*board*"

Page 27, lines 15, 19, 20, 23, 25, and 34, strike "*commission*" and insert "*transit board*"

Page 27, line 27, delete "*commission*" and insert "*transit board*"

Page 28, line 10, delete "*commission*" and insert "*transit board*"

Page 28, line 13, strike "*commission*" and insert "*board*"

Page 28, lines 27, 28, and 36, strike "*commission*" and insert "*transit board*"

Page 29, lines 6 and 8, strike "*commission*" and insert "*transit board*"

Page 29, lines 18, 33, and 36, delete "*commission*" and insert "*transit*"

board”

Page 30, lines 2, 4, 11, and 16, delete “*commission*” and insert “*transit board*”

Page 30, line 15, delete “COMMISSION” and insert “TRANSIT BOARD”

Page 31, lines 2, 7, 9, 30, and 33, delete “*commission*” and insert “*transit board*”

Page 32, lines 3, 8, 26, 27, and 29, delete “*commission*” and insert “*transit board*”

Page 33, line 2, strike “*commission*” and insert “*transit board*”

Page 33, lines 5, 12, and 17, delete “*commission*” and insert “*transit board*”

Page 34, lines 2 and 11, strike “*commission*” and insert “*transit board*”

Page 34, after line 33, insert:

“Sec. 13. [APPROPRIATION.]

*An amount sufficient to compensate for the reduction in property tax revenues attributable to sections 11 and 12 is appropriated from the general fund to the chair of the regional transit board, effective July 1, 1986.”*

Page 35, line 3, after the period, insert “*Sections 11 and 12 are effective for taxes levied in 1985, payable in 1986, and thereafter.*”

Page 35, line 7, delete “*commission*” and insert “*transit board*”

Page 35, line 22, after “*funded*” insert “, or that a letter of intent is on file for with the commissioner of transportation.”

Page 35, line 23, delete “*January 1, 1984*” and insert “*the effective date of section 4*”

Page 35, line 25, after “*board*” insert “*up to the amount of available local transit funds, as defined in Minnesota Statutes 1982, section 174.265, subdivision 1*”

Page 35, line 25, after “*participating*” insert “*or intending to participate*”

Page 36, line 3, delete everything after “3.” and insert “*The chairman of the regional transit board may, on approval of the board, appoint no more than three persons in the unclassified service, not to exceed any other statutory complement limitations.*”

Page 36, delete line 4

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after “*board*” insert “*as a successor agency to the metropolitan transit commission*”

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 Judiciary, to which was referred

S.F. No. 1461: A bill for an act relating to claims against the state; providing for claims arising out of the injury or death of an inmate conditionally released; amending Minnesota Statutes 1982, section 3.739, subdivision 1.

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

Page 1, line 10, strike "LEGISLATIVE AUTHORITY" and insert "PERMISSIBLE CLAIMS"

Page 1, line 12, strike "by the legislature" and insert "as provided in subdivision 2"

Page 1, line 19, delete "citizen" and insert "business or individual"

Page 1, line 22, after "court" delete "or" and insert a comma

Page 1, line 23, after "court" insert ", or subject to a court disposition order,"

Page 1, line 23, after "who" insert a comma

Page 1, line 24, after "work" insert "(a)"

Page 1, line 25, after the comma, insert "(b)" and after the first "of" insert "or to work off"

Page 1, line 25, delete the semicolon and insert ", (c)"

Page 2, line 1, delete "as punishment for crimes;" and after "or" insert "(d)"

Page 2, line 2, delete "or" and insert a comma

Page 2, line 2, after "suspended sentence," insert "or disposition order,"

Page 2, lines 4 and 5, strike ", including a juvenile"

Page 2, line 6, strike "in restitution" and insert "as described in paragraph (1) or (2)"

Page 2, after line 7, insert:

"Sec. 2. Minnesota Statutes 1982, section 3.739, subdivision 2, is amended to read:

Subd. 2. [EVALUATION AND PAYMENT OF CLAIMS.] Claims not to exceed \$500 arising out of this section shall be paid pursuant to legislative appropriation following evaluation of each claim by the appropriate committees of the senate and house of representatives. Compensation will not be paid for pain and suffering investigated by the state or local agency responsible for supervising the work to determine if the claim is valid and if the loss is covered by insurance. The investigating agency shall submit all appropriate claims to the department of corrections. The department shall pay the portion of any approved claim that is not covered by insurance within a reasonable period of time. On or before the first day of each legislative session, the department shall submit to the appropriate committees of the senate and the house of representatives a list of the claims paid by it during the preceding calendar year, and shall be reimbursed pursuant to legislative appropriation for the claims paid.

Any claim in excess of \$500, and any claim that was not paid by the de-



partment may be presented to, heard, and determined by the appropriate committees of the senate and the house of representatives and, if approved, shall be paid pursuant to legislative appropriation.

No juvenile claimant receiving payment pursuant to this section may be identified by name either in the list of claimants submitted by the department or in the legislative appropriation.

Sec. 3. Minnesota Statutes 1982, section 3.739, is amended by adding a subdivision to read:

*Subd. 2a. [LIMITATIONS.] No compensation shall be paid pursuant to this section for pain and suffering. Payments made pursuant to this section shall be reduced by any proceeds received by the claimant from any insurance policy covering the loss."*

Delete the title and insert:

"A bill for an act relating to claims against the state; providing for claims arising out of the injury or death of an inmate conditionally released or a person performing work pursuant to a court order; amending Minnesota Statutes 1982, section 3.739, subdivisions 1, 2, and by adding a subdivision."

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. moved the adoption of the foregoing committee reports. The motion prevailed.

#### MEMBERS EXCUSED

Mr. Pogemiller was excused from the Session of today from 11:15 a.m. to 12:00 noon. Mr. Storm was excused from the Session of today from 7:00 to 9:00 p.m. Mr. Wegscheid was excused from the Session of today from 12:50 to 2:10 p.m. and from 7:00 to 8:30 p.m.

#### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Friday, April 13, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SEVENTY-SEVENTH DAY

St. Paul, Minnesota, Friday, April 13, 1984

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. James D. Gorman.

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

Adkins	Diessner	Kroening	Olson	Sieloff
Anderson	Dieterich	Kronebusch	Pehler	Solon
Belanger	Frank	Laidig	Peterson, C.C.	Spear
Benson	Frederick	Langseth	Peterson, D.C.	Storm
Berg	Frederickson	Lantry	Peterson, D.L.	Stumpf
Berglin	Freeman	Lessard	Peterson, R.W.	Taylor
Bernhagen	Hughes	Luther	Petty	Ulland
Bertram	Isackson	McQuaid	Pogemiller	Vega
Brataas	Johnson, D.E.	Mehrkens	Purfeerst	Waldorf
Chmielewski	Johnson, D.J.	Merriam	Ramstad	Wegscheid
Dahl	Jude	Moe, D.M.	Reichgott	Willet
Davis	Kamrath	Moe, R.D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	
Dicklich	Knutson	Novak	Schmitz	

The President declared a quorum present.

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

## EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received.

April 6, 1984

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

The Honorable Jerome M. Hughes  
President of the Senate

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

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

Sincerely,

Joan Anderson Growe  
Secretary of State

April 10, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of RepresentativesThe Honorable Jerome M. Hughes  
President of the Senate

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

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

Sincerely,

Joan Anderson Growe  
Secretary of State

April 11, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of RepresentativesThe Honorable Jerome M. Hughes  
President of the Senate

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

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

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 File, herewith transmitted: H.F. No. 2317.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 12, 1984

**FIRST READING OF HOUSE BILLS**

The following bill was read the first time.

H.F. No.2317: A bill for an act relating to the organization and operation of state government; clarifying, providing for deficiencies in, and supplementing appropriations for the expenses of state government with certain conditions; creating and modifying agencies and functions; fixing and limiting fees; requiring studies and reports; appropriating money; amending Minnesota Statutes 1982, sections 3.099, subdivisions 2 and 3; 3.30, subdivision 2; 3.3005; 10.12; 10.14; 10.15; 11A.08, subdivision 3; 15.0575, subdivision 3; 15.0597, subdivision 1; 16.026, subdivisions 3 and 7; 16.80, subdivision 1; 16A.04, subdivisions 1 and 4; 16A.06; 16A.065; 16A.125, subdivision 6; 16A.13, subdivisions 1 and 2; 16A.131, subdivision 1; 16A.14, subdivision 2; 16A.28; 16A.45; 16A.53; 16A.63; 16A.64, as amended; 16A.65; 16A.66, as amended; 16A.671; 16A.675; 43A.27, by adding a subdivision; 43A.30, by adding a subdivision; 84.085; 84A.53; 84A.54; 84B.03, by adding a subdivision; 94.16; 117.085; 117.195, subdivision 1; 117.232, subdivision 1; 125.031; 136.11, subdivisions 2 and 7; 136.506; 136.55, subdivision 2; 136A.81, subdivision 1; 144.413, subdivision 2; 144.414; 158.07; 158.08; 161.173; 161.174; 168.12, subdivisions 1 and 5; 168.33, subdivision 2; 169.966, subdivision 1a, and by adding a subdivision; 174.22, subdivisions 5, 10, and 13, and by adding a subdivision; 174.23, subdivisions 2 and 4; 174.24, subdivisions 1, 2, and 5; 174.265, subdivision 3; 179.741, subdivision 2; 214.001, subdivision 2; 214.13, subdivisions 1, 2, 3, and 5; 221.295; 239.10; 241.66, subdivision 2; 245.811; 256E.07, subdivision 1, and by adding subdivisions; 296.13; 299D.03, subdivision 2; 340.11, subdivision 11a; 345.47, subdivision 1, and by adding a subdivision; 345.525; 352.01, subdivision 2A; 359.01; 462A.05, subdivision 20; 473.121, subdivisions 7, 10, 18, 19, and by adding subdivisions; 473.146, subdivisions 3 and 4; 473.164; 473.167, subdivision 1; 473.168, subdivision 2; 473.181, subdivision 3; 473.223; 473.404; 473.405; 473.409; 473.411; 473.416; 473.435; 473.436, by adding a subdivision; 473.445; 473.446, subdivision 2a, and by adding subdivisions; and 473.449; Minnesota Statutes 1983 Supplement, sections 3.3026, subdivision 5; 3.732, subdivision 1; 10A.01, subdivision 18; 15A.081, subdivisions 1, 6, and 7; 16A.125, subdivision 5; 16A.15, subdivision 6; 16A.36; 16A.672; 43A.04, subdivision 8; 85.40, subdivision 5; 85.41, subdivisions 3, 4, and 5; 116J.70, subdivision 2a; 135A.03, subdivisions 1, 3, and 4; 135A.07, subdivision 2; 136.144; 136A.121, subdivision 2; 161.43; 161.44, subdivision 6a; 174.24, subdivision 3; 180.03, subdivision 2; 214.06, subdivision 1; 214.13, subdivision 4; 221.041, by adding a subdivision; 221.071, subdivision 1; 256.01, subdivision 2; 256B.501, subdivision 10; 256D.111, subdivision 2; 256D.112; 268.673, subdivision 5; 268.675; 268.676, subdivisions 1 and 2; 268.677; 268.686; 268.80; 268.81; 298.296, subdivision 1; 357.021, subdivision 2a; 462A.07, subdivision 15; 473.436, subdivision 6; 517.08, subdivision 1c; Laws 1983, chapter 199, section 17, subdivision 2; chapter 258, section 2, subdivision 7; chapter 290, section 172; chapter 293, sections 1; 2, subdivisions 2, 8, and 9; 4, subdivisions 1 and 3; and 6; chapter 301, sections 38, 39, 40, 41, and 42; proposing new law coded in Minnesota Statutes, chapters 13, 16, 16A, 18, 48, 84, 136, 161, 190, 214, 221, 246, 256B, 268, 349, and 473; proposing new law coded as Minnesota Statutes, chapters 16B, 40A, 119, and 494; repealing Minnesota Statutes 1982, sections 10.13; 16A.132; 16A.51; 16A.54; 16A.59; 16A.73; 84.82, subdivision 9; 120.83; 136.11, subdivision 6; 136A.133; 174.03, subdivision 5a; 174.24, subdivisions 3a and 4; 174.265; 174.31; 256E.07, subdivision 3; 473.401; 473.402; 473.403; 473.411, subdivision 1; 473.413, as amended; and 473.451; Minnesota Statutes 1983 Supplement, sections 120.801; 120.802; 120.803; 120.804; 120.805; 120.806; and 120.81; Laws 1983, chapter 289, section 102.

Mr. Moe, R.D. moved that H.F. No. 2317 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. Vega from the Committee on Energy and Housing, to which was referred

H.F. No. 751: A bill for an act relating to energy; simplifying hydropower lease procedures; amending Minnesota Statutes 1982, sections 105.482, subdivisions 8 and 9; 272.02, by adding a subdivision; 273.19, by adding a subdivision; and 295.44, subdivision 1; repealing Minnesota Statutes 1982, section 295.44, subdivisions 2, 3, and 4.

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

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 105.482, subdivision 8, is amended to read:

Subd. 8. [HYDROPOWER GENERATION POLICY; LEASING OF DAMS AND DAM SITES.] Consistent with laws relating to dam construction, reconstruction, repair, and maintenance, the legislature finds that the public health, safety, and welfare of the state is also promoted by the use of state waters to produce hydroelectric or hydromechanical power. Further, the legislature finds that the leasing of existing dams and potential dam sites primarily for such power generation is a valid public purpose. A local governmental unit, or the commissioner of natural resources with the approval of the state executive council, may provide pursuant to a lease or development agreement for the development and operation of dams, dam sites, and hydroelectric or hydromechanical power generation plants owned by the respective government by an individual, a corporation, an organization, or other legal entity upon such terms and conditions as the local governmental unit or the commissioner may negotiate for a period not to exceed 99 years. *For an installation of 15,000 kilowatts or less at a dam site and reservoir that is not being used on January 1, 1984, in connection with the production of hydroelectric or hydromechanical power, the lease or development agreement negotiated by the local governmental unit and the developer shall constitute full payment by the lessee and may be in lieu of all real or personal property taxes that might otherwise be due to a local governmental unit.* If the dam, dam site, or power generation plant is located in or contiguous to a city or town, other than the lessor governmental unit, the lease or agreement shall not be effective unless it is approved by the governing body of ~~such~~ the city or town. For purposes of this subdivision, city means a statutory or home rule charter city.

Sec. 2. Minnesota Statutes 1982, section 105.482, subdivision 9, is amended to read:

Subd. 9. [CONTENTS OF DEVELOPMENT AGREEMENT.] An agree-

ment for the development or redevelopment of a hydropower site may contain, but need not be limited to, the following provisions:

(a) Length of the development agreement, subject to negotiations between the parties but not more than 50 99 years, and conditions for extension, modification, or termination;

(b) Provisions for a performance bond on the developer, or, certification that the equipment and its installation have a design life at least as long as the lease;

(c) Provisions to assure adequate maintenance and safety in the impoundment structures, if any, and to assure access to recreational sites, if any.

Sec. 3. Minnesota Statutes 1982, section 272.02, is amended by adding a subdivision to read:

*Subd. 6. Notwithstanding the provisions of subdivision 5, real and personal property used or to be used primarily for the production of hydroelectric or hydromechanical power and leased from the state or a local governmental unit pursuant to section 105.482, subdivisions 1, 8, and 9, may be exempt from taxation or payments in lieu of taxes.*

*The exemption from taxation or payments in lieu of taxes provided by this subdivision does not apply to hydroelectric or hydromechanical facilities operated at any time between January 1, 1980, and January 1, 1984.*

Sec. 4. Minnesota Statutes 1982, section 273.19, is amended by adding a subdivision to read:

*Subd. 5. Notwithstanding the provisions of subdivision 4, real and personal property used or to be used primarily for the production of hydroelectric or hydromechanical power and leased from the state or a local governmental unit pursuant to section 105.482, subdivisions 1, 8, and 9, may be exempt from taxation or payments in lieu of taxes.*

*The exemption from taxation or payments in lieu of taxes provided by this subdivision does not apply to hydroelectric or hydromechanical facilities operated at any time between January 1, 1980, and January 1, 1984.*

Sec. 5. Minnesota Statutes 1982, section 295.44, subdivision 1, is amended to read:

Subdivision 1. [EXEMPTION.] Notwithstanding the provisions of sections 272.01, subdivision 2, 272.02, subdivision 5, and 273.19, subdivision 1, real or personal property used or to be used primarily for the production of hydroelectric or hydromechanical power on a site owned by the state or a local governmental unit and developed and operated pursuant to section 105.482, subdivisions 1, 8 and 9 ~~shall~~ *may* be exempt from property taxation for the five calendar years succeeding the year in which the development agreement is executed all years during which the site is developed and operated under the terms of a lease or agreement authorized by section 105.482, subdivisions 1, 8, and 9.

Sec. 6. [REPEALER.]

*Minnesota Statutes 1982, section 295.44, subdivisions 2, 3, and 4, are repealed.*

Sec. 7. [EFFECTIVE DATE.]

*Sections 1 to 6 are effective the day following final enactment.*"

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. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2123: A bill for an act relating to courts; accelerating the effective date of judicial reorganization in the third judicial district; amending Minnesota Statutes 1982, section 487.191.

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

Page 1, lines 11, 17, and 22, delete "*judicial district*" and insert "*and seventh judicial districts*"

Page 2, line 11, after "*reelection*" insert "*districtwide*"

Amend the title as follows:

Page 1, lines 3 and 4, delete "*judicial district*" and insert "*and seventh judicial districts*"

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

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

H.F. No. 1058: A bill for an act relating to limited partnerships; providing for withdrawals of certain partners; providing for liabilities of partners; amending Minnesota Statutes 1982, sections 322A.27; and 322A.33.

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

Page 2, line 24, delete "*partnership*" and insert "*other partners*" and delete "*other partners*" and insert "*partnership*"

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

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

S.F. No. 2190: A bill for an act relating to crimes; requiring the court to impose a stay of execution of sentence with a 90-day period of incarceration as a condition of probation for certain offenders convicted of a first offense of burglary of a dwelling; amending Minnesota Statutes 1983 Supplement, section 609.583.

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

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

S.F. No. 2000: A bill for an act relating to landlords and tenants; requiring landlords of residential rental units to notify tenants of their rights and duties

under state law; providing a penalty; proposing new law coded in Minnesota Statutes, chapter 504.

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 1982, section 504.22, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section,

(a) “tenant” shall have the meaning assigned to it in section 566.18, *but for purposes of section 2, it does not include residents of manufactured home parks as defined in section 327C.01, subdivision 9;* and

(b) “owner” shall mean one or more persons, jointly or severally, in whom is vested a legal or beneficial interest in the premises.

Sec. 2. Minnesota Statutes 1982, section 504.22, is amended by adding a subdivision to read:

*Subd. 2a. [DISCLOSURE STATEMENT; DISTRIBUTION.] The attorney general shall prepare and make available to the public at cost, in a form and size suitable for distributing pursuant to this section, a statement which describes the significant legal rights and obligations of owners and tenants of rental dwelling units. The statement shall include descriptions of the significant provisions of chapters 504 and 566. The statement shall notify tenants in public housing to consult their leases for additional rights and obligations they may have under federal law. The statement shall include the telephone number and address of the attorney general for further information.*

*The attorney general shall annually revise the statement provided in this section as necessary to ensure that it continues accurately to describe the statutory and case law governing the rights and duties of owners and tenants of rental dwelling units. After preparing the statement for the first time and after each annual revision of the statement, the attorney general shall hold a public meeting to discuss the statement and receive comments on its contents before it is issued. When preparing the statement and evaluating public comment, the attorney general shall be guided by the legislature’s intent that the statement be brief, accurate, and complete in identifying significant legal rights and obligations, and written using words with common, everyday meanings.”*

Amend the title as follows:

Page 1, delete lines 5 and 6 and insert “amending Minnesota Statutes 1982, section 504.22, subdivision 1, and by adding a subdivision.”

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

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

S.F. No. 966: A bill for an act relating to mediation; providing for mediation of disputes; amending Minnesota Statutes 1982, section 595.02; proposing new law coded in Minnesota Statutes, chapter 572.



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

Page 1, line 8, after "MINNESOTA" insert "CIVIL"

Page 1, line 9, after "Minnesota" insert "Civil"

Pages 1 and 2, delete section 2

Page 2, delete subdivision 3

Page 2, delete line 24

Page 2, line 25, delete "to mediate,"

Renumber the subdivisions in sequence

Page 2, line 26, delete "572.34" and insert "572.35"

Page 2, delete lines 28 to 36 and insert:

*"The effect of a mediated settlement agreement shall be determined under principles of law applicable to a contract. However, a mediated settlement agreement is not binding unless it contains a provision to the contrary and the parties were advised in writing that (a) the mediator has no duty to protect their interests or provide them with information about their legal rights; (b) signing a mediated settlement agreement may affect their legal rights; and (c) they should consider consulting with a lawyer before signing a mediated settlement agreement."*

Page 3, delete lines 1 to 17

Page 3, delete section 5 and insert:

**"Sec. 4. [572.36] [SETTING ASIDE A MEDIATED SETTLEMENT AGREEMENT.]**

*Upon application of a party, the court shall set aside a mediated settlement agreement if appropriate under the principles of law applicable to setting aside a contract, or if there was evident partiality, corruption, or misconduct by a mediator prejudicing the rights of a party. The fact that the relief was such that it could not or would not be granted by a court of law or equity is not ground for setting aside the mediated settlement agreement unless it violates public policy."*

Page 3, line 26, before "[STATUTES OF LIMITATIONS.]" insert "[572.39]"

Page 3, after line 29, insert:

**"Sec. 6. [572.40] [SCOPE.]**

*Sections 1 to 4 do not apply to proceedings relating to the determination of criminal liability or proceedings brought under chapters 518, 518A, 518B, and 518C, or proceedings relating to guardianship, conservatorship, or civil commitment.*

**Sec. 7. [572.41] [SEVERABILITY.]**

*If any provision of sections 1 to 6 or the application of a provision to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of the sections which can be given without the*

*invalid provision or application, and to this end the provisions of sections 1 to 6 are severable."*

Page 7, line 12, after the first "to" insert "the" and after "in" insert "the dispute in"

Page 7, line 13, delete everything after "court" and insert "by a party to have a mediated settlement set aside or reformed."

Page 7, delete line 14

Page 7, line 15, delete everything before "A" and after "A" insert "communication or"

Page 7, line 18, delete "3" and insert "2"

Renumber the sections in sequence

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

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

S.F. No. 1007: A bill for an act relating to courts; permitting the establishment of compulsory nonbinding arbitration programs for use in civil proceedings; proposing new law coded in Minnesota Statutes, chapter 484.

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

Page 1, line 9, delete "district"

Page 1, line 10, delete "court" and delete "the fourth" and insert "a"

Page 1, after line 14, insert:

*"Subd. 2. [EXCLUSIONS.] Judicial arbitration may not be used to dispose of matters relating to guardianship, conservatorship, or civil commitment, matters within the juvenile court jurisdiction involving neglect, dependency, or delinquency, matters involving termination of parental rights under sections 260.221 to 260.245, or matters arising under sections 518B.01, 626.557, or 144.651 to 144.652."*

Page 1, line 15, delete "2" and insert "3"

Page 1, line 17, delete "district court"

Page 1, after line 21, insert:

*"Subd. 4. [QUALIFICATIONS.] All arbitrators and persons practicing before them under this section shall be licensed to practice law in the state of Minnesota."*

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

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 21: A bill for an act relating to health; allowing any interested person to seek enforcement of certain patient rights; amending Minnesota Statutes 1982, section 144.651.

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 1983 Supplement, section 144.651, subdivision 1, is amended to read:

Subdivision 1. [LEGISLATIVE INTENT.] It is the intent of the legislature and the purpose of this section to promote the interests and well being of the patients and residents of health care facilities. ~~No health care facility may require a patient or resident to waive these rights as a condition of admission to the facility. Any guardian or conservator of a patient or resident or, in the absence of a guardian or conservator, an interested person, may seek enforcement of these rights on behalf of a patient or resident.~~ It is the intent of this section that every patient's civil and religious liberties, including the right to independent personal decisions and knowledge of available choices, shall not be infringed and that the facility shall encourage and assist in the fullest possible exercise of these rights.

Sec. 2. Minnesota Statutes 1982, section 144.651, is amended by adding a subdivision to read:

*Subd. 1a. [ENFORCEMENT OF RIGHTS.] Any patient or resident may seek enforcement of rights granted under this section. In addition, a family member, guardian, conservator, nursing home ombudsman, health facility staff person, or other interested person may seek enforcement of these rights on behalf of a patient or resident. An interested person is someone who demonstrates a sincere and continuing interest in the welfare of the individual patient or resident. If the patient or resident has a guardian or conservator of the person, any other person named in this subdivision may seek enforcement of the patient's or resident's rights only in situations involving a violation of subdivision 14 or imminent danger of physical harm, or where the guardian or conservator does not object to the other person's action. Pending the outcome of the enforcement proceeding the health care facility may in good faith comply with the instructions of a guardian or conservator. No health care facility may require a patient or resident to waive these rights as a condition of admission to the facility.”*

Amend the title as follows:

Page 1, line 4, after “144.651” insert “, by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 144.651, subdivision 1”

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

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

H.F. No. 2150: A bill for an act relating to newspapers; making certain publications legal newspapers; proposing new law coded in Minnesota Statutes, chapter 331.

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 1982, section 331.02, subdivision 3, is amended to read:

Subd. 3. [PUBLICATION; SUSPENSION, CHANGE OF DATE OR PLACE.] Suspension of publication for a period of not more than three consecutive months resulting from the destruction of its known office of issue, equipment or other facility by the elements, unforeseen accident, or acts of God, or by reason of a labor dispute or *financial difficulties*, shall not affect the qualification of a newspaper which has become or remains a medium of official and legal publication pursuant to subdivisions 1 and 2; nor shall the consolidation of one newspaper with another published in the same county, nor any change in the name or ownership thereof, or the temporary change in the known office of issue, disqualify a newspaper or invalidate any publication continuously made therein, before and after the change; and any change of the day of publication, the frequency of publication, or the change of the known office of issue from one place to another within the same county shall not deprive any such publication of its standing as a medium of official and legal publication, or its designation as the official newspaper for the publication of the proceedings of any county board. Except as herein otherwise provided, suspension of publication, or any change of known office of issue from one county to another county, or failure to maintain its known office of issue in the county, shall deprive a newspaper of its standing as a medium of official and legal publication until such newspaper shall again have become qualified pursuant to the provisions of subdivision 1 of this section.

Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective the day following final enactment.*”

Delete the title and insert:

“A bill for an act relating to legal newspapers; allowing temporary suspension of publication due to financial difficulties; amending Minnesota Statutes 1982, section 331.02, subdivision 3.”

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

Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred

S.F. No. 1994: A bill for an act relating to economic development; creating the Minnesota Manufacturing Growth Council; appropriating money; proposing new law coded in Minnesota Statutes, chapter 116J.

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

Pages 1 and 2, delete subdivisions 1 and 2

Page 2, line 9, delete “*serve as*” and insert “*appoint the*”

Page 2, line 14, delete “*two*” and insert “*three*”

Page 2, line 17, delete “*establish*” and insert “*recommend*”

Page 2, line 17, delete “*a.*” and insert “*(1)*”

Page 2, line 19, delete “*b.*” and insert “*(2)*”

Page 2, line 30, delete "c." and insert "(3)"

Page 2, line 32, delete "d." and insert "(4)"

Page 2, line 34, delete "e." and insert "(5)"

Page 2, line 36, delete "f." and insert "(6)"

Page 3, line 3, delete "g." and insert "(7)"

Page 3, line 6, delete "h." and insert "(8)"

Page 3, line 22, delete "i." and insert "(9)"

Page 3, line 26, delete "a limited" and insert "an unclassified"

Page 3, line 29, after the period, insert "The governor is authorized to utilize loaned employees from the related private sector to provide staff for the council. No public money is to be expended for the purpose of staffing the council."

*Subd. 4. The governor is authorized to accept and expend on behalf of the council money raised from Minnesota manufacturing concerns and such other nonpublic sources as may be appropriate."*

Page 3, delete subdivision 6

Renumber the subdivisions in sequence

Page 3, after line 33, insert:

"Sec. 2. [REPEALER.]

*Section 1 is repealed effective June 30, 1986."*

Amend the title as follows:

Page 1, lines 3 and 4, delete "appropriating money;" and insert "providing for an expiration date;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred

H.F. No. 950: A bill for an act relating to state government; governing compensation of members of boards, councils, and committees who are public employees; providing for per diem compensation for attendance of commissioners of the Northwest Minnesota Multi-County Housing and Redevelopment Authority at meetings; amending Minnesota Statutes 1982, sections 15.059, subdivision 3; and 214.09, subdivision 3; proposing new law coded in Minnesota Statutes, chapter 121.

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2072: A bill for an act relating to local government; providing for

the conduct of the business of towns; setting various conditions for elections; providing for certain town debt; revising various other town laws; providing penalties; amending Minnesota Statutes 1982, sections 6.54, as amended; 6.55; 117.011; 160.02, subdivision 6; 160.05, subdivision 1; 160.17, subdivisions 1 and 2; 164.06; 164.11; 164.14, by adding a subdivision; 340.14, subdivision 5; 365.10; 365.15; 365.37; 365.51; 365.53; 366.01, subdivisions 2, 3, 4, 7, and by adding subdivisions; 366.015; 366.07; 367.02; 367.05, subdivision 1; 367.10; 367.15; 367.19; 367.23; 367.24; 367.30, subdivision 2; 367.31, subdivision 6; 368.01, subdivisions 1, 17, 21, 22, and 26; 368.121; 450.19; 624.44; and 624.51; Minnesota Statutes 1983 Supplement, sections 365.52; 366.20; 367.11; and 429.011, subdivision 2b; proposing new law coded in Minnesota Statutes, chapters 365; 366; and 368; repealing Minnesota Statutes 1982, sections 160.21, subdivision 5; 365.105; 365.106; 365.12; 366.06; 367.035; 367.05, subdivision 2; 368.01, subdivision 28; 368.02; 368.03; 368.04; 368.05; 368.06; 368.07; 368.08; 368.09; 368.10; 368.11; and 368.86.

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

Page 7, line 34, delete "a" and delete "license" and insert "licenses" and delete "an"

Page 7, line 35, delete "establishment" and insert "establishments"

Page 9, line 27, after "dogs" insert "and cats"

Pages 11 and 12, delete section 16

Page 12, line 31, delete ", and except as provided in section 19"

Page 13, delete section 19

Page 15, line 7, delete the second "in"

Page 15, line 8, after "limits" insert "of"

Page 22, delete section 42 and insert:

"Sec. 40. Minnesota Statutes 1982, section 368.01, subdivision 1a, is amended 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 or special census or population estimate as provided in section 44 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."

Page 24, line 18, delete "of a town"

Page 24, line 28, after the stricken "\$5,000" insert "\$15,000" and reinstate the stricken "in attorney's fees annually"

Page 24, line 29, reinstate the stricken language

Page 24, line 30, reinstate the stricken "the town" and delete "for the attorney's service"

Pages 24 and 25, delete section 48

Pages 25 and 26, delete section 50

Page 27, line 13, delete everything after "sections"

Page 27, line 15, delete "subdivision" and insert "subdivisions 17 and"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "setting various"

Page 1, line 4, delete "conditions for elections;"

Page 1, line 10, delete "365.51;"

Page 1, line 15, delete "17" and insert "1a"

Page 1, line 16, delete "624.44;"

Page 1, line 17, after the second semicolon, insert "and" and after the last semicolon, delete "and"

Page 1, line 18, delete "429.011, subdivision 2b;"

Page 1, line 20, delete "160.21,"

Page 1, line 21, delete "subdivision 5;"

Page 1, line 22, delete the second "subdivision" and insert "subdivisions 17 and"

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

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

S.F. No. 1906: A bill for an act relating to collection and dissemination of data; classifying government data as public, private, and nonpublic; clarifying issues relating to classifications of data, access to data, the effect of death of individuals on classifications, and the temporary classification of data; refining provisions of the Data Practices Act; amending Minnesota Statutes 1982, sections 13.02, subdivision 8, and by adding a subdivision; 13.03, subdivisions 3 and 4, and by adding subdivisions; 13.04, subdivision 2; 13.05, subdivisions 3, 7, 9, 10, and by adding a subdivision; 13.06, subdivisions 1 and 6; 13.31, subdivision 2; 13.41, by adding a subdivision; 13.43, subdivision 2; 13.44; 13.65, subdivision 1; 13.67; and 13.72, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 13.

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 1982, section 13.02, subdivision 8, is amended to read:

Subd. 8. [INDIVIDUAL.] "Individual" means a ~~natural person~~ *human being, living or dead*. In the case of a minor or an individual adjudged mentally incompetent, "individual" includes a parent or guardian or an individual acting as a parent or guardian in the absence of a parent or guardian.

except that the responsible authority shall withhold data from parents or guardians, or individuals acting as parents or guardians in the absence of parents or guardians, upon request by the minor if the responsible authority determines that withholding the data would be in the best interest of the minor.

Sec. 2. Minnesota Statutes 1982, section 13.02, is amended by adding a subdivision to read:

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

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

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

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

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

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

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



*If data on individuals is classified as both private and confidential by this chapter, or any other statute or federal law, the data is private.*

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

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

*Subd. 6. [COURT ORDERS.] When the responsible authority is not a party to the action, not public data may be provided, pursuant to court order, to a party. The hearing examiner, arbitrator, or judicial officer shall decide whether to order the data to be released under the rules of civil, criminal, or administrative procedure appropriate to the action. The presiding officer shall consider whether the benefit to the party seeking the data outweighs the harm to the confidentiality interests of the agency maintaining the data, or of any person who has provided the data or who is identified in the data, or to the privacy interest of any individual identified in the data.*

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

*Subd. 7. [CLASSIFICATION OF DATA UPON DEATH.] Upon the death of an individual who is the subject of stored data on individuals, that data shall retain the same classification as it had before his death.*

Sec. 7. Minnesota Statutes 1982, section 13.03, is amended by adding a subdivision to read:

*Subd. 8. [COPYRIGHT OF PATENT OF COMPUTER PROGRAMS.] Nothing in this chapter or any other statute shall be construed to prevent a state agency, statewide system, or political subdivision from acquiring a copyright or patent for a computer software program or components of a program.*

Sec. 8. Minnesota Statutes 1982, section 13.04, subdivision 2, is amended to read:

**Subd. 2. [INFORMATION REQUIRED TO BE GIVEN INDIVIDUAL.]** An individual asked to supply private or confidential data concerning himself shall be informed of: (a) the purpose and intended use of the requested data within the collecting state agency, political subdivision, or statewide system; (b) whether he may refuse or is legally required to supply the requested data; (c) any known consequence arising from his supplying or refusing to supply private or confidential data; and (d) the identity of other persons or entities authorized by state or federal law to receive the data. This requirement shall not apply when an individual is asked to supply investigative data, pursuant to section 13.82, subdivision 5, to a law enforcement officer.

Sec. 9. Minnesota Statutes 1982, section 13.05, subdivision 3, is amended to read:

**Subd. 3. [GENERAL STANDARDS FOR COLLECTION AND STORAGE.]** Collection and storage of public, private or confidential data on

individuals and *the* use and dissemination of private and confidential data on individuals shall be limited to that necessary for the administration and management of programs specifically authorized by the legislature, *or* local governing body or mandated by the federal government.

Sec. 10. Minnesota Statutes 1982, section 13.05, subdivision 7, is amended to read:

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

Sec. 11. Minnesota Statutes 1982, section 13.05, subdivision 9, is amended to read:

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

~~Data shall have the same classification in the hands of the agency receiving it as it had in the agency providing it.~~

Sec. 12. Minnesota Statutes 1982, section 13.05, subdivision 10, is amended to read:

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

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

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

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

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

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

Subd. 6. [EXPIRATION OF TEMPORARY CLASSIFICATION.] ~~Emergency classifications granted before July 1, 1979 are redesignated as temporary classifications. All A temporary classifications classification granted under this section prior to April 24, 1980 and still in effect, and all temporary classifications thereafter applied for and granted pursuant to this section shall expire on July 31, 1981 or expires 24 months after the classification it is granted, whichever occurs later.~~

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

Subd. 2. [PUBLIC DATA.] ~~The names and addresses of applicants for and recipients of benefits characterized as the urban homesteading, home ownership, and new housing programs operated by a housing and redevelopment authority in a city of the first class, aid, or assistance through programs administered by any political subdivision, state agency, or statewide system that are intended to assist with the purchase of housing or other real property are classified as public data on individuals.~~

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

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

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

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

- (a) Pursuant to section 13.05;
- (b) Pursuant to a valid court order;
- (c) Pursuant to a statute specifically authorizing access to the private data;
- (d) To disclose information in health and safety emergencies pursuant to

the provisions of 20 U.S.C., Section 1232g(b)(1)(I) and 45 C.F.R., Section 99.36 which are in effect on July 1, 1979;

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

(f) To appropriate health authorities ~~but only~~ to the extent necessary to administer immunization programs *and for epidemiologic investigations that the commissioner of health determines are necessary to prevent disease and disability to individuals in the public educational agency or institution in which the investigation is being conducted.*

Sec. 18. Minnesota Statutes 1982, section 13.41, is amended by adding a subdivision to read:

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

Sec. 19. Minnesota Statutes 1982, section 13.42, is amended by adding a subdivision to read:

*Subd. 8. [INSURANCE TRUST DATA.] Data collected, created, or maintained by a trust set up to establish public employee insurance benefit plans under a joint powers agreement shall be treated as personnel data collected, created, or maintained by the employer on the employee.*

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

*Subd. 2. [PUBLIC DATA.] Except for employees described in subdivision 5, the following personnel data on current and former employees, volunteers, and independent contractors of a state agency, statewide system, or political subdivision and members of advisory boards or commissions is public: name; actual gross salary; salary range; contract fees; actual gross pension; the value and nature of employer paid fringe benefits; the basis for and the amount of any added remuneration, including expense reimbursement, in addition to salary; job title; job description; education and training background; previous work experience; date of first and last employment; the status of any complaints or charges against the employee, whether or not the complaint or charge resulted in a disciplinary action; and the final disposition of any disciplinary action and supporting documentation; work location; a work telephone number; badge number; honors and awards received; ~~data which accounts for the individual's work time payroll time sheets or other comparable data that are only used to account for employee's work time for payroll purposes, except to the extent that release of time sheet data would reveal the employee's reasons for the use of sick or other medical leave or other not public data;~~ and, city and county of residence.*

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

13.44 [PROPERTY COMPLAINT DATA.]

The ~~names identities~~ of individuals who register complaints with state

agencies or political subdivisions concerning violations of state laws or local ordinances concerning the use of real property are classified as confidential data, pursuant to section 13.02, subdivision 3.

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

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

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

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

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

**Sec. 24. [13.61] [ECONOMIC ASSISTANCE DATA.]**

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

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

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

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

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

**Sec. 25. [13.62] [ELECTED OR APPOINTED OFFICIALS; FINANCIAL DISCLOSURE STATEMENTS.]**

*Financial disclosure statements of elected or appointed officials which, by requirement of the political subdivision, are filed with the political subdivision, are public data on individuals if required by the political subdivision to be public.*

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

*Notes and preliminary drafts of reports created, collected, or maintained by*

*the management analysis division, department of administration, and prepared during audits or investigations of state departments and agencies are classified as confidential or protected nonpublic data until the final report has been published or preparation of the report is no longer being actively pursued. Data that support the conclusions of the report and that the commissioner of administration reasonably believes will result in litigation are confidential or protected nonpublic until the litigation has been completed or until the litigation is no longer being actively pursued. Data on individuals that could reasonably be used to determine the identity of an individual supplying data for a report are private if (a) the data supplied by the individual were needed for an audit and (b) the data would not have been provided to the management analysis division without an assurance to the individual that his identity would remain private.*

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

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

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

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

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

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

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

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

13.67 [EMPLOYEE RELATIONS DATA.]

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

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

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

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

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

Sec. 29. Minnesota Statutes 1982, section 13.69, is amended by adding a subdivision to read:

*Subd. 3. [REVIEW PANEL DATA.] The identities of individuals who serve on the medical review and alcohol review panels, which advise the commissioner of public safety on issues affecting the reinstatement of driving privileges, are classified as private data pursuant to section 13.02, subdivision 12.*

Sec. 30. Minnesota Statutes 1982, section 13.72, is amended by adding a subdivision to read:

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

Sec. 31. [13.74] [ENVIRONMENTAL QUALITY DATA.]

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

Sec. 32. [13.75] [DEPARTMENT OF ENERGY AND ECONOMIC DEVELOPMENT DATA.]

*All financial information on individuals and business entities, including credit reports, financial statements, and net worth calculations, that are contained in applications received by the department of energy and economic development in its administration of the certified state development loan program and the Indian business development loan program are classified as private data with regard to data on individuals pursuant to section 13.02, subdivision 12, and as nonpublic data with regard to data not on individuals pursuant to section 13.02, subdivision 9. If an individual or business entity receives assistance under the certified state development loan program or the Indian business development loan program, the financial data contained in the application becomes public.*

Sec. 33. Minnesota Statutes 1982, section 144.335, subdivision 2, is

amended to read:

Subd. 2. [PATIENT ACCESS.] Upon request a provider shall supply to a patient complete and current information possessed by that provider concerning any diagnosis, treatment and prognosis of the patient in terms and language the patient can reasonably be expected to understand.

Upon a patient's written request, a provider at a reasonable cost to the patient shall furnish to the patient: ~~(a)~~ copies of the patient's health record, including but not limited to laboratory reports, x-rays, prescriptions, and other technical information used in assessing the patient's health condition; ~~(b)~~, or the pertinent portion of the record relating to a specific condition; ~~or (c)~~ specified by the patient. With the consent of the patient, the provider may instead furnish only a summary of the record.

Subd. 2a. [EXCEPTION; NONFACILITY PROVIDERS.] *Notwithstanding the provisions of subdivision 2, if a provider, as defined in subdivision 1, clause (b) (1), reasonably determines that the information is detrimental to the physical or mental health of the patient, or is likely to cause the patient to harm himself or another, he may withhold the information from the patient and may supply the information may be supplied to an appropriate third party or to another provider, as defined in subdivision 1, clause (b) (1). The other provider or third party may release the information to the patient.*

*A provider as defined in subdivision 1, clause (b)(2), shall release information upon written request unless, prior to the request, a provider as defined in subdivision 1, clause (b)(1), has designated and described the specific basis for withholding the information as provided by this subdivision.*

#### Sec. 34. [EFFECTIVE DATE.]

*Sections 1 to 33 are effective the day following final enactment. Section 18 is repealed August 1, 1985."*

Amend the title as follows:

Page 1, line 8, after the semicolon, insert "clarifying issues relating to patient access to medical records;"

Page 1, line 12, after "9," insert "and" and delete ", and by adding a subdivision"

Page 1, line 13, after "13.31," delete "subdivision" and insert "subdivisions" and after "2" insert "and 3"

Page 1, line 14, before "13.41" insert "13.32, subdivision 3;" and before "13.43" insert "13.42, by adding a subdivision;"

Page 1, line 15, delete "and" and insert "13.69, by adding a subdivision;"

Page 1, line 16, after the semicolon, insert "and 144.335, subdivision 2;"

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. 1421 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as



follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1421	1386				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1421 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1421 and insert the language after the enacting clause of S.F. No. 1386, the first engrossment; further, delete the title of H.F. No. 1421 and insert the title of S.F. No. 1386, the first engrossment.

And when so amended H.F. No. 1421 will be identical to S.F. No. 1386, and further recommends that H.F. No. 1421 be given its second reading and substituted for S.F. No. 1386, 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. 1809 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:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1809	1785				

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. 1606 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:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1606	2131				

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. 1010 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:

<b>SPECIAL 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.
		1010	2179		

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. 2123, 2190, 2000, 966, 1007, 21, 2072, 1906, 2209 and 2210 were read the second time.

### **SECOND READING OF HOUSE BILLS**

H.F. Nos. 1058, 2150, 1421, 1809, 1606 and 1010 were read the second time.

### **MOTIONS AND RESOLUTIONS**

Mrs. McQuaid moved that her name be stricken as a co-author to S.F. No. 1298. The motion prevailed.

Mr. Pogemiller moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1336. The motion prevailed.

Mr. Merriam moved that the name of Mr. Ramstad be stricken as a co-author and the name of Mr. Wegscheid be added as a co-author to S.F. No. 1514. The motion prevailed.

Mr. Wegscheid moved that the name of Mr. Benson be added as a co-author to S.F. No. 1880. The motion prevailed.

Mr. Merriam moved that the name of Mr. Jude be added as a co-author to S.F. No. 2044. The motion prevailed.

Mr. DeCramer introduced—

Senate Resolution No. 104: A Senate resolution congratulating Minnesota's first bar, the Silver Dollar Bar at Ghent, Minnesota, upon the celebration of its fiftieth anniversary.

Referred to the Committee on Rules and Administration.

### **CONFIRMATION**

Mr. Merriam moved that the report from the Committee on Agriculture and Natural Resources, reported April 12, 1984, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Merriam moved that the foregoing report be now adopted. The motion prevailed.

Mr. Merriam moved that in accordance with the report from the Committee on Agriculture and Natural Resources, reported April 12, 1984, the Senate, having given its advice, do now consent to and confirm the appointments of:

#### BOARD OF ANIMAL HEALTH

Jack Delaney, Rural Route #1, Lake Benton, Lincoln County, effective June 6, 1983, for a term expiring the first Monday in January, 1987.

Herbert Halvorson, Rural Route #2, Hanska, Brown County, effective June 6, 1983, for a term expiring the first Monday in January, 1987.

#### MINNESOTA ENVIRONMENTAL QUALITY BOARD

Barbara L. Hughes, 548 Rice Creek Ter., Fridley, Anoka County, effective March 25, 1983, for a term expiring the first Monday in January, 1987.

Mary A. Arneson, 4754 Upton Ave. S., Minneapolis, Hennepin County, effective March 25, 1983, for a term expiring the first Monday in January, 1987.

#### MINNESOTA POLLUTION CONTROL AGENCY

Janet Green, 10550 Old North Shore Rd., Duluth, St. Louis County, effective March 25, 1983, for a term expiring the first Monday in January, 1987.

Edward Fairbanks, Route 3, Box 867, Bemidji, Beltrami County, effective March 25, 1983, for a term expiring the first Monday in January, 1987.

Steve J. Gadler, 2120 Carter Ave., St. Paul, Ramsey County, effective March 25, 1983, for a term expiring the first Monday in January, 1987.

Marcia R. Gelpe, 875 Summit Ave., St. Paul, Ramsey County, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

Duane A. Dahlberg, 421 Horn Ave. S., Moorhead, Clay County, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

#### MINNESOTA WATER RESOURCES BOARD

Georgia L. Holmes, 414 South Ave., North Mankato, Nicollet County, effective June 6, 1983, for a term expiring the first Monday in January, 1987.

Peggy Lynch, 1621 Beechwood Ave., St. Paul, Ramsey County, effective October 20, 1983, for a term expiring the first Monday in January, 1987.

The motion prevailed. So the appointments were confirmed.

#### MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Consent Calendar. The motion prevailed.

#### CONSENT CALENDAR

S.F. No. 2168: A bill for an act relating to transportation; highways; re-

quiring certain loads of firewood to be securely covered or fastened; amending Minnesota Statutes 1982, section 169.81, subdivision 5.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frank	Kroening	Olson	Samuelson
Belanger	Frederick	Kronebusch	Pehler	Schmitz
Benson	Frederickson	Laidig	Peterson, C. C.	Sieloff
Bertram	Freeman	Langseth	Peterson, D. C.	Storm
Brataas	Hughes	Lantry	Peterson, R. W.	Stumpf
Chmielewski	Isackson	Luther	Petty	Taylor
Dahl	Johnson, D. E.	McQuaid	Pogemiller	Ulland
DeCramer	Johnson, D. J.	Merriam	Purfeerst	Vega
Dicklich	Jude	Moe, D. M.	Ramstad	Waldorf
Diessner	Kamrath	Moe, R. D.	Reichgott	Wegscheid
Dieterich	Knaak	Novak	Renneke	Willet

So the bill passed and its title was agreed to.

### SUSPENSION OF RULES

Without objection, the rules of the Senate were so far suspended as to waive the lie-over requirement.

H.F. No. 1381: A bill for an act relating to the city of Caledonia; providing for the appointment of members to the library board; authorizing terms of service.

Was read the third time 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:

Adkins	DeCramer	Jude	Moe, R. D.	Samuelson
Anderson	Dicklich	Kamrath	Nelson	Schmitz
Belanger	Diessner	Knaak	Novak	Sieloff
Benson	Dieterich	Knutson	Pehler	Storm
Berg	Frank	Kronebusch	Peterson, C. C.	Stumpf
Berglin	Frederick	Laidig	Peterson, D. C.	Taylor
Bernhagen	Frederickson	Langseth	Peterson, D. L.	Vega
Bertram	Freeman	Lantry	Peterson, R. W.	Waldorf
Brataas	Hughes	Luther	Petty	Wegscheid
Chmielewski	Isackson	McQuaid	Purfeerst	Willet
Dahl	Johnson, D. E.	Merriam	Reichgott	
Davis	Johnson, D. J.	Moe, D. M.	Renneke	

So the bill passed and its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

#### CONFIRMATION

Mr. Dieterich moved that the report from the Committee on Public Utilities and State Regulated Industries, reported April 11, 1984, pertaining to ap-

pointments, be taken from the table. The motion prevailed.

Mr. Dieterich moved that the foregoing report be now adopted. The motion prevailed.

Mr. Dieterich moved that in accordance with the report from the Committee on Public Utilities and State Regulated Industries, reported April 11, 1984, the Senate, having given its advice, do now consent to and confirm the appointments of:

#### PUBLIC UTILITIES COMMISSION

Cynthia Kitlinski, 9600 Flintwood St. N.W., Coon Rapids, Anoka County, effective September 14, 1983, for a term expiring January 1, 1989.

Harry S. Crump, 10908 Pioneer Dr., Burnsville, Dakota County, effective January 3, 1984, for a term expiring the first Monday in January, 1990.

The motion prevailed. So the appointments were confirmed.

#### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Willet moved that H.F. No. 2314 be taken from the table and given its second reading. The motion prevailed.

H.F. No. 2314: A bill for an act relating to capital improvements; authorizing spending to acquire and to better public land and buildings and other public improvements of a capital nature with certain conditions; reducing and canceling certain appropriations; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1982, sections 16.72, subdivision 7; 85A.04, subdivision 3; 475A.03, subdivision 1; 475A.05, subdivision 1, and by adding a subdivision; 475A.06, subdivision 7; and Laws 1983, chapter 344, section 6, subdivision 8; repealing Laws 1981, chapter 275; and chapter 334, section 11, subdivision 4; and Laws 1982, chapter 639, section 5.

H.F. No. 2314 was read the second time.

#### SUSPENSION OF RULES

Mr. Willet moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H. F. No. 2314 and that the rules of the Senate be so far suspended as to give H. F. No. 2314 its third reading and place it on its final passage. The motion prevailed.

Mr. Willet moved to amend H.F. No. 2314 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 2314, and insert the language after the enacting clause, and the title, of S.F. No. 2209, as introduced.

The motion prevailed. So the amendment was adopted.

Mr. Hughes moved to amend H. F. No. 2314, as amended by the Senate, adopted April 13, 1984, as follows:

(The text of the amended House File is identical to S. F. No. 2209.)

Page 12, after line 23, insert:

“This appropriation may not be expended for construction plans until the capitol area architectural and planning board has reviewed the site analysis and plans for the capitol annex building previously prepared and has reported to the legislature by January 1, 1985 its recommendations concerning the feasibility of constructing the state history center on the site formerly proposed for the capitol annex.”

Mr. Hughes then moved to amend the Hughes amendment to H.F. No. 2314 as follows:

Page 1 of the Hughes amendment, after line 5, insert:

“Page 5, line 34, delete “2,350,000” and insert “2,400,000”

Page 5, after line 45, insert:

“(d) Design framework study for state history center on the site formerly proposed for the capitol annex \$50,000”

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the Hughes amendment, as amended. The motion prevailed. So the Hughes amendment, as amended, was adopted.

Mr. Storm moved to amend H.F. No. 2314, as amended by the Senate April 13, 1984, and by the Hughes amendment adopted April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2209.)

Page 5, line 34, delete “2,400,000” and insert “150,000”

Page 5, delete lines 35 and 36

Page 5, line 37, delete “(c)”

Correct the summary totals accordingly

### CALL OF THE SENATE

Mr. Willet imposed a call of the Senate for the balance of the proceedings on H.F. No. 2314. The Sergeant at Arms was instructed to bring in the absent members.

The question recurred on the amendment of Mr. Storm. The motion did not prevail. So the amendment was not adopted.

Mr. Dieterich moved to amend H.F. No. 2314, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2209.)

Page 12, delete lines 22 and 23

Reletter the clauses in sequence

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

Mrs. Adkins moved to amend H.F. No. 2314, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2209.)

Page 59, line 15, strike "1983" and insert "1984"

Page 59, line 15, strike "tendered" and insert "*on Minnesota pollution control agency fiscal year 1984 approved project list*" and delete "1983" and insert "1984"

The motion prevailed. So the amendment was adopted.

Mr. Renneke moved to amend H.F. No. 2314, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2209.)

Page 6, line 33, delete everything after "4."

Page 6, delete lines 34 to 42

Delete page 7

Page 8, delete lines 1 to 3

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

Mr. Anderson moved to amend H.F. No. 2314, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2209.)

Page 2, delete line 4

Page 8, delete section 6

Renumber the sections in sequence

Correct the summary totals accordingly

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

H.F. No. 2314 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 63 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Olson	Schmitz
Anderson	Dieterich	Kronebusch	Pehler	Sieloff
Belanger	Frank	Laidig	Peterson, C.C.	Spear
Berg	Frederick	Langseth	Peterson, D.C.	Storm
Berglin	Frederickson	Lantry	Peterson, D.L.	Stumpf
Bernhagen	Freeman	Luther	Peterson, R.W.	Taylor
Bertram	Hughes	McQuaid	Petty	Ulland
Brataas	Isackson	Mehrkens	Pogemiller	Vega
Chmielewski	Johnson, D.E.	Merriam	Purfeerst	Waldorf
Dahl	Johnson, D.J.	Moe, D. M.	Ramstad	Wegscheid
Davis	Jude	Moe, R. D.	Reichgott	Willet
DeCramer	Knaak	Nelson	Renneke	
Dicklich	Knutson	Novak	Samuelson	

Messrs. Benson and Kamrath voted in the negative.

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

## MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Willet moved that S.F. No. 2209, on Special Orders, be stricken and laid on the table. The motion prevailed.

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

## MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1393:

H.F. No. 1393: A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; modifying the foundation aid formula; granting certain powers and duties to school boards, school districts, the state board of education, the commissioner of education, the department of education, the state board of vocational-technical education, the state director of vocational-technical education, the higher education coordinating board, and others; providing for an equalized summer school aid and levy; increasing the community education aid and levy; modifying the vocational instructional aid payment formula; establishing a schools of excellence program; requiring an arts education study; expanding in-service and instructional effectiveness training programs; improving the planning, evaluation, and reporting process; establishing assessment programs; establishing a research and development grant program; appropriating money; amending Minnesota Statutes 1982, sections 121.908, by adding a subdivision; 121.935, subdivisions 2 and 6; 121.936, subdivision 1; 122.532, by adding a subdivision; 123.36, subdivision 10; 123.74; 123.741, as amended; 123.742, as amended; 124.19, by adding a subdivision; 124.20; 124.201, subdivision 1; 124.214, subdivision 1; 124.565, subdivision 7; 136A.02, subdivision 6; 275.125, by adding subdivisions; 465.721; 471.61, subdivisions 1 and 2a; Minnesota Statutes 1983 Supplement, sections 120.17, subdivision 3b; 121.601; 121.608; 121.609; 121.904, subdivision 4a; 123.36, subdivision 13; 123.743; 124.155, subdivision 1; 124.195, subdivisions 1, 9, and 10; 124.201, subdivisions 2, 4, and 5; 124.2122; 124.2126, subdivision 3; 124.2138; 124.271, subdivision 2b; 124.5615, subdivision 5; 124.5629; 124A.06, subdivision 1; 124A.12, subdivision 1; 124A.14, subdivision 1; 124A.16, subdivision 4; 125.032, subdivision 2; 129B.32, subdivision 3; 129B.36, by adding a subdivision; 136C.04, by adding a subdivision; 275.125, subdivisions 2e, 2k, 8, 8a, 9b, 11a, and 11c; 298.28, subdivision 1; 466.06; 475.61, subdivision 3; Laws 1976, chapter 20, section 5, subdivision 1; Laws 1983, chapter 314, article 6, section 34, subdivision 12; article 7, section 45; article 8, section 23; and article 9, section 14, subdivision 3; proposing new law coded in Minnesota Statutes, chapters 121, 123, 124, and 136C; repealing Minnesota Statutes 1982, sections 124.201, as amended; 124.32, subdivisions 1a, 1e, and 2a; 125.60, subdivision 2a; and 275.125, subdivision 2g; and Minnesota Statutes 1983 Supplement, sections 124.32, subdivision 5a; and 275.125, subdivisions 2i and 2j.

The House respectfully requests that a Conference Committee of five members be appointed thereon.



Nelson, K.; McEachern; Anderson, B.; Levi and Schafer have been appointed as such committee on the part of the House.

House File No. 1393 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 13, 1984

Mr. Nelson moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1393, 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. 1149: Mr. Peterson, R.W.; Mrs. Lantry and Mr. Storm.

H.F. No. 1516: Mr. Pogemiller, Ms. Olson and Mr. Samuelson.

S.F. No. 1810: Ms. Peterson, D.C.; Messrs. Petty and Belanger.

H.F. No. 1405: Messrs. Belanger, Merriam and Moe, D.M.

H.F. No. 1393: Messrs. Nelson; Pehler; Peterson, R.W.; Merriam and Peterson, D.L.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Peterson, R.W. moved that the following members be excused for a Conference Committee on H.F. No. 1393 from 1:45 to 6:15 p.m.:

Messrs. Nelson; Pehler; Merriam; Peterson, D.L. and Peterson, R.W. The motion prevailed.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Willet moved that H.F. No. 2317 be taken from the table. The motion prevailed.

H.F. No. 2317: A bill for an act relating to the organization and operation of state government; clarifying, providing for deficiencies in, and supplementing appropriations for the expenses of state government with certain

conditions; creating and modifying agencies and functions; fixing and limiting fees; requiring studies and reports; appropriating money; amending Minnesota Statutes 1982, sections 3.099, subdivisions 2 and 3; 3.30, subdivision 2; 3.3005; 10.12; 10.14; 10.15; 11A.08, subdivision 3; 15.0575, subdivision 3; 15.0597, subdivision 1; 16.026, subdivisions 3 and 7; 16.80, subdivision 1; 16A.04, subdivisions 1 and 4; 16A.06; 16A.065; 16A.125, subdivision 6; 16A.13, subdivisions 1 and 2; 16A.131, subdivision 1; 16A.14, subdivision 2; 16A.28; 16A.45; 16A.53; 16A.63; 16A.64, as amended; 16A.65; 16A.66, as amended; 16A.671; 16A.675; 43A.27, by adding a subdivision; 43A.30, by adding a subdivision; 84.085; 84A.53; 84A.54; 84B.03, by adding a subdivision; 94.16; 117.085; 117.195, subdivision 1; 117.232, subdivision 1; 125.031; 136.11, subdivisions 2 and 7; 136.506; 136.55, subdivision 2; 136A.81, subdivision 1; 144.413, subdivision 2; 144.414; 158.07; 158.08; 161.173; 161.174; 168.12, subdivisions 1 and 5; 168.33, subdivision 2; 169.966, subdivision 1a, and by adding a subdivision; 174.22, subdivisions 5, 10, and 13, and by adding a subdivision; 174.23, subdivisions 2 and 4; 174.24, subdivisions 1, 2, and 5; 174.265, subdivision 3; 179.741, subdivision 2; 214.001, subdivision 2; 214.13, subdivisions 1, 2, 3, and 5; 221.295; 239.10; 241.66, subdivision 2; 245.811; 256E.07, subdivision 1, and by adding subdivisions; 296.13; 299D.03, subdivision 2; 340.11, subdivision 11a; 345.47, subdivision 1, and by adding a subdivision; 345.525; 352.01, subdivision 2A; 359.01; 462A.05, subdivision 20; 473.121, subdivisions 7, 10, 18, 19, and by adding subdivisions; 473.146, subdivisions 3 and 4; 473.164; 473.167, subdivision 1; 473.168, subdivision 2; 473.181, subdivision 3; 473.223; 473.404; 473.405; 473.409; 473.411; 473.416; 473.435; 473.436, by adding a subdivision; 473.445; 473.446, subdivision 2a, and by adding subdivisions; and 473.449; Minnesota Statutes 1983 Supplement, sections 3.3026, subdivision 5; 3.732, subdivision 1; 10A.01, subdivision 18; 15A.081, subdivisions 1, 6, and 7; 16A.125, subdivision 5; 16A.15, subdivision 6; 16A.36; 16A.672; 43A.04, subdivision 8; 85.40, subdivision 5; 85.41, subdivisions 3, 4, and 5; 116J.70, subdivision 2a; 135A.03, subdivisions 1, 3, and 4; 135A.07, subdivision 2; 136.144; 136A.121, subdivision 2; 161.43; 161.44, subdivision 6a; 174.24, subdivision 3; 180.03, subdivision 2; 214.06, subdivision 1; 214.13, subdivision 4; 221.041, by adding a subdivision; 221.071, subdivision 1; 256.01, subdivision 2; 256B.501, subdivision 10; 256D.111, subdivision 2; 256D.112; 268.673, subdivision 5; 268.675; 268.676, subdivisions 1 and 2; 268.677; 268.686; 268.80; 268.81; 298.296, subdivision 1; 357.021, subdivision 2a; 462A.07, subdivision 15; 473.436, subdivision 6; 517.08, subdivision 1c; Laws 1983, chapter 199, section 17, subdivision 2; chapter 258, section 2, subdivision 7; chapter 290, section 172; chapter 293, sections 1; 2, subdivisions 2, 8, and 9; 4, subdivisions 1 and 3; and 6; chapter 301, sections 38, 39, 40, 41, and 42; proposing new law coded in Minnesota Statutes, chapters 13, 16, 16A, 18, 48, 84, 136, 161, 190, 214, 221, 246, 256B, 268, 349, and 473; proposing new law coded as Minnesota Statutes, chapters 16B, 40A, 119, and 494; repealing Minnesota Statutes 1982, sections 10.13; 16A.132; 16A.51; 16A.54; 16A.59; 16A.73; 84.82, subdivision 9; 120.83; 136.11, subdivision 6; 136A.133; 174.03, subdivision 5a; 174.24, subdivisions 3a and 4; 174.265; 174.31; 256E.07, subdivision 3; 473.401; 473.402; 473.403; 473.411, subdivision 1; 473.413, as amended; and 473.451; Minnesota Statutes 1983 Supplement, sections 120.801; 120.802; 120.803; 120.804; 120.805; 120.806; and 120.81; Laws 1983, chapter 289, section 102.

### SUSPENSION OF RULES

Mr. Willet moved that an urgency be declared within the meaning of Ar-

title IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 2317 and that the rules of the Senate be so far suspended as to give H.F. No. 2317 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 2317 was read the second time.

Mr. Willet moved to amend H.F. No. 2317 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 2317, and insert the language after the enacting clause, and the title, of S.F. No. 2210, as introduced.

The motion prevailed. So the amendment was adopted.

Mr. Nelson moved to amend H.F. No. 2317, as amended by the Senate, adopted April 13, 1984, as follows:

(The text of the amended House File is identical to S. F. No. 2210.)

Page 5, delete lines 49 to 62

Page 6, delete lines 1 to 28 and insert:

“(d) Regional waste disposal system 7,000,000

This appropriation is from the general fund to pay part of the cost of constructing a regional waste disposal facility for the counties of Olmsted, Dodge, Mower, Fillmore, and Wabasha counties. This money shall be paid in the form of a grant to Olmsted County, but any amounts not expended for this purpose shall be returned to the state treasury.

This appropriation shall not be spent until: (1) a portion of former Rochester state hospital has been sold and all the net proceeds have been deposited in the state treasury and credited to the general fund; (2) Olmsted County has executed an agreement to provide a regional waste disposal facility for Dodge, Mower, Fillmore, and Wabasha counties, which shall specify how rates will be determined; rates shall be no greater than those charged to Olmsted County residents; and (3) Olmsted County has submitted to the chairman of the senate finance committee and the chairman of the house appropriations committee a report showing the terms of the sale, the items deducted from gross proceeds to arrive at net proceeds, and the agreements executed by the counties, and received their advisory recommendations on the payment of the grant; failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Dodge, Mower, Fillmore, or Wabasha county, or all of them, may choose, by resolution of the county board adopted by August 1, 1984, not to participate in the regional waste disposal facility. Except for counties that have chosen not to participate in the facility, no money may be expended from this appropriation until all the named counties have executed the agreement.

The amount paid under this appropriation shall be one-half of the net proceeds, up to \$7,000,000. "Net proceeds" means the gross proceeds less: (1) the accumulated operating costs associated with the heating, maintenance, and provision of security for the unoccupied real property and its improvements for the period beginning December 29, 1982, and ending on the date of sale of the real property and its improvements; (2) costs incurred by Olmsted County for roof repairs previously made to hospital buildings and road improvements made necessary because of the sale of the property to the United States government; and (3) consultant fees and advertising costs related to the sale of the property."

The motion prevailed. So the amendment was adopted.

Mr. Stumpf moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 61, delete lines 25 to 28 and insert:

*"Subd. 2. [LAND SALES.] The portion of the money received from the sale of tax-forfeited lands that are held by the state pursuant to section 84A.07, 84A.26, or 84A.36, that would not be paid to the counties if all of the sale proceeds were deposited in the consolidated conservation fund, shall be deposited in the land acquisition account. The remaining amount shall be paid to the counties under section 84A.51 as if all of the sale proceeds were deposited in the consolidated conservation fund."*

The motion prevailed. So the amendment was adopted.

Mr. Langseth moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 23, after line 26, insert:

"The Minnesota historical society shall prepare a proposal for the legislature recommending a suitable memorial in the state capitol area commemorating the life and works of Roy Wilkins. The Minnesota historical society shall

solicit the advice of the National Association for the Advancement of Colored People and the capitol area architectural and planning board regarding the design and placement of the proposed memorial. The Minnesota historical society shall submit the proposal not later than February 1, 1985."

The motion prevailed. So the amendment was adopted.

Mr. Kroening moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 109, line 16, after "*subdivision*" insert "*, provided that patients whose laboratory reports indicate a medical abnormality are referred by the doctor of chiropractic to a licensed physician for consultation.*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 39 and nays 25, as follows:

Those who voted in the affirmative were:

Anderson	Freeman	Kronebusch	Novak	Schmitz
Belanger	Isackson	Laidig	Olson	Sieloff
Benson	Johnson, D.E.	Lantry	Peterson, D.C.	Solon
Berglin	Jude	Lessard	Peterson, D.L.	Spear
Brataas	Kamrath	Luther	Peterson, R.W.	Storm
Diessner	Knaak	McQuaid	Petty	Ulland
Dieterich	Knutson	Mehrkens	Ramstad	Waldorf
Frederickson	Kroening	Nelson	Reichgott	

Those who voted in the negative were:

Adkins	Dahl	Frederick	Pehler	Stumpf
Berg	Davis	Johnson, D.J.	Pogemiller	Taylor
Bernhagen	DeCramer	Langseth	Purfeerst	Vega
Bertram	Dicklich	Merriam	Renneke	Wegscheid
Chmielewski	Frank	Moe, R. D.	Samuelson	Willet

The motion prevailed. So the amendment was adopted.

Mr. Sieloff moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 109, delete section 1

Renumber the sections of article 3 in sequence

Amend the title as follows:

Page 1, line 39, delete "148.01, subdivision 3;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 7 and nays 46, as follows:

Those who voted in the affirmative were:

Dieterich	Hughes	Moe, D. M.	Sieloff	Ulland
Frederickson	Knaak			

Those who voted in the negative were:

Adkins	Diessner	Kronebusch	Olson	Solon
Anderson	Frank	Laidig	Peterson, D.C.	Stumpf
Benson	Freeman	Langseth	Petty	Taylor
Berg	Isackson	Lantry	Pogemiller	Vega
Berglin	Johnson, D.E.	Lessard	Purfeerst	Wegscheid
Bertram	Johnson, D.J.	Luther	Ramstad	Willet
Chmielewski	Jude	McQuaid	Reichgott	
Davis	Kamrath	Mehrkens	Renneke	
DeCramer	Knutson	Moe, R. D.	Samuelson	
Dicklich	Kroening	Novak	Schmitz	

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

Mr. Freeman moved to amend H.F. No. 2317 as amended by the Senate, adopted April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 60, line 23, delete "shall" and insert "need"

Page 60, line 24, after the period, insert "This provision may not be superseded by contract."

The motion prevailed. So the amendment was adopted.

Mr. Dieterich moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 108, after line 19, insert:

"Sec. 107. [ROSEVILLE ON-SALE LIQUOR LICENSES.]

*Notwithstanding the limitation contained in Minnesota Statutes, section 340.11, subdivision 5a, the city of Roseville may issue a maximum of 28 on-sale intoxicating liquor licenses."*

Page 109, line 2, after "article" insert "except section 107"

Page 109, line 5, after the period, insert "Section 107 is effective upon approval by the Roseville city council and compliance with Minnesota Statutes, section 645.021."

Renumber the sections of article 2 in sequence

The motion prevailed. So the amendment was adopted.

Mr. Frederickson moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 9, after line 22, insert:

"No money may be spent for the appearance in a radio or television broadcast of an elected public official."

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

Mr. Benson moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 9, line 17, delete "Grants" and insert "Loans"

Page 9, line 21, delete "grants" and insert "loans"

Page 82, line 8, delete "GRANTS" and insert "LOANS"

Page 82, line 9, delete "grants" and insert "loans"

Page 82, line 13, before the period, insert "*and any additional rules necessary to provide for and secure the repayment of the loans*"

Page 82, line 15, delete "grant" and insert "loan"

Page 82, line 15, before the period, insert "*, except as different administrative measures are required because it is a loan program*"

Page 82, line 16, delete "GRANT" and insert "LOAN"

Page 82, line 17, delete "grant" and insert "loan"

Page 82, line 23, delete "GRANT" and insert "LOAN"

Page 82, line 25, delete "grants" and insert "loans"

Page 82, line 27, before the period, insert "*and any additional rules necessary to provide for and secure the repayment of the loans*"

Page 82, line 28, delete "grant" and insert "loan"

Page 82, line 30, delete "GRANT" and insert "LOAN"

Page 82, line 30, delete "grant" and insert "loan"

Page 82, line 34, delete "grant" and insert "loan"

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

Mr. Sieloff moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 60, delete section 51, as amended by the Freeman amendment adopted April 13, 1984

Renumber the sections of article 2 in sequence

The motion prevailed. So the amendment was adopted.

Mr. Waldorf moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 19, line 21, after the period, insert "No more than 20 percent of this appropriation may be expended for department of health personnel costs."

The motion prevailed. So the amendment was adopted.

Mr. Renneke moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 10, delete lines 14 to 53

Reletter the paragraphs in sequence

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 28 and nays 36, as follows:

Those who voted in the affirmative were:

Anderson	Isackson	Kronebusch	Peterson, D.L.	Taylor
Belanger	Johnson, D.E.	Lessard	Ramstad	Ulland
Benson	Jude	McQuaid	Renneke	Waldorf
Berg	Kamrath	Mehrkens	Schmitz	Wegscheid
Bernhagen	Knaak	Moe, D. M.	Sieloff	
Frederick	Knutson	Olson	Storm	

Those who voted in the negative were:

Adkins	Diessner	Laidig	Pehler	Spear
Berglin	Dieterich	Langseth	Peterson, D.C.	Stumpf
Bertram	Frank	Lantry	Peterson, R.W.	Vega
Chmielewski	Frederickson	Luther	Petty	Willet
Dahl	Freeman	Merriam	Pogemiller	
Davis	Hughes	Moe, R. D.	Purfeerst	
DeCramer	Johnson, D.J.	Nelson	Reichgott	
Dicklich	Kroening	Novak	Samuelson	

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

Mr. Storm moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 59, line 13, delete "ten" and insert "five"

Page 59, line 14, delete "gross" and insert "total rented"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 17 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Frank	Kamrath	McQuaid	Taylor
Belanger	Frederickson	Knaak	Mehrkens	
Benson	Isackson	Kronebusch	Olson	
Berg	Johnson, D.E.	Laidig	Storm	

Those who voted in the negative were:

Adkins	Dicklich	Lantry	Petty	Spear
Berglin	Dieterich	Lessard	Pogemiller	Stumpf
Bertram	Freeman	Luther	Purfeerst	Vega
Chmielewski	Hughes	Moe, D. M.	Reichgott	Waldorf
Dahl	Johnson, D.J.	Moe, R. D.	Samuelson	Wegscheid
Davis	Jude	Novak	Schmitz	Willet
DeCramer	Kroening	Peterson, D.C.	Sieloff	

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

Mr. Knaak moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 10, delete line 62

Page 11, delete lines 1 to 13



Reletter the clauses in sequence

Pages 104 and 105, delete section 104

Renumber the sections of Article 2 in sequence

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 21 and nays 32, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Kamrath	McQuaid	Ulland
Belanger	Frederickson	Knaak	Mehrkens	
Benson	Isackson	Knutson	Olson	
Berg	Johnson, D.E.	Kronebusch	Sieloff	
Dieterich	Jude	Laidig	Storm	

Those who voted in the negative were:

Adkins	Dicklich	Lantry	Pogemiller	Stumpf
Berglin	Diessner	Lessard	Purfeerst	Vega
Bertram	Frank	Luther	Reichgott	Wegscheid
Chmielewski	Hughes	Moe, R. D.	Samuelson	Willet
Dahl	Johnson, D.J.	Novak	Schmitz	
Davis	Kroening	Peterson, D.C.	Solon	
DeCramer	Langseth	Petty	Spear	

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

Mr. Knaak then moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 10, line 62, delete "100,000" and insert "50,000"

Page 11, line 5, delete "100,000" and insert "50,000"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 20 and nays 31, as follows:

Those who voted in the affirmative were:

Anderson	Bernhagen	Isackson	Kronebusch	Olson
Belanger	Dieterich	Johnson, D.E.	Laidig	Sieloff
Benson	Frederick	Jude	McQuaid	Storm
Berg	Frederickson	Knaak	Mehrkens	Ulland

Those who voted in the negative were:

Adkins	Dicklich	Lantry	Purfeerst	Vega
Berglin	Diessner	Lessard	Reichgott	Wegscheid
Bertram	Frank	Luther	Samuelson	Willet
Chmielewski	Hughes	Moe, R. D.	Schmitz	
Dahl	Johnson, D.J.	Peterson, D.C.	Solon	
Davis	Kroening	Petty	Spear	
DeCramer	Langseth	Pogemiller	Stumpf	

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

Mr. Benson moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 9, line 40, delete "temporary"

Page 81, line 10, strike "The commissioner of energy"

Page 81, lines 11 and 12, strike the old language and delete the new language

Page 81, line 13, strike everything before "The"

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

Mr. Dieterich moved to amend H.F. No. 2317, as amended by the Senate, adopted April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 108, line 33, delete "1.21; 1.23; 1.25;"

Amend the title as follows:

Page 2, lines 12 and 13, delete "1.21; 1.23; 1.25"

The motion prevailed. So the amendment was adopted.

Mr. Anderson moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 9, line 32, after "must" insert "be a licensed professional engineer and"

Page 9, line 37, after the period, insert "The director must be a licensed professional engineer."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 23 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Kamrath	McQuaid	Taylor
Belanger	Frederick	Knaak	Olson	Ulland
Benson	Frederickson	Knutson	Ramstad	Waldorf
Berg	Isackson	Kronebusch	Sieloff	
Bernhagen	Johnson, D.E.	Laidig	Storm	

Those who voted in the negative were:

Adkins	Diessner	Langseth	Peterson, D.C.	Solon
Berglin	Dieterich	Lantry	Petty	Spear
Bertram	Frank	Lessard	Pogemiller	Stumpf
Dahl	Freeman	Luther	Purfeerst	Vega
Davis	Johnson, D.J.	Moe, D. M.	Reichgott	Wegscheid
DeCramer	Jude	Moe, R. D.	Samuelson	Willet
Dicklich	Kroening	Novak	Schmitz	

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

Mr. Jude moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Pages 90 to 94, delete section 88

Renumber the sections of Article 2 in sequence

Amend the title as follows:

Page 1, line 30, delete "398.09;"

The motion prevailed. So the amendment was adopted.

Mr. Anderson moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 9, line 28, delete "656,000" and insert "633,000"

Page 9, line 35, delete "\$198,000" and insert "\$175,000"

Page 9, line 36, delete "\$53,000" and insert "\$30,000"

Correct the summary by fund accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 22 and nays 33, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Kamrath	Mehrkens	Storm
Belanger	Frederick	Knaak	Olson	Ulland
Benson	Frederickson	Kronebusch	Peterson, D.L.	
Berg	Isackson	Laidig	Ramstad	
Bernhagen	Johnson, D.E.	McQuaid	Sieloff	

Those who voted in the negative were:

Berglin	Dieterich	Lantry	Peterson, R.W.	Solon
Bertram	Frank	Lessard	Petty	Spear
Dahl	Freeman	Luther	Pogemiller	Stumpf
Davis	Johnson, D.J.	Merriam	Purfeerst	Vega
DeCramer	Jude	Moe, D. M.	Reichgott	Willet
Dicklich	Kroening	Moe, R. D.	Samuelson	
Dinesser	Langseth	Peterson, D.C.	Schmitz	

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

### RECONSIDERATION

Having voted on the prevailing side, Ms. Berglin moved that the vote whereby the Waldorf amendment to H.F. No. 2317 was adopted on April 13, 1984, be now reconsidered. The motion prevailed.

Mr. Waldorf moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 19, line 21, after the period, insert "No more than 20 percent of this appropriation may be expended for department of health personnel costs."

The motion prevailed. So the amendment was adopted.

Mr. Isackson moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Pages 169 to 171, delete section 27 and insert:

“Sec. 27. Minnesota Statutes 1983 Supplement, section 297B.09, is amended to read:

297B.09 [ALLOCATION OF REVENUE.]

Subdivision 1. [GENERAL FUND SHARE.] Money collected and received under this chapter must be deposited in the state treasury and credited as follows:

(a) All of the proceeds collected before July 1, ~~1985~~ 1984, must be credited to the general fund.

(b) Three-fourths of the proceeds collected after June 30, ~~1985~~ 1984, and before July 1, ~~1987~~ 1985, must be credited to the general fund.

(c) One-half of the proceeds collected after June 30, ~~1987~~ 1985, and before July 1, ~~1989~~ 1987, must be credited to the general fund.

(d) One-fourth of the proceeds collected after June 30, ~~1989~~ 1987, and before July 1, ~~1991~~ 1989, must be credited to the general fund.

(e) After June 30, ~~1991~~ 1989, none of the proceeds collected may be credited to the general fund.

Subd. 2. [HIGHWAY USER TAX DISTRIBUTION FUND AND TRANSIT ASSISTANCE FUND SHARE.] The proceeds collected under this chapter and not credited to the general fund must be deposited in the highway user tax distribution fund and the transit assistance fund for apportionment in the following manner:

(a) None of the proceeds collected before July 1, ~~1985~~ 1984, may be credited to either fund.

(b) 18.75 percent of the proceeds collected after June 30, ~~1985~~ 1984, and before July 1, ~~1987~~ 1985, must be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 6.25 percent of the proceeds must be credited to the transit assistance fund account to be appropriated to the commissioner of transportation for transit assistance within the state.

(c) 37.5 percent of the proceeds collected after June 30, ~~1987~~ 1985, and before July 1, ~~1989~~ 1987, must be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 12.5 percent of the proceeds must be credited to the transit assistance fund account to be appropriated to the commissioner of transportation for transit assistance within the state.

(d) 56.25 percent of the proceeds collected after June 30, ~~1989~~ 1987, and before July 1, ~~1991~~ 1989, must be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 18.75 percent of the proceeds must be credited to the transit assistance fund account to be appropriated to the commissioner of transportation for transit assistance within the state.

(e) 75 percent of the proceeds collected after June 30, ~~1991~~ 1989, must be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 25 percent of the proceeds must be credited to the transit assis-

tance fund account to be appropriated to the commissioner of transportation for transit assistance within the state."

### CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate for the balance of the proceedings on H.F. No. 2317. The Sergeant at Arms was instructed to bring in the absent members.

The question recurred on the amendment of Mr. Isackson.

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 23 and nays 35, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Kamrath	McQuaid	Sieloff
Belanger	Frederick	Knaak	Mehrrens	Storm
Benson	Frederickson	Knutson	Olson	Taylor
Berg	Isackson	Kronebusch	Peterson, D.L.	
Bernhagen	Johnson, D.E.	Laidig	Ramstad	

Those who voted in the negative were:

Adkins	Dicklich	Kroening	Moe, R. D.	Reichgott
Berglin	Diessner	Langseth	Novak	Samuelson
Bertram	Dieterich	Lantry	Pehler	Spear
Chmielewski	Frank	Lessard	Peterson, D.C.	Vega
Dahl	Freeman	Luther	Peterson, R.W.	Waldorf
Davis	Johnson, D.J.	Merriam	Petty	Wegscheid
DeCramer	Jude	Moe, D. M.	Pogemiller	Willet

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

Mr. Bernhagen moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Pages 154 and 155, delete subdivision 1 and insert:

*"Subdivision 1. [COUNTIES.] Each county, except for counties in the metropolitan area, may submit to the commissioner and to the regional development commission in which it is located, if one exists, a proposed agricultural land preservation plan and proposed official controls implementing the plan. To the extent practicable, submission of the proposal should coincide with the completion of the county soil survey. The commissioner, in consultation with the regional development commission, shall review the plan and controls for consistency with the elements in this chapter and shall submit written comments to the county within 90 days of receipt of the proposal. The comments must include a determination of whether the plan and controls are consistent with the elements in this chapter. The commissioner shall notify the county of its determination. If the commissioner determines that the plan and controls are consistent, the county may adopt the controls within 60 days of completion of the commissioner's review."*

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 26 and nays 33, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Knaak	Mehrkens	Taylor
Belanger	Frederick	Knutson	Peterson,D.L.	Ulland
Benson	Frederickson	Kronebusch	Ramstad	
Berg	Isackson	Laidig	Sieloff	
Bernhagen	Johnson, D.E.	Lessard	Storm	
Bertram	Kamrath	McQuaid	Stumpf	

Those who voted in the negative were:

Adkins	Diessner	Langseth	Peterson,D.C.	Spear
Berglin	Dieterich	Lantry	Peterson,R.W.	Vega
Chmielewski	Frank	Luther	Petty	Waldorf
Dahl	Freeman	Merriam	Pogemiller	Wegscheid
Davis	Johnson, D.J.	Moe, D. M.	Purfeerst	Willet
DeCramer	Jude	Moe, R. D.	Reichgott	
Dicklich	Kroening	Pehler	Samuelson	

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

Mr. Langseth moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 20, line 50, delete "and" and insert ". \$10,000,000"

The motion prevailed. So the amendment was adopted.

Mr. Berg moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Page 162, delete lines 34 to 36

Page 163, delete lines 1 to 3

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:

Anderson	Frederickson	Knutson	Olson	Taylor
Benson	Isackson	Kronebusch	Ramstad	Ulland
Bernhagen	Johnson, D.E.	Laidig	Samuelson	
Brataas	Kamrath	McQuaid	Sieloff	
Frederick	Knaak	Mehrkens	Storm	

Those who voted in the negative were:

Adkins	Diessner	Langseth	Peterson,D.C.	Stumpf
Berglin	Dieterich	Lantry	Peterson,R.W.	Vega
Bertram	Frank	Lessard	Petty	Waldorf
Chmielewski	Freeman	Luther	Pogemiller	Wegscheid
Dahl	Hughes	Merriam	Purfeerst	Willet
Davis	Johnson, D.J.	Moe, D. M.	Reichgott	
DeCramer	Jude	Moe, R. D.	Solon	
Dicklich	Kroening	Pehler	Spear	

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

Mr. Ramstad moved to amend H.F. No. 2317, as amended by the Senate April 13, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2210.)

Reletter the clauses in sequence

Page 108, line 35, delete "section" and insert "sections" and after "4b" insert "; 85.40; 85.41; 85.42; 85.43; 85.44; and 85.45"

Amend the title as follows:

Page 2, line 17, delete "section" and insert "sections" and after "4b" insert "; 85.40; 85.41; 85.42; 85.43; 85.44; and 85.45"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 28 and nays 31, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kamrath	Mehrkens	Sieloff
Anderson	Frederick	Knaak	Moe, D. M.	Storm
Belanger	Frederickson	Knutson	Olson	Taylor
Benson	Isackson	Kronebusch	Peterson, D.L.	Ulland
Bernhagen	Johnson, D.E.	Laidig	Ramstad	
Brataas	Jude	McQuaid	Samuelson	

Those who voted in the negative were:

Berglin	Frank	Lessard	Peterson, R.W.	Waldorf
Bertram	Freeman	Luther	Petty	Wegscheid
Dahl	Hughes	Merriam	Purfeerst	Willet
Davis	Johnson, D.J.	Moe, R. D.	Reichgott	
DeCramer	Kroening	Novak	Spear	
Dicklich	Langseth	Pehler	Stumpf	
Diessner	Lantry	Peterson, D.C.	Vega	

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

H.F. No. 2317 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 45 and nays 19, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Nelson	Samuelson
Berglin	Frank	Langseth	Novak	Solon
Bertram	Frederickson	Lantry	Pehler	Spear
Brataas	Freeman	Lessard	Peterson, D.C.	Stumpf
Chmielewski	Hughes	Luther	Peterson, R.W.	Taylor
Dahl	Isackson	Mehrkens	Petty	Vega
Davis	Johnson, D.E.	Merriam	Pogemiller	Waldorf
DeCramer	Johnson, D.J.	Moe, D. M.	Purfeerst	Wegscheid
Dicklich	Jude	Moe, R. D.	Reichgott	Willet

Those who voted in the negative were:

Anderson	Bernhagen	Knaak	McQuaid	Sieloff
Belanger	Dieterich	Knutson	Olson	Storm
Benson	Frederick	Kronebusch	Peterson, D.L.	Ulland
Berg	Kamrath	Laidig	Ramstad	

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

## MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Willet moved that S.F. No. 2210, on Special Orders, be stricken and

laid on the table. The motion prevailed.

Without objection, the Senate reverted to the Order of Business of Reports of Committees and Second Reading of Senate Bills.

### REPORTS OF COMMITTEES

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 1605: A bill for an act relating to taxation; imposing a tax on the transfer of motor vehicles; dedicating the proceeds of the tax for the screening or removal of salvage yards adjacent to trunk highways; appropriating money; amending Minnesota Statutes 1982, section 161.242, subdivisions 3 and 4; proposing new law coded in Minnesota Statutes, chapter 161.

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

Page 4, line 7, after "necessary" insert "(1)"

Page 4, line 8, after "4" insert ", and (2) to make reimbursements to counties, on application by them, for the reasonable costs incurred by them in the enforcement of county ordinances regulating junkyards"

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 Judiciary, to which was referred

S.F. No. 1462: A bill for an act relating to domestic abuse; authorizing intervention by the juvenile court to protect children from domestic abuse; amending Minnesota Statutes 1982, section 518B.01, subdivisions 3 and 4; and Minnesota Statutes 1983 Supplement, section 518B.01, subdivision 6.

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 1982, section 260.015, is amended by adding a subdivision to read:

*Subd. 24. [DOMESTIC CHILD ABUSE.] "Domestic child abuse" means:*

*(1) any physical injury to a minor family or household member inflicted by an adult family or household member other than by accidental means; or*

*(2) subjection of a minor family or household member by an adult family or household member to any act which constitutes a violation of sections 609.321 to 609.324, 609.342, 609.343, 609.344, 609.345, 609.364 to 609.3644, or 617.246.*

Sec. 2. Minnesota Statutes 1982, section 260.015, is amended by adding a subdivision to read:

*Subd. 25. [FAMILY OR HOUSEHOLD MEMBERS.] "Family or household members" means spouses, former spouses, parents and children, per-*



sons related by blood, and persons who are presently residing together or who have resided together in the past, and persons who have a child in common regardless of whether they have been married or have lived together at any time.

Sec. 3. Minnesota Statutes 1982, section 260.111, is amended by adding a subdivision to read:

*Subd. 2a. [JURISDICTION OVER MATTERS RELATING TO DOMESTIC CHILD ABUSE.] The juvenile court has jurisdiction in proceedings concerning any alleged acts of domestic child abuse. In a jurisdiction which utilizes referees in dependency and neglect actions, the court or judge may refer actions under this subdivision to a referee to take and report the evidence in the action. If the respondent does not appear after service is duly made and proved, the court may hear and determine the proceeding as a default matter. Proceedings under this subdivision shall be given docket priority by the court.*

Sec. 4. [260.133] [PROCEDURE; DOMESTIC CHILD ABUSE.]

*Subdivision 1. [PETITION.] The local welfare agency may bring an emergency petition on behalf of minor family or household members seeking relief from acts of domestic child abuse. The petition shall allege the existence of or immediate and present danger of domestic child abuse, and shall be accompanied by an affidavit made under oath stating the specific facts and circumstances from which relief is sought.*

*Subd. 2. [TEMPORARY ORDER.] If it appears from the notarized petition or by sworn affidavit that there are reasonable grounds to believe the child is in immediate and present danger of domestic child abuse, the court may grant an ex parte temporary order for protection, pending a full hearing. The court may grant relief as it deems proper, including an order:*

- (1) restraining any party from committing acts of domestic child abuse; or*
- (2) excluding the alleged abusing party from the dwelling which the family or household members share or from the residence of the child.*

*However, no order excluding the alleged abusing party from the dwelling may be issued unless the court finds that:*

- (1) the order is in the best interests of the child or children remaining in the dwelling;*
- (2) a remaining adult family or household member is able to care adequately for the child or children in the absence of the excluded party; and*
- (3) the local welfare agency has developed a plan to provide appropriate social services to the remaining family or household members.*

*An ex parte temporary order for protection shall be effective for a fixed period not to exceed 14 days. Within five days of the issuance of the temporary order, the petitioner shall file a dependency and neglect petition with the court pursuant to section 260.131, and the court shall give docket priority to the petition.*

*The court may renew the temporary order for protection one time for a fixed period not to exceed 14 days if a dependency and neglect petition has*

*been filed with the court and if the court determines, upon informal review of the case file, that the renewal is appropriate.*

*Subd. 3. [SERVICE AND EXECUTION OF ORDER.] Any order issued under this section or section 5 shall be served personally upon the respondent. Where necessary, the court shall order the sheriff or constable to assist in service or execution of the order.*

*Subd. 4. [MODIFICATION OF ORDER.] Upon application, notice to all parties, and hearing, the court may modify the terms of an existing order for protection issued under this section or section 5.*

*Subd. 5. [RIGHT TO APPLY FOR RELIEF.] The local welfare agency's right to apply for relief on behalf of a child shall not be affected by the child's leaving the dwelling or household to avoid abuse.*

*Subd. 6. [REAL ESTATE.] Nothing in this section or section 5 shall affect the title to real estate.*

*Subd. 7. [OTHER REMEDIES AVAILABLE.] Any relief ordered under this section or section 5 shall be in addition to other available civil or criminal remedies.*

*Subd. 8. [COPY TO LAW ENFORCEMENT AGENCY.] An order for protection granted pursuant to this section or section 5 shall be forwarded by the clerk of court within 24 hours to the local law enforcement agency with jurisdiction over the residence of the child.*

*Each appropriate law enforcement agency shall make available to other law enforcement officers through a system of verification, information as to the existence and status of any order for protection issued pursuant to this section or section 5.*

**Sec. 5. Minnesota Statutes 1982, section 260.191, is amended by adding a subdivision to read:**

*Subd. 1a. [DOMESTIC CHILD ABUSE.] If the court finds that the child is a victim of domestic child abuse, as defined in section 1, it may order any of the following dispositions of the case in addition to or as alternatives to the dispositions authorized under subdivision 1:*

- (1) restrain any party from committing acts of domestic child abuse;*
- (2) exclude the abusing party from the dwelling which the family or household members share or from the residence of the child;*
- (3) on the same basis as is provided in chapter 518, establish temporary visitation with regard to minor children of the adult family or household members;*
- (4) on the same basis as is provided in chapter 518, establish temporary support for a period of 30 days for minor children;*
- (5) provide counseling or other social services for the family or household members; or*
- (6) order the abusing party to participate in treatment or counseling services.*

*Any relief granted by the order for protection shall be for a fixed period not*

to exceed one year.

*However, no order excluding the abusing party from the dwelling may be issued unless the court finds that:*

*(1) the order is in the best interests of the child or children remaining in the dwelling;*

*(2) a remaining adult family or household member is able to care adequately for the child or children in the absence of the excluded party; and*

*(3) the local welfare agency has developed a plan to provide appropriate social services to the remaining family or household members.*

**Sec. 6. [260.212] [ADMISSIBILITY OF TESTIMONY IN CRIMINAL PROCEEDING.]**

*Any testimony offered by a respondent in a hearing pursuant to section 5 is inadmissible in a criminal proceeding.*

**Sec. 7. [260.271] [VIOLATION OF AN ORDER FOR PROTECTION.]**

*Subdivision 1. [VIOLATION; PENALTY.] Whenever an order for protection is granted pursuant to section 4 or 5 restraining the person or excluding the person from the residence, and the respondent or person to be restrained knows of the order, violation of the order for protection is a misdemeanor.*

*Subd. 2. [ARREST.] A peace officer shall arrest without a warrant and take into custody a person whom the peace officer has probable cause to believe has violated an order granted pursuant to section 4 or 5 restraining the person or excluding the person from the residence, if the existence of the order can be verified by the officer.*

*Subd. 3. [CONTEMPT.] A violation of an order for protection shall also constitute contempt of court and the person violating the order shall be subject to the penalties for contempt.*

*Subd. 4. [ORDER TO SHOW CAUSE.] Upon the filing of an affidavit by the agency or any peace officer, alleging that the respondent has violated an order for protection granted pursuant to section 4 or 5, the court may issue an order to the respondent, requiring the respondent to appear and show cause within 14 days why he should not be found in contempt of court. The hearing may be held by the court in any county in which the child or respondent temporarily or permanently resides at the time of the alleged violation.*

*A peace officer is not liable under section 609.43, clause (1), for failure to perform a duty required by subdivision 2 of this section.*

**Sec. 8. Minnesota Statutes 1983 Supplement, section 388.051, subdivision 2, is amended to read:**

**Subd. 2. [SPECIAL PROVISION; GROSS MISDEMEANORS.] In Anoka, Carver, Dakota, Hennepin, Scott, and Washington counties, only the county attorney shall ~~only~~ prosecute gross misdemeanor violations of sections 290.53, subdivisions 4 and 8; 290.92, subdivision 15; 290A.11, subdivision 2; 297A.08; 297A.39, subdivisions 4 and 8; 297B.10; 609.255, subdivision 3; 609.377; 609.378; ~~and~~ 609.41; and 617.247.**

**Sec. 9. [EFFECTIVE DATE.]**

*Sections 1 to 7 apply to acts of domestic child abuse committed on or after August 1, 1984."*

Delete the title and insert:

"A bill for an act relating to children; authorizing intervention by the juvenile court to protect children from abuse committed by family or household members; providing for prosecution by the county attorney of certain gross misdemeanors; amending Minnesota Statutes 1982, sections 260.015, by adding subdivisions; 260.111, by adding a subdivision; 260.191, by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 388.051, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 260."

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

Mr. Moe, R.D. moved the adoption of the foregoing committee reports. The motion prevailed.

## SECOND READING OF SENATE BILLS

S.F. No. 1462 was read the second time.

## MOTIONS AND RESOLUTIONS - CONTINUED

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.

Mrs. Kronebusch and Mr. Benson introduced—

S.F. No. 2211: A bill for an act relating to probate; allowing a minor to be a donor for purposes of the Uniform Anatomical Gift Act; amending Minnesota Statutes 1982, sections 525.922, subdivision 1; and 525.924, by adding a subdivision.

Referred to the Committee on Judiciary.

## MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Jude moved that H.F. No. 1651 be taken from the table and given its second reading. The motion prevailed.

H.F. No. 1651 was read the second time.

## RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

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

Without objection, the Senate reverted to the Order of Business of Mes-

sages 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. 2016:

H.F. No. 2016: A bill for an act relating to taxation; repealing the income tax surtax; modifying the designation of enterprise zones; increasing the funding for enterprise zones; modifying the definition of political party under the political contribution credit; providing an income tax credit for conservation tillage farm equipment; eliminating racehorses from the farm loss modification; permitting certain net operating loss carrybacks; permitting deduction of certain foreign taxes paid; allowing deduction of foreign dividends and royalties; modifying the definition of apportionment factors; restricting tax exemptions for redevelopment companies; changing the computation of the school agricultural credit retroactive to taxes payable in 1984 in certain cases; modifying the maximum targeting credit for payable 1984; providing a targeting credit for payable 1985; changing computation of certain local government aid payments; directing the department of revenue to issue guidelines on certain topics; instructing the commissioner to determine production value ratio; authorizing certain additional levies in counties; modifying the use of the sales ratio study as evidence in court; changing the methodology of the sales ratio study; changing certain property tax appeal procedures; imposing requirements for disaster relief credits; increasing agricultural aid to certain property; modifying the homestead credit provisions for certain property and providing refunds; changing the classification ratio maximum value on commercial and industrial property; limiting the property tax exemption for certain projects; repealing the exemption for franchise and special taxes and fees for certain projects; modifying the property tax refund with respect to certain claims; repealing rent capitalization; changing the estate tax; allowing the commissioner more discretion in valuing railroad property; providing for equalization of railroad valuations; authorizing the Ramsey-Washington metro watershed district to establish a maintenance and repair fund and levy taxes; creating the Croft historical park board; authorizing the board to levy taxes; authorizing the city of Cloquet to levy taxes for certain transit expenses; authorizing the conveyance of certain land in St. Louis County; clarifying the application of the mortgage registry tax to revolving lines of credit; changing the procedures for refunds of the motor fuels tax; reducing the sales tax rate for purchases of capital equipment and manufactured housing; exempting agricultural electricity, residential hot water district heating, and used manufactured housing from the sales tax; exempting certain sales by nonprofit organizations from the sales tax; exempting residential district heating from the St. Paul franchise tax; repealing the accelerated payment of sales tax; transferring motor vehicle excise tax proceeds to the highway user and transit funds; providing for the priority of certain liens securing revolving lines of credit; increasing the interest rate on state tax refunds; appropriating money; amending Minnesota Statutes 1982, sections 10A.31, subdivisions 3a and 5; 124.2131, subdivision 1; 270.80, subdivision 4; 270.84, subdivision 1; 270.86; 270.87; 270A.07, subdivision 5; 271.01, subdivision 5; 271.06, subdivision 6; 271.12; 273.123, by adding

subdivisions; 273.13, subdivisions 9 and 19; 287.05, by adding subdivisions; 290.01, subdivision 20e; 290.06, by adding a subdivision; 290.19, subdivision 1a; 290.21, by adding a subdivision; 290.92, subdivision 11; 290.936; 290A.04, by adding a subdivision; 290A.07, subdivision 2a; 291.075; 291.09, subdivision 1a; 291.132, subdivision 2; 291.18; 291.215, subdivision 1; 294.09, subdivision 1; 296.18, subdivisions 3 and 8; 297A.01, by adding subdivisions; 297A.15, by adding a subdivision; 297B.035, subdivision 3; 298.09, subdivision 4; 299.05; 462.651, subdivision 1, and by adding a subdivision; and 477A.13; Minnesota Statutes 1983 Supplement, sections 16A.15, subdivision 6; 124.2137, subdivision 1; 273.11, subdivision 1; 273.13, subdivisions 6 and 21; 273.1314, subdivisions 6, 8, and 15; 278.01, subdivision 1; 278.05, subdivision 4; 290.06, subdivision 11; 290.09, subdivision 29; 290.18, subdivision 2; 290.21, subdivision 4; 290.50, subdivision 1; 290.92, subdivision 13; 290.93, subdivision 9; 290A.03, subdivisions 8 and 13; 290A.04, subdivision 2e, and by adding a subdivision; 290A.05; 290A.07, subdivision 3; 291.005, subdivision 1; 291.03, subdivision 1; 291.09, subdivision 3a; 296.14, subdivision 4; 296.18, subdivision 1; 297A.02, subdivision 2, and by adding a subdivision; 297A.14; 297A.25, subdivision 1; 297A.27, subdivision 1; 297A.35, subdivision 1; 297B.09; and 477A.013, subdivision 1; Laws 1979, chapter 189, section 2; proposing new law coded in Minnesota Statutes, chapters 270, 507 and 508; repealing Minnesota Statutes 1982, sections 270.90; 291.015; 291.03, subdivisions 3, 4, 5, 6, and 7; 291.05; 291.051; 291.06; 291.065; 291.07; 291.08; 291.09, subdivision 5; 291.111; and 462.651, subdivision 2; Minnesota Statutes 1983 Supplement, sections 273.11, subdivision 7; 290.06, subdivisions 2e and 13; 297A.275; and 462.651, subdivision 3; and Laws 1983, chapter 342, article 1, section 8.

The House respectfully requests that a Conference Committee of five members be appointed thereon.

Tomlinson, Kelly, Eken, Redalen and Sieben have been appointed as such committee on the part of the House.

House File No. 2016 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 13, 1984

Mr. Johnson, D.J. moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2016, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2314:

H.F. No. 2314: A bill for an act relating to capital improvements; authorizing spending to acquire and to better public land and buildings and other public improvements of a capital nature with certain conditions; reducing and canceling certain appropriations; authorizing issuance of state bonds; appro-

priating money; amending Minnesota Statutes 1982, sections 16.72, subdivision 7; 85A.04, subdivision 3; 475A.03, subdivision 1; 475A.05, subdivision 1, and by adding a subdivision; 475A.06, subdivision 7; and Laws 1983, chapter 344, section 6, subdivision 8; repealing Laws 1981, chapter 275; and chapter 334, section 11, subdivision 4; and Laws 1982, chapter 639, section 5.

The House respectfully requests that a Conference Committee of five members be appointed thereon.

Battaglia; Carlson, L.; Welch; Kalis and Carlson, D. have been appointed as such committee on the part of the House.

House File No. 2314 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 13, 1984

Mr. Willet moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2314, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1814:

H.F. No. 1814: A bill for an act relating to taxation; clarifying certain property tax credit provisions; providing that amounts to pay certain certificates are a special levy; providing for deduction of taconite aids from levy limit base; simplifying iron ore valuation hearing requirements; altering the process for determining flexible homestead brackets; allowing for the rounding of amounts of special assessments on tax statements; changing the date for the issuance of warrants for delinquent personal property taxes; providing for additional administrative procedures for cigarette tax collection; requiring annual payment of occupation taxes; changing payment method for production taxes; adopting certain procedures relating to liquor tax collections; authorizing county treasurers to charge for dishonored checks; amending Minnesota Statutes 1982, sections 273.1104, subdivision 2; 277.03; 298.09, subdivision 2; 298.27; 298.282, subdivision 3; 340.601; Minnesota Statutes 1983 Supplement, sections 124.2137, subdivision 1; 273.13, subdivision 7; 273.1311; 273.1315; 275.50, subdivision 5; 275.51, subdivision 3i; and 276.04; proposing new law coded in Minnesota Statutes, chapters 297; 340; and 385; repealing Minnesota Statutes 1982, sections 298.045; 298.046; 298.047; and 298.048.

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

Osthoff, Scheid and Kelly have been appointed as such committee on the part of the House.

House File No. 1814 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 13, 1984

Mr. Johnson, D.J. moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1814, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

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

S.F. No. 1810: A bill for an act relating to insurance; homeowner's; providing certain notice requirements upon policy nonrenewal, reduction in the limits of coverage, or elimination of coverage; authorizing the commissioner to adopt rules; amending Minnesota Statutes 1982, section 65A.29, by adding subdivisions; repealing Minnesota Statutes 1982, section 65A.29, subdivision 2.

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

Riveness, Quinn and Knickerbocker.

Senate File No. 1810 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 13, 1984

### 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. 2016: Messrs. Johnson, D.J.; Peterson, C.C.; Ms. Berglin, Messrs. Novak and Bernhagen.

H.F. No. 2314: Messrs. Waldorf, Dicklich, Langseth, Purfeerst and Taylor.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

### MEMBERS EXCUSED

Mr. Dieterich was excused from the Session of today from 11:00 to 11:30 a.m. Mr. Lessard was excused from the Session of today from 11:00 a.m. to



1:30 p.m. Mr. Peterson, C.C. was excused from the Session of today at 1:30 p.m. Mr. Renneke was excused from the Session of today at 4:00 p.m. Mr. Waldorf was excused from the Session of today from 3:10 to 3:30 p.m. Mr. Schmitz was excused from the Session of today at 5:45 p.m. Mr. Hughes was excused from the Session of today from 5:30 to 6:00 p.m.

#### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Saturday, April 14, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SEVENTY-EIGHTH DAY

St. Paul, Minnesota, Saturday, April 14, 1984

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

### CALL OF THE SENATE

Mr. Pogemiller imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Senator Dean E. Johnson.

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

Adkins	Dieterich	Kroening	Olson	Schmitz
Anderson	Frank	Kronebusch	Pehler	Sieloff
Belanger	Frederick	Laidig	Peterson, C. C.	Solon
Benson	Frederickson	Lantry	Peterson, D. C.	Spear
Berg	Freeman	Lessard	Peterson, D. L.	Storm
Berglin	Hughes	Luther	Peterson, R. W.	Stumpf
Bernhagen	Isackson	McQuaid	Petty	Taylor
Bertram	Johnson, D. E.	Mehrkens	Pogemiller	Ulland
Chmielewski	Johnson, D. J.	Merriam	Purfeerst	Vega
Dahl	Jude	Moe, D. M.	Ramstad	Waldorf
Davis	Kamrath	Moe, R. D.	Reichgott	Wegscheid
DeCramer	Knaak	Nelson	Rennecke	Willet
Diessner	Knutson	Novak	Samuelson	

The President declared a quorum present.

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

### 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. 506, 1768, 2145, 1832, 1196, 1740 and 1927.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 13, 1984

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. 1454: A bill for an act relating to public welfare; authorizing the commissioner to enter into interstate adoption compacts; establishing procedures for interstate assistance payments; amending Minnesota Statutes 1983 Supplement, section 256B.06, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 259.

Senate File No. 1454 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 13, 1984

### CONCURRENCE AND REPASSAGE

Mr. Diessner moved that the Senate concur in the amendments by the House to S.F. No. 1454 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1454 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 41 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kronebusch	Peterson, D.L.	Ulland
Anderson	Diessner	Lantry	Peterson, R.W.	Vega
Belanger	Dieterich	Lessard	Petty	Waldorf
Benson	Frank	Luther	Pogemiller	Wegscheid
Berg	Frederickson	Mehrkens	Renneke	Willet
Bernhagen	Hughes	Merriam	Samuelson	
Bertram	Isackson	Nelson	Schmitz	
Chmielewski	Johnson, D.E.	Olson	Spear	
Dahl	Johnson, D.J.	Pehler	Taylor	

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

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 1495: A bill for an act relating to labor; providing for occupational safety and health; regulating infectious agents; amending Minnesota Statutes 1983 Supplement, section 182.653, subdivisions 4b, 4c, and 4f; and 182.654, subdivision 11.

Senate File No. 1495 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 13, 1984

**CONCURRENCE AND REPASSAGE**

Mr. Diessner moved that the Senate concur in the amendments by the House to S.F. No. 1495 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1495 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 45 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Lantry	Peterson,D.L.	Sieloff
Anderson	Frank	Lessard	Peterson,R.W.	Spear
Benson	Frederickson	Luther	Petty	Stumpf
Bernhagen	Freeman	Mehrkens	Pogemiller	Taylor
Bertram	Hughes	Merriam	Purfeerst	Ulland
Chmielewski	Isackson	Nelson	Reichgott	Vega
Dahl	Johnson, D.E.	Olson	Renneke	Waldorf
Davis	Johnson, D.J.	Pehler	Samuelson	Wegscheid
DeCramer	Kronebusch	Peterson,D.C.	Schmitz	Willet

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

**MESSAGES FROM THE HOUSE - CONTINUED**

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1950, 1579, 600, 1454, 1721, 1846, 2009, 2122, 1743, 1803, 1839, 1878, 1946, 1974, 1352, 1502, 1373, 1680, 1806, 2148, 322, 1853, 1619, 1656 and 1875.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 13, 1984

**FIRST READING OF HOUSE BILLS**

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

H.F. No. 1950: A bill for an act relating to discrimination; authorizing a woman to use a current or former surname for purposes of credit or business; prohibiting discrimination on the basis of use of a current or former surname; amending Minnesota Statutes 1982, section 363.03, subdivision 8, and by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 325G.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1680, now on Special Orders.

H.F. No. 1579: A bill for an act relating to public safety; providing immunity from liability for persons who render assistance in dangerous incidents involving hazardous materials; amending Minnesota Statutes 1983 Supplement, section 604.05, subdivision 2.

Mr. Johnson, D.J. moved that H.F. No. 1579 be laid on the table. The

motion prevailed.

H.F. No. 600: A bill for an act relating to state income tax refunds; requiring proper notice before the state can collect debts by taking tax refunds; amending Minnesota Statutes 1982, sections 270A.04, subdivision 2; and 270A.08, subdivisions 1 and 2.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 1454: A bill for an act relating to taxation; providing for timely payment of certain withholding income taxes; amending Minnesota Statutes 1983 Supplement, section 290.92, subdivision 6.

Referred to the Committee on Taxes and Tax Laws.

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

Referred to the Committee on Taxes and Tax Laws.

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

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1606, now on Special Orders.

H.F. No. 2009: A bill for an act relating to taxation; modifying and clarifying the small business investment credits; amending Minnesota Statutes 1983 Supplement, section 290.069, subdivisions 1, 2, 4, 5, and by adding subdivisions.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 2122: A bill for an act relating to local government; providing for the distribution of certain federal payments in lieu of property taxes; proposing new law coded in Minnesota Statutes, chapter 471.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 1743: A bill for an act relating to occupations and professions; removing an auctioneer's exemption from real estate brokers and salespersons licensing; amending Minnesota Statutes 1983 Supplement, section 82.18.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1781, now on Special Orders.

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

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1808, now on Special Orders.

H.F. No. 1839: A bill for an act relating to St. Louis County; permitting the county to establish an emergency jobs program.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1755, now on Special Orders.

H.F. No. 1878: A bill for an act relating to building officials; providing for continuing education; amending Minnesota Statutes 1982, section 16.861, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1661, now on Special Orders.

H.F. No. 1946: A bill for an act relating to the governor; transferring the authority to make certain appointments to various commissioners; providing for filling a membership vacancy on a board reoccurring within three months after the vacancy has been filled; amending Minnesota Statutes 1982, sections 1.35; 15.0575, by adding a subdivision; 16.71, subdivision 1; 121.934, subdivision 1; 182.656, subdivision 1; and 326.33, subdivision 1; Minnesota Statutes 1983 Supplement, sections 16.911, subdivision 1; 116E.02, subdivision 1; and 299B.05, subdivision 1; repealing Minnesota Statutes 1982, section 116E.02, subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1982, now on Special Orders.

H.F. No. 1974: A bill for an act relating to energy; defining residence; establishing energy efficiency standards for public housing; amending Minnesota Statutes 1982, sections 116J.27, subdivisions 1 and 4; and 116J.30, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1681, now on Special Orders.

H.F. No. 1352: A bill for an act relating to financial institutions; allowing banks and trust companies to establish trust service offices at the location of other banks; proposing new law coded in Minnesota Statutes, chapter 48.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1306, now on Special Orders.

H.F. No. 1502: A bill for an act relating to children; providing special foster care and adoption procedures for Indian children; proposing new law coded in Minnesota Statutes, chapter 257.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1491, now on Special Orders.

H.F. No. 1373: A bill for an act relating to commerce; requiring state agencies to make prompt payment for the purchase or lease of goods and services; requiring agencies to pay interest penalties on late payments; proposing new law coded in Minnesota Statutes, chapter 16A.

Referred to the Committee on Governmental Operations.

H.F. No. 1680: A bill for an act relating to taxation; income; changing withholding on pari-mutuel winnings; amending Minnesota Statutes 1983 Supplement, section 290.92, subdivisions 27 and 28; and Minnesota Statutes 1982, section 290.61.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 1806: A bill for an act relating to public welfare; amending the reporting of maltreatment of minors act; clarifying the roles of law enforcement and local welfare agencies; requiring law enforcement agencies to fol-

low certain procedures when interviewing minors on school property; clarifying language; amending Minnesota Statutes 1982, section 626.556, subdivisions 3 and 11; amending Minnesota Statutes 1983 Supplement, section 626.556, subdivisions 1, 2, 4, and 10.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1836, now on Special Orders.

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

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2054, now on Special Orders.

H.F. No. 322: A bill for an act relating to local government; prohibiting cities and counties from establishing residency requirements as a condition of employment; amending Minnesota Statutes 1982, section 415.16.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2091, now on Special Orders.

H.F. No. 1853: A bill for an act relating to public welfare; providing for rulemaking authority for the Community Social Services Act; amending Minnesota Statutes 1982, section 256E.05, subdivision 1.

Referred to the Committee on Finance.

H.F. No. 1619: A bill for an act relating to state government; providing for a member, 60 years of age or over, to serve on certain state boards, commissions, advisory councils, task forces, or committees; proposing new law coded in Minnesota Statutes, chapter 15.

Referred to the Committee on Governmental Operations.

H.F. No. 1656: A bill for an act relating to commerce; motor fuel franchises; providing for a temporary prohibition on certain building alterations that eliminate service bays.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1652, now on Special Orders.

H.F. No. 1875: A bill for an act relating to certain counties; providing for changes in the administration of county nursing homes and the issuance of general obligation bonds for such homes; authorizing the establishment of facilities for the provision of supportive services; allowing for a change in the reporting year for municipal nursing homes; amending Minnesota Statutes 1982, sections 376.55; 376.56; 376.57; 376.58; 376.59; 376.60; and 471.696; repealing Minnesota Statutes 1982, sections 376.573; 376.61; 376.62; 376.63; 376.64; 376.65; and 376.66.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2078, now on Special Orders.

## REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now

adopted. The motion prevailed.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

H.F. No. 1507: A bill for an act relating to taxation; deed tax; exempting certain partitions; amending Minnesota Statutes 1982, section 287.22.

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

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

S.F. No. 2108: A bill for an act relating to civil commitment; providing for status review of persons residing in state facilities pursuant to an order of guardianship; amending Laws 1982, chapter 581, section 26, as amended.

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 1982, section 253B.02, is amended by adding a subdivision to read:

*Subd. 21. [PASS.] “Pass” means any authorized temporary, unsupervised absence from a treatment facility.*

Sec. 2. Minnesota Statutes 1982, section 253B.02, is amended by adding a subdivision to read:

*Subd. 22. [PASS PLAN.] “Pass plan” means the part of a treatment plan for a person who has been committed as mentally ill and dangerous that specifies the terms and conditions under which the patient may be released on a pass.*

Sec. 3. Minnesota Statutes 1982, section 253B.02, is amended by adding a subdivision to read:

*Subd. 23. [PASS-ELIGIBLE STATUS.] “Pass-eligible status” means the status under which a person committed as mentally ill and dangerous may be released on passes after approval of a pass plan by the head of a treatment facility.*

Sec. 4. Minnesota Statutes 1983 Supplement, section 253B.07, subdivision 7, is amended to read:

Subd. 7. [PRELIMINARY 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, on its motion or on motion of any party, may exclude or excuse a respondent who is seriously disruptive or who is totally incapable of comprehending and participating in the proceedings. In such instances, the court shall, with specificity on the record, state the behavior of respondent or other circumstances justifying proceeding in the absence of the respondent.*

(d) *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. The fact that a proposed patient was acquitted of a crime against the person under section 611.026 immediately preceding the filing of the petition constitutes evidence that serious imminent physical harm to the patient or others is likely if the proposed patient is not confined and shifts the burden of going forward in the presentation of evidence to the proposed patient; provided that the standard of proof remains as required by this chapter.*

Sec. 5. Minnesota Statutes 1982, section 253B.08, subdivision 5, is amended to read:

Subd. 5. [ABSENCE PERMITTED.] (a) *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, medication, 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.*

(b) *The court, on its own motion or on motion of any party, may exclude or excuse a respondent who is seriously disruptive or who is totally incapable of comprehending and participating in the proceedings. In such instances, the court shall, with specificity on the record, state the behavior of respondent or other circumstances justifying proceeding in the absence of the respondent.*

Sec. 6. Minnesota Statutes 1982, section 253B.18, is amended by adding a subdivision to read:

Subd. 4a. [RELEASE ON PASS; NOTIFICATION.] *A patient who has been committed as mentally ill and dangerous and who is confined at the Minnesota security hospital shall not be released on a pass unless the pass is part of a pass plan that has been approved by the medical director of the Minnesota security hospital. At least ten days prior to a determination on the plan, the medical director shall notify the committing court, the county attorney of the county of commitment, an interested person, the petitioner, and the petitioner's counsel of the plan, the nature of the passes proposed, and their right to object to the plan. If any notified person objects prior to the proposed date of implementation, the person shall have an opportunity to appear, personally or in writing, before the medical director, within ten days of the objection, to present grounds for opposing the plan. The pass plan shall not be implemented until the objecting person has been furnished that opportunity.*

Sec. 7. Minnesota Statutes 1982, section 253B.18, is amended by adding a

subdivision to read:

*Subd. 4b. [PASS-ELIGIBLE STATUS; NOTIFICATION.] The following patients committed to the Minnesota security hospital shall not be placed on pass-eligible status unless that status has been approved by the medical director of the Minnesota security hospital:*

*(a) a patient who has been committed as mentally ill and dangerous and who*

*(1) was found not guilty by reason of mental illness of a felony immediately prior to the filing of the commitment petition;*

*(2) was convicted of a felony immediately prior to or during his commitment as mentally ill and dangerous; or*

*(3) is subject to a commitment to the commissioner of corrections; and*

*(b) a patient who has been committed as a psychopathic personality, as defined in section 526.09.*

*At least ten days prior to a determination on the status, the medical director shall notify the committing court, the county attorney of the county of commitment, an interested person, the petitioner, and the petitioner's counsel of the proposed status, and their right to request review by the special review board. If within ten days of receiving notice any notified person requests review by filing a notice of objection with the commissioner and the head of the treatment facility, a hearing shall be held before the special review board. The proposed status shall not be implemented unless it receives a favorable recommendation by a majority of the board and approval by the commissioner. The status shall be deemed approved by the commissioner unless he orders otherwise within 30 days of the request for review. Any patient aggrieved by the head of the treatment facility's failure to approve a pass-eligible status may seek approval of the status by petitioning the special review board. The order of the commissioner is appealable as provided in section 253B.19.*

Sec. 8. Minnesota Statutes 1983 Supplement, section 525.619, is amended to read:

#### 525.619 [POWERS AND DUTIES OF GUARDIAN OF MINOR.]

A guardian of a minor has the powers and responsibilities of a parent who has not been deprived of custody of his minor and unemancipated child, except that a guardian is not legally obligated to provide from his own funds for the ward. In particular, and without qualifying the foregoing, a guardian has the following powers and duties:

(a) He must take reasonable care of his ward's personal effects and commence protective proceedings if necessary to protect other property of the ward.

(b) He may receive money payable for the support of the ward to the ward's parent, guardian or custodian under the terms of any statutory benefit or insurance system, or any private contract, devise, trust, conservatorship or custodianship. He also may receive money or property of the ward paid or delivered by virtue of section 525.6196. Any sums so received shall be applied to the ward's current needs for support, care and education. He must

exercise due care to conserve any excess for the ward's future needs unless a conservator has been appointed for the estate of the ward, in which case the excess shall be paid over at least annually to the conservator. Sums so received by the guardian are not to be used for compensation for his services except as approved by order of court or as determined by a duly appointed conservator other than the guardian. A guardian may institute proceedings to compel the performance by any person of a duty to support the ward or to pay sums for the welfare of the ward.

(c) The guardian is empowered to facilitate the ward's education, social, or other activities and to authorize medical or other professional care, treatment or advice. A ward *who is less than 16 years of age may be admitted to a treatment facility as an informal patient according to section 253B.04 but may not be committed to any state institution except pursuant to chapter 253B and*. No guardian may give consent for psychosurgery, electroshock, sterilization or experimental treatment of any kind unless the procedure is first approved by the order of the court, after a hearing as prescribed by section 525.56, subdivision 2.

A guardian is not liable by reason of his consent for injury to the ward resulting from the negligence or acts of third persons unless it would have been illegal for a parent to have consented, or unless he fails to comply with the requirements of this section which provide that a court order is necessary for commitment and for certain types of medical procedures. A guardian may consent to the marriage or adoption of his ward.

(d) A guardian must report the condition of his ward and of the ward's estate which has been subject to his possession or control, as ordered by the court on its own motion or on petition of any person interested in the minor's welfare and as required by court rule.

Sec. 9. Laws 1982, chapter 581, section 26, as amended by Laws 1983, chapter 251, section 27, is amended to read:

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, other than a person committed as mentally ill and dangerous, who was committed pursuant to chapter 253A and whose term of commitment is indeterminate shall have his status reviewed pursuant to the provisions of section 12 prior to February 1, 1984.

*For persons 16 years or older, involuntarily residing in a regional center pursuant to an order of guardianship, and not committed pursuant to an order issued under Minnesota Statutes, chapter 253B, or Minnesota Statutes 1980, chapter 253A, the following review procedures will apply:*

(a) *The person shall have a commitment hearing according to Minnesota Statutes, section 253B.08, prior to August 1, 1985. The head of the regional center shall notify the responsible county which shall initiate the petition for commitment.*

*(b) The person shall be deemed to be legally committed to the head of the regional center until the committing court issues an appropriate judgment according to Minnesota Statutes, section 253B.09, or until August 1, 1985, whichever date occurs first.*

*(c) A finding by the committing court that the individual does not satisfy the commitment criteria of Minnesota Statutes, chapter 253B, shall not terminate the guardianship or constitute a restoration to capacity. An order of restoration to capacity may only be obtained under Minnesota Statutes, section 525.61.*

*If the committing court finds that the individual does not satisfy the commitment criteria set forth in Minnesota Statutes, section 253B, the court, by order shall immediately notify the county welfare board. The designated agency shall locate an appropriate community placement within 90 days of notification by the guardian. Until an appropriate placement is available, the ward may continue to reside in the regional center in which the ward resided prior to the commitment hearing.*

Sec. 10. [EFFECTIVE DATE.]

*Sections 4, 5, 8, and 9 are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to civil commitment; establishing procedures for passes for persons committed as mentally ill and dangerous; permitting respondents to be absent from hearings under certain conditions; clarifying the conditions under which a guardian may place a minor ward in certain treatment facilities; providing for status review of persons residing in state facilities pursuant to an order of guardianship; amending Minnesota Statutes 1982, sections 253B.02, by adding subdivisions; 253B.08, subdivision 5; and 253B.18, by adding subdivisions; Minnesota Statutes 1983 Supplement, sections 253B.07, subdivision 7; and 525.619; and Laws 1982, chapter 581, section 26, as amended."

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. 1457: A bill for an act relating to agriculture; authorizing the energy and economic development authority to purchase, make, or participate in farm loans and to issue bonds or notes for this purpose; amending Minnesota Statutes 1982, sections 116J.88, by adding a subdivision; 116J.90, by adding subdivisions; Minnesota Statutes 1983 Supplement, sections 116J.88, subdivisions 7 and 7a; and 116J.90, subdivision 3.

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

Page 1, line 15, reinstate the stricken comma and delete the new language, and before the reinstated comma, insert "or farm loan"

Page 2, line 8, delete the comma and insert "or"

Page 2, line 8, after "*production*" delete "*or*"

Page 2, line 9, delete "*processing, or storage of agricultural products,*"

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. 1813: A bill for an act relating to motor fuels; setting standards for gasoline and gasoline-alcohol blends; providing testing authority for the weights and measures division of the department of public service; requiring alcohol content disclosure; providing for labeling; appropriating money; amending Minnesota Statutes 1982, sections 296.01, subdivision 3, and by adding a subdivision; 296.05, subdivisions 1, 4, 6, and by adding a subdivision; and 296.22, by adding a subdivision.

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. 1242: A bill for an act relating to weights and measures; exempting certain petroleum pumps and meters from certain inspection fees; establishing a set fee; amending Minnesota Statutes 1983 Supplement, sections 239.10 and 296.13.

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

Page 2, line 10, delete the new language and strike "*the fee charged*"

Page 2, strike lines 11 and 12

Page 2, line 13, delete "*Beginning January 1, 1985,*"

Page 2, delete line 26 and insert "*Section 1 is effective July 1, 1985. Section 2 is effective January 1, 1986.*"

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. 1749: A bill for an act relating to insurance; clarifying annual statement filing requirements; providing for the suspension of authority of self-insurance entities or self-insurers; modifying certain existing fees and providing certain new fees; transferring certain duties of the commissioner of commerce to the commissioner of revenue; establishing certain taxation filing requirements; providing for agent license renewals; authorizing the issuance of orders to show cause relating to license revocations; clarifying continuing education reporting requirements; modifying certain insurance licensing dates; providing for the service of process on foreign companies and unauthorized insurers; removing the countersignature requirement for certain bid bonds and insurance policies; removing an exemption from regulation for certain self-insurance plan administrators and vendors of risk management services; clarifying policy form filing requirements; providing for the use of

health insurance claim forms; providing for the use of fire insurance binders; modifying the definitions of "motorcycle," "motor vehicle," "policy," and "utility vehicle" for purposes of automobile insurance regulation; increasing certain liability coverage on automobile insurance plan policies; providing for the cancellation or nonrenewal of a policy; defining "plan of reparation security"; requiring certain premium reports to be filed with the commissioner; prohibiting discrimination based on sex or marital status; modifying the expiration date of adjuster's licenses; providing for the appointment of the board of the compensation reinsurance association; making various technical changes; providing remedies; prescribing penalties; appropriating money; amending Minnesota Statutes 1982, sections 60A.13, subdivision 6, and by adding a subdivision; 60A.15, subdivisions 1, 2, 2a, 6, 8, 9, 10, and by adding subdivisions; 60A.17, subdivisions 3, 5b, and by adding a subdivision; 60A.18, subdivision 3; 60A.19, subdivision 4; 60A.199; 60A.21, subdivision 2; 60A.23, subdivision 5; 61A.03, by adding a subdivision; 62A.025; 65A.03; 65B.001, subdivision 4; 65B.06, subdivision 2; 65B.14, subdivisions 2 and 3; 65B.16; 65B.19; 65B.43, subdivisions 2, 13, and by adding a subdivision; 69.021, subdivisions 1, 2, 3, and by adding a subdivision; 69.58; 69.59; 72A.061, subdivision 2; 72A.07; 72A.20, by adding a subdivision; 72A.23, subdivision 1; 72B.04, subdivisions 7 and 10; 79.10; 176.181, subdivision 2, and by adding a subdivision; 271.01, subdivision 5; 299F.21; 299F.22; 299F.23; 299F.24; 299F.26, subdivisions 1 and 2; 424.165, subdivision 1; and 574.32; Minnesota Statutes 1983 Supplement, sections 60A.05; 60A.14, subdivision 1; 60A.15, subdivisions 11 and 12; 60A.17, subdivisions 1a, 1d, and 6c; 60A.1701, subdivisions 5, 10, and 11; 60A.198, subdivision 3; 65A.01, subdivision 3; 65B.17, subdivision 1; 69.011, subdivision 1; and 79.37; proposing new law coded in Minnesota Statutes, chapter 60A; repealing Minnesota Statutes 1982, sections 65B.15, subdivision 3; 65B.48, subdivision 8; and 69.031, subdivision 6.

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

Page 40, after line 32, insert:

"Sec. 36. [61A.255] [SPECIAL PROVISION.]

*For the purposes of sections 61A.24 and 61A.25, insurers may utilize the 1958 Commissioners Standard Ordinary and the 1958 Commissioners Extended Term smoker and nonsmoker mortality tables and the 1980 Commissioners Standard Ordinary and the 1980 Commissioners Extended Term smoker and nonsmoker mortality tables in addition to the tables specified in sections 61A.24 and 61A.25. The tables may be utilized as provided in the model rule permitting smoker/nonsmoker mortality tables for use in determining minimum reserve liabilities and nonforfeiture benefits adopted by the National Association of Insurance Commissioners. This section applies to policies issued on or after January 1, 1984 and before January 1, 1989."*

Page 73, line 13, delete "\$95,127" and insert "\$62,400"

Page 73, line 17, delete "three" and insert "two"

Page 73, line 27, delete "52 to 55, 66 to 73, 75" and insert "53 to 56, 67 to 74, 76"

Page 73, line 28, delete "77" and insert "78"

Page 73, line 30, delete "76" and insert "77"

Renumber the sections in sequence

Amend the title as follows:

Page 2, line 13, delete "chapter" and insert "chapters"

Page 2, line 14, after "60A" insert "and 61A"

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

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

S.F. No. 2028: A bill for an act relating to judges; providing for the manner of filling vacancies in the office of judge; proposing new law coded as Minnesota Statutes, chapter 480B.

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

Page 1, line 8, delete "TRIAL COURT" and insert "JUDICIAL" and delete "*a justice of*"

Page 1, line 9, delete "*the supreme court, or*"

Page 1, line 22, after the semicolon, insert "*and*"

Page 1, delete lines 23 to 25

Page 2, delete line 1

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

Page 2, line 6, after "*Individuals*" insert "*appointed or*" and delete "*clauses*" and insert "*clause*" and delete "*and (4)*"

Page 2, line 11, after "*were*" insert "*appointed or*"

Page 2, line 12, delete "*subdivision 2, clause*" and insert "*clauses*" and after "(1)" insert "*or (3)*"

Page 2, line 16, delete "*subdivision 2, clause*" and insert "*clauses*" and after "(1)" insert "*or (3)*"

Page 2, line 22, delete "(4)" and insert "(3)"

Page 2, delete lines 26 to 33

Page 2, line 34, delete "*of the committee,*"

Page 2, delete lines 35 and 36 and insert "*ensure that the permanent members of the committee include attorneys who are women and members of minority races.*"

Page 3, line 3, delete "*seven*" and insert "*six*" and before the period, insert "*when considering district, county, or county municipal court vacancies and five members when considering court of appeals vacancies*"

Page 3, line 36, delete "*supreme*"

Page 4, line 1, delete "*court or*" and after "*to the*" insert "*district*"

Page 4, line 2, delete "association" and insert "associations"

Page 4, line 5, after "the" insert "district"

Page 4, line 6, delete "association" and insert "associations"

Page 4, line 16, after the period, insert "*If the vacancy has occurred or will occur in the district, county, or county municipal court, the committee shall solicit, in writing, recommendations from the district bar associations in the judicial district and from those organizations that represent minority and women attorneys in the judicial district who have requested solicitation where the vacancy has occurred or will occur. Recommendations may be disregarded if not submitted in writing within 30 days after the bar association or organization has received the request for recommendation.*"

Page 4, line 17, delete ", provided that no" and insert a period

Page 4, delete lines 18 and 19

Page 4, line 24, after the period, insert "*The names of the nominees shall be made public.*"

Page 4, line 27, delete the comma

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

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 2133: A bill for an act relating to Hubbard County; authorizing county appropriations to the county agricultural society and an annual levy for that purpose.

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

Page 1, after line 16, insert:

"Sec. 2. [REVERSE REFERENDUM.]

*If the Hubbard County board proposes to increase the levy of the county pursuant to section 1, it shall pass a resolution stating the amount by which the levy limit base is proposed to be increased. Thereafter, the resolution shall be published for two successive weeks in the official newspaper of the county or if there is no official newspaper, in a newspaper of general circulation in the county, 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 county may determine to take no further action or, in the alternative, adopt a resolution authorizing the increase as originally proposed or approving an increase in the lesser amount it determines. The resolution authorizing an increase shall be published in the official newspaper of the county if there is no official newspaper, in a newspaper of general circulation in the county. If within 30 days thereafter a petition signed by voters equal in number to five percent of the votes cast in the county in the last general election requesting a referendum on the proposed resolution is filed with the clerk the resolution shall not be effective until it has been*



*submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum. The referendum must be held at a special or general election prior to October 1, 1984."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, before the period, insert "; requiring a reverse referendum under certain circumstances"

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

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 2010: A bill for an act relating to Hubbard County; authorizing a special levy for park and recreation purposes.

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

Page 1, line 7, delete everything before "*Hubbard*"

Page 1, line 8, delete "*an additional amount*" and insert "*a property tax in an amount not to exceed one-half mill*"

Page 1, line 10, delete "*The maximum additional*"

Page 1, delete line 11 and insert "*The tax authorized by this section shall be disregarded in the calculation of any levy limitations under Minnesota Statutes, chapter 275.*"

Page 1, after line 11, insert:

"Sec. 2. [REVERSE REFERENDUM.]

*If the Hubbard County board proposes to increase the levy of the county pursuant to section 1, it shall pass a resolution stating the amount by which the levy limit base is proposed to be increased. Thereafter, the resolution shall be published for two successive weeks in the official newspaper of the county or if there is no official newspaper, in a newspaper of general circulation in the county, 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 county may determine to take no further action or, in the alternative, adopt a resolution authorizing the increase as originally proposed or approving an increase in the lesser amount it determines. The resolution authorizing an increase shall be published in the official newspaper of the county if there is no official newspaper, in a newspaper of general circulation in the county. If within 30 days thereafter a petition signed by voters equal in number to five percent of the votes cast in the county in the last general election requesting a referendum on the proposed resolution is filed with the clerk the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes*

*cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum. The referendum must be held at a special or general election prior to October 1, 1984."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, before the period, insert " ; requiring a reverse referendum under certain circumstances"

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

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 1932: A bill for an act relating to local government; providing for exemption from taxation on certain lands for which conveyance is authorized by the metropolitan sports facilities commission to the city of Bloomington.

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

Page 1, line 9, after "*Notwithstanding*" insert "*the provisions of*"

Page 1, line 12, delete "*under Laws 1983, chapter 257*"

Page 1, line 14, delete "*section*" and insert "*sections*" and delete "*as long as the property is owned*"

Page 1, delete line 15 and insert "*, and 458.192, subdivision 2.*"

Page 1, line 17, delete "*the day after*" and insert "*upon*"

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

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 1748: A bill for an act relating to public welfare; establishing a children's trust fund for the prevention of child abuse and neglect; establishing an income tax checkoff to provide money for the fund; proposing new law coded in Minnesota Statutes, chapters 256 and 290.

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

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 1529: A bill for an act relating to the city of St. Cloud; giving the city the powers of a port authority.

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

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which

was referred

H.F. No. 404: A bill for an act relating to taxation; increasing the deduction from gross income for amounts paid for dependent tuition, textbooks, and transportation expenses; amending Minnesota Statutes 1983 Supplement, section 290.089, subdivision 2.

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

Page 3, line 6, delete "1983" and insert "1984"

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

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 2167: A bill for an act relating to port authorities; fixing the amount of the property tax levy for them; amending Minnesota Statutes 1982, section 458.14.

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

Page 1, line 10, before "The" insert "Subdivision 1."

Page 2, line 5, delete "1-1/2 mills" and insert ".75 mill"

Page 3, after line 22, insert:

*"Subd. 2. [REVERSE REFERENDUM.] If a city proposes to increase the levy of the city for port authority purposes pursuant to subdivision 1, it shall pass a resolution stating the amount by which the levy limit base is proposed to be increased. Thereafter, the resolution shall be published for two successive weeks in the official newspaper of the city or if there is no official newspaper, in a newspaper of general circulation in the city, together with a notice fixing a date for a public hearing on the proposed increase. The hearing shall be held not less than two weeks nor more than four weeks after the first publication of the resolution. Following the public hearing, the city may determine to take no further action or, in the alternative, adopt a resolution authorizing the increase as originally proposed or approving an increase in the lesser amount it determines. The resolution authorizing an increase shall be published in the official newspaper of the city if there is no official newspaper, in a newspaper of general circulation in the city. If within 30 days thereafter a petition signed by voters equal in number to five percent of the votes cast in the city in the last general election requesting a referendum on the proposed resolution is filed with the clerk the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum. The referendum must be held at a special or general election prior to October 1 of the year for which the levy increase is proposed."*

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "requiring a reverse referendum"

in certain circumstances;”

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

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

S.F. No. 2138: A bill for an act relating to sentencing; permitting courts to utilize a variety of noninstitutional sanctions as a condition of a stayed sentence; providing a preference for noninstitutional sanctions in certain cases; amending Minnesota Statutes 1982, section 609.135, by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 609.135, subdivision 1.

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

Page 1, line 13, after “1.” insert “[TERMS AND CONDITIONS.]”

Page 1, line 16, after “and” insert “(a) may order noninstitutional sanctions without placing the defendant on probation, or (b) may”

Page 1, line 24, after the first “subdivision” insert a comma and delete “and”

Page 1, line 24, after “6,” insert “and section 609.14,”

Page 1, line 25, after “includes” insert “but is not limited to” and delete the second “work”

Page 1, line 26, delete “release programs in local facilities,”

Page 2, line 7, delete “give”

Page 2, delete lines 8 to 12 and insert “order noninstitutional sanctions where practicable.”

Sec. 3. Minnesota Statutes 1982, section 609.14, subdivision 1, is amended to read:

Subdivision 1. [GROUNDS.] When it appears that the defendant has violated any of the conditions of his probation or noninstitutional sanction, or has otherwise been guilty of misconduct which warrants the imposing or execution of sentence, the court may without notice revoke the stay thereof and probation and direct that the defendant be taken into immediate custody.

Sec. 4. Minnesota Statutes 1982, section 609.14, subdivision 3, is amended to read:

Subd. 3. [SENTENCE.] If any of such grounds are found to exist the court may:

(1) If imposition of sentence was previously stayed, again stay sentence or impose sentence and stay the execution thereof, and in either event place the defendant on probation or order noninstitutional sanctions pursuant to section 609.135, or impose sentence and order execution thereof; or

(2) If sentence was previously imposed and execution thereof stayed, continue such stay and place the defendant on probation or order noninstitutional sanctions in accordance with the provisions of section 609.135, or order

execution of the sentence previously imposed.”

Page 2, line 14, delete “are effective August 1, 1984, and”

Page 2, line 15, delete “that date” and insert “August 1, 1984”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete “section” and insert “sections”

Page 1, line 7, after the semicolon, insert “609.14, subdivisions 1 and 3;”

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

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

H.F. No. 1761: A bill for an act relating to taxation; releasing certain counties from the requirement to impose an aggregate removal tax; amending Minnesota Statutes 1983 Supplement, section 298.75, subdivision 1.

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

Page 2, line 9, reinstate the stricken language

Page 2, line 12, reinstate the stricken “Anoka,”

Page 2, line 13, before “Hennepin,” insert “Sibley,”

Page 2, after line 13, insert:

“Sec. 2. [BENTON AND STEARNS COUNTIES; AGGREGATE TAX EXCEPTION.]

*Notwithstanding the provisions of Minnesota Statutes, section 298.75, subdivision 2, the tax on aggregate materials imposed in Benton and Stearns counties shall not be imposed on aggregate sold to the state of Minnesota or its political subdivisions or on aggregate purchased by contractors for use in projects for the state of Minnesota or its political subdivisions.”*

Page 2, line 16, after the period, insert “Section 2 is effective for Benton County upon approval of the Benton County board and compliance with Minnesota Statutes, section 645.021, subdivision 3. Section 2 is effective for Stearns County upon approval of the Stearns County board and compliance with Minnesota Statutes, section 645.021, subdivision 3.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert “adding other counties; providing an exception to the tax for Benton and Stearns counties;”

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. 1353: A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

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

Delete everything after the enacting clause and insert:

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

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

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

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

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

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

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

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

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

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

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

*Subd. 11. Little Sisters of the Poor, Sr. Gonzague, 330 South Exchange Street, St. Paul, Minnesota 55102, for costs incurred as a result of the condemnation of lighting after construction was completed based on a plan that had been approved by the Minnesota department of health before construction began.....\$7,000.00.*

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

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

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

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

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

## Sec. 2. [TRUNK HIGHWAY FUND CLAIMS.]

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

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

## Sec. 3. [VETERANS BONUS CLAIMS.]

*Subdivision 1. [GENERALLY.] The sums set forth in this section are appropriated from the general fund to the persons named in subdivisions 2 to 4 in full and final payment of claims against the state for adjusted compensation arising from World War II, the Korean Conflict, and Vietnam service.*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

*Steven J. Landkammer, 3801 Nebraska Avenue N.W., Washington, D.C. 20390.....\$300.00.*

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

*Marc G. Looney, 4815-28th Avenue South, Minneapolis, Minnesota*



55417.....\$100.00.

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

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

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

*James N. Olson, 158 Kingsway Drive, North Mankato, Minnesota 56001.....\$600.00.*

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

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

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

*Raymond G. Pence, Walker, Minnesota 56484.....\$165.00.*

*Robert L. Price, 533 North St. Albans, St. Paul, Minnesota 55104.....\$270.00.*

*Ronald J. Rock, Route 2, Box No. 32A, Waubun, Minnesota 56589.....\$100.00.*

*Edward E. Rom, P.O. Box 685, Mankato, Minnesota 56002.....\$300.00.*

*Dennis W. Schendel, 426 Third Street, Farmington, Minnesota 55024.....\$300.00.*

*Dwight A. Stiles, 1171 Manning Avenue South, Afton, Minnesota 55001.....\$285.00.*

*Cory F. Teigen, 1504 E. Laurie Road, St. Paul, Minnesota 55109.....\$600.00.*

*Theodore L. Torba, P.O. Box 189, Maple Lake, Minnesota 55358.....\$100.00.*

*Jeffrey B. Tromburg, 115 First Street South, Virginia, Minnesota 55792.....\$600.00.*

*Donald J. Wagner, 308 Lowry Avenue N.E., Minneapolis, Minnesota 55418.....\$195.00.*

*Jack D. Walters, 360 Fuller, St. Paul, Minnesota 55103.....\$285.00.*

*Arthur Wildeman, Box No. 275, Morristown, Minnesota 55052.....\$120.00.*

*Dale E. Wingenbach, Star Route, Box No. 159, Brainerd, Minnesota 56401.....\$100.00.*

*Selma E. Zempel, Beneficiary of Ronald Lee Zempel, Box No. 349, Happy Hollow Road, Grand Rapids, Minnesota 55744.....\$1,000.00.*

Sec. 4. [EFFECTIVE DATE.]

*This act is effective the day following final enactment."*

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. 432: A bill for an act relating to soil and water conservation; prohibiting in certain counties practices which cause accelerated erosion or sedimentation; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 40.

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

Delete everything after the enacting clause and insert:

“Section 1. [PURPOSE.]

*It is the purpose of this act to prevent the degradation of lands, streams, and rivers, and to protect and promote the health, safety, and general welfare of the people.*

Sec. 2. [40.19] [DEFINITIONS.]

*Subdivision 1. [APPLICABILITY, SCOPE.] The definitions in this section apply to sections 3 to 11.*

*Subd. 2. [EXCESSIVE SOIL LOSS.] “Excessive soil loss” means soil loss resulting from erosion that is more rapid than the gradual erosion of land used by man when all reasonable soil and water conservation practices have been applied. “Excessive soil loss” may be evidenced by sedimentation on adjoining land or in any body of water. Soil loss is excessive if it is greater than the soil loss tolerance for each soil type described in the United States Soil Conservation Service Field Office technical guide.*

*Subd. 3. [CONSERVATION PRACTICES.] “Conservation practices” means practices and standards containing a definition, purpose, and conditions under which the practice applies including design requirements, and specifications containing a statement of details required for installing a conservation practice, including kinds, quality, and quantity of work and materials needed to meet the standards.*

*Subd. 4. [CONSTRUCTION ACTIVITY.] “Construction activity” means any physical disturbance of the land by man related to construction activities that may result in sedimentation of adjacent lands or waters. These activities include clearing, grading, excavating, transporting, and filling lands.*

*Subd. 5. [EROSION.] “Erosion” means any process that wears away the surface of the land by the action of water, ice, wind, or gravity.*

*Subd. 6. [LAND OCCUPIER.] “Land occupier” means any legal entity that holds title to, or is in possession of any lands, whether as owner, lessee, renter, tenant, or otherwise. “Land occupier” includes both the owner and the occupier of the land if they are not the same.*

*Subd. 7. [SEDIMENTATION.] “Sedimentation” means the process or action of depositing a solid mineral or organic material that is or has been moved by erosion from its site of origin to another land or water.*

*Subd. 8. [SOIL LOSS LIMIT.] "Soil loss limit" means the maximum amount of soil loss from erosion of a particular type of soil, expressed in tons per acre per year, that will be permitted by county and local government unit regulations.*

*Subd. 9. [SOIL CONSERVATION PRACTICE.] "Soil conservation practice" means a permanent or temporary vegetative or structural measure that controls erosion. A permanent practice should have an effective life greater than ten years and includes grassed waterways, terraces, field windbreaks, water control structures, grade stabilization structures, sediment retention structures, strip-cropping, and other practices approved by the state soil and water conservation board. Temporary practices include conservation tillage, contour farming, grasses and legumes in rotation, emergency tillage, and other practices approved by the state soil and water conservation board.*

*Subd. 10. [TECHNICAL GUIDE.] "Technical guide" means the guide developed by USDA Soil Conservation Service and adopted by soil and water conservation districts containing technical information including methods and procedures to measure various types of soil loss and erosion, and conservation practice standards and specifications required in the application of soil and water conservation practices.*

### Sec. 3. [40.20] [COUNTY SOIL LOSS CONTROL.]

*Each county, statutory or home rule charter city, or town that has planning and zoning authority under sections 366.10 to 366.18, 394.21 to 394.37, or 462.351 to 462.365, may adopt a soil loss ordinance consistent with the model ordinance in section 4. Ordinances adopted by local government units within the metropolitan area defined in section 473.121 must be consistent with local water management plans adopted under section 473.879. A local government unit that adopts a soil loss ordinance may enter an agreement with the soil and water conservation district board, that allows the soil and water conservation district board to administer local government unit functions and perform the duties of the local government unit.*

### Sec. 4. [40.21] [ADOPTION OF RULES BY THE STATE BOARD; PERIODIC REVIEW.]

*Subdivision 1. [RULES.] The commissioner of agriculture, in consultation with the state soil and water conservation board, counties, soil and water conservation districts, and other appropriate agencies, shall adopt rules to guide counties in erosion control. The rules must specify a model ordinance that specifies the technical and administrative procedures for a county, statutory or home rule charter city, or town to implement soil loss and erosion control including soil loss from construction activities. The model ordinance is the minimum regulation that may be adopted by each local government unit. The rules must describe administrative procedures required of the state soil and water conservation board for carrying out the provisions of sections 3 to 6.*

*Subd. 2. [PERIODIC REVIEW.] At least once every two years the commissioner of agriculture shall review the rules after consulting with the state soil and water conservation board, counties, local government units, soil and water conservation districts, and appropriate agencies to ensure continued applicability and relevance of the rules. The rules may be revised if neces-*

sary by the commissioner of agriculture.

Sec. 5. [40.22] [ EXCESSIVE SOIL LOSS PROHIBITED.]

*Subdivision 1. [PROHIBITED ACTIVITIES.] A person may not cause, conduct, contract for, or authorize an activity that causes excessive soil loss.*

*Subd. 2. [AGRICULTURAL LAND.] A land occupier of agricultural land is not violating subdivision 1 if the land occupier is using sound soil conservation practices and farming methods that prevent excessive soil loss.*

*Subd. 3. [WOODLAND.] A land occupier who uses wooded land for pasture must ensure that proper management is used to prevent excessive soil loss due to overgrazing or cattle paths.*

*Subd. 4. [CONSTRUCTION ACTIVITIES.] A construction activity may not cause excessive soil loss. A construction activity is subject to and may be enforced as provided in sections 9 to 11.*

*Subd. 5. [EXCESSIVE SOIL LOSS; APPLICATION.] Soil loss is excessive if it is greater than the provisions of section 2, subdivision 2, or a more restrictive ordinance adopted by the local government unit. The county or local government unit shall enforce this section.*

Sec. 6. [40.23] [COMPLAINT AND DETERMINATION OF SOIL LOSS.]

*Subdivision 1. [COMPLAINT.] An elected local government official or district board member may submit a written complaint to the county attorney if conditions exist that indicate there is excessive soil loss from a tract of land that affects another tract of land or body of water. The written complaint must contain the name and address of the landowner, the location of the tract of land with the excessive soil loss, other land or water that is affected by the excessive soil loss, and a description of the nature of the excessive soil loss and resulting sedimentation. The county attorney may submit the complaint to the district for soil loss determination.*

*Subd. 2. [DISTRICT DETERMINATION OF SOIL LOSS.] (a) Upon request by the county attorney the district shall determine the average soil loss in tons per acre per year of the tract of land cited in the complaint.*

*(b) The district shall submit a report to the county attorney that states the average soil loss in tons per acre per year for each tract of land and if that soil loss exceeds the amounts allowed in section 5, subdivision 5. If the soil loss is excessive the report must include the existing management and soil conservation practices and alternative practices and the costs of the alternative practices that will prevent excessive soil loss or reduce the soil loss to the most practicable extent. The district must describe the efforts made to include the land occupier in voluntary and cost-sharing programs and the amount of cost-sharing funds, if any, made available to the land occupier. If the report shows that the soil loss from the tract of land is excessive and alternative practices are available to reduce the soil loss the county attorney shall submit the complaint and the report to the county board.*

*(c) The district may enter public or private land to make an inspection for the determination of soil loss or to complete the report. The landowners must be notified of the time of the inspections and be given an opportunity to be*

*present when the inspection is made.*

**Sec. 7. [40.24] [COUNTY BOARD INSPECTION; RESOLUTION.]**

*Subdivision 1. [INSPECTION.] Upon receipt of the complaint and district report from the county attorney the county board may make an inspection of the land cited in the complaint to determine if the land is managed properly. The county board may enter public or private land to make an inspection for the determination. The county board must notify landowners of the time of the inspection and give them an opportunity to be present when the inspection is made.*

*Subd. 2. [COUNTY BOARD RESOLUTION.] If the county board determines that the land is managed properly or that cost-sharing funds have not been made available, the complaint must be dismissed. If the county board determines that the land is not being managed properly the board shall adopt a resolution that describes alternative management practices; requires the owner within one year after receiving the resolution to commence practices or measures to reduce soil loss to the most practicable extent or prevent excessive soil loss, or submit a completed application to the district for cost-sharing funds; and require that the practices or measures must be completed, or satisfactory progress to complete the practice or measures be made, not later than one year after cost-sharing funds are available, or not later than two years after receiving the resolution.*

*The resolution must be delivered by personal service or certified mail to the landowner cited in the complaint.*

**Sec. 8. [40.25] [COST-SHARING FUNDS; DISTRICT ASSISTANCE.]**

*Subdivision 1. [COST-SHARING FUNDS MUST BE AVAILABLE BEFORE SOIL CONSERVATION PRACTICES REQUIRED.] Except in the case of a construction activity, a land occupier may not be required to establish soil conservation practices unless state cost-sharing funds have been specifically approved for that land and have been actually made available to the land occupier in an amount equal to at least 75 percent of the cost of the permanent soil and water conservation practices on a voluntary basis and a 50 percent cost-share if implementation commenced after a board resolution under section 7.*

*Subd. 2. [REVIEW OF COST-SHARE AMOUNTS; AUTHORIZATION OF GREATER COST-SHARE.] The state soil and water conservation board shall review the required cost-share at least once each year, and may authorize districts in any particular case to provide a higher percentage of public cost sharing than is required by this section. To aid in this determination, the state board may consider the location of the affected area in relation to the priority areas as established in the district annual and long-range plans.*

*Subd. 3. [DISTRICT ASSISTANCE.] At the request of a landowner receiving a resolution under section 7, the district shall assist in the planning, design, and application of practices necessary to reduce soil loss to the amounts allowed in section 5, subdivision 5, or to the greatest practicable extent. The district shall give the landowner a high priority for technical and cost-sharing assistance.*

**Sec. 9. [40.26] [CONSTRUCTION ACTIVITIES.]**

*Subdivision 1. [EROSION CONTROL PLAN FOR CONSTRUCTION ACTIVITIES.] A person engaged in a construction activity that will disturb over one acre of land must submit to the local soil and water conservation district by 30 days before the construction activity is to begin a proposed sedimentation control plan that will prevent excessive soil loss.*

*Subd. 2. [DISTRICT REVIEW; NOTICE.] The district shall review the plan and notify the person submitting the plan whether the plan will prevent excessive soil loss. If the district determines that the plan does not prevent excessive soil loss, the district must include with the notice a description of alternative methods to prevent excessive soil loss or reduce the soil loss to the most practicable extent and the cost of implementing the alternative methods.*

*Subd. 3. [COMPLAINT.] An elected local government official or district board member may submit a written complaint to the county attorney if conditions exist that indicate there is excessive soil loss from a tract of land that affects another tract of land or body of water. The written complaint must contain the name and address of the landowner and person engaged in the construction activity, the location of the construction activity, the tract of land with the excessive soil loss, other land or water that is affected by the excessive soil loss, and a description of the nature of the excessive soil loss and resulting sedimentation. The county attorney shall submit the complaint and a copy of the district notice to the county board.*

*Subd. 4. [COUNTY BOARD RESOLUTION.] The county board or designated board members shall inspect the land cited in the complaint to determine if soil loss is being properly controlled. The county board or designated members may enter public or private property to make the inspection after giving notice to the property owner. If the county board determines that a person engaged in a construction activity is causing excessive soil loss the board shall adopt a resolution that requires a person to commence practices to reduce soil loss within the time limit set by the county board. The resolution must be delivered by personal service or certified mail to the person engaged in the construction activity cited in the complaint.*

#### Sec. 10. [40.27] [PENALTIES.]

*Subdivision 1. [CIVIL PENALTY.] A landowner or a person engaged in construction activity who fails to commence or complete actions, or make satisfactory progress to complete actions, required in a county board resolution or obstructs inspections is subject to a civil penalty up to \$1,000. The county attorney shall bring the action. This civil penalty is not an exclusive penalty. Other actions allowed by law may be brought to enforce sections 5 to 9.*

*Subd. 2. [PENALTY.] A violation of this act is a petty misdemeanor.*

#### Sec. 11. [40.28] [ATTORNEY AND GOVERNING BODY OF LOCAL GOVERNMENT UNITS.]

*Under sections 6, 7, and 9, the city attorney or town attorney may perform the duties of a county attorney and the governing body of any city or town may perform the duties of a county board if the city or town adopts a soil loss ordinance and the land in the complaint is located within the city or town.*

#### Sec. 12. [APPLICABILITY.]

*The provisions of sections 6 to 11 are not applicable without the adoption of an ordinance by the county or local government unit.*

Sec. 13. [APPROPRIATION.]

*The sum of \$10,000 is appropriated from the general fund to the commissioner of agriculture to adopt rules under section 4."*

Amend the title as follows:

Page 1, line 4, after "penalties;" insert "appropriating money;"

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 Concurrent Resolution No. 18: A Senate concurrent resolution requiring the establishment of an affirmative action plan for the legislature; creating a staff position of Director of Legislative Equal Employment Opportunity; providing for immediate action to be taken in furtherance of equal employment opportunity.

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

Delete the concurrent resolution in its entirety and insert:

"A Senate concurrent resolution requiring the establishment of an affirmative action plan for the legislature; requiring employment of an affirmative action officer.

WHEREAS, the Minnesota Legislature has the responsibility to guarantee every individual equal employment opportunity in the legislative branch without reference to race, color, religion, sex, handicap, or national origin; and

WHEREAS, it is the intention of the Minnesota Legislature to remove any vestiges of discrimination that may impede full compliance with equal employment opportunity in the legislative branch of state government; NOW, THEREFORE,

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

(a) The Legislative Coordinating Commission shall employ or contract for the services of a legislative affirmative action officer. At the direction of the Legislative Coordinating Commission, the officer shall prepare an affirmative action program for the legislative branch that will assist in recruiting qualified members of minority groups for legislative branch staff positions, provide educational programs for legislators and legislative branch staff on the need for and proper response to affirmative action, and further equal employment opportunity in the legislative branch.

(b) The Legislative Coordinating Commission shall recommend the plan to the Senate and House of Representatives. The plan shall consist of:

(1) procedures, standards, and assumptions used by the Legislative Coordinating Commission in preparing the plan;

(2) objectives, goals, and policies;

(3) timetables for accomplishing the goals;

(4) a requirement for the periodic submission of affirmative action progress reports to the Legislative Coordinating Commission; and

(5) other relevant information.

(c) The Legislative Coordinating Commission shall periodically revise the plan, as necessary.

(d) All legislators and legislative branch staff shall facilitate the work of the affirmative action officer. Information shall be provided to the officer on each vacant position or new position established, and the affirmative officer may provide each hiring officer with a list of qualified applicants for these positions. Hiring officers shall advertise vacant or new positions and solicit applications in manners calculated to reach members of the minority community."

And when so amended the concurrent resolution do pass. Amendments adopted. Report adopted.

Mr. Moe, R.D. moved that Senate Concurrent Resolution No. 18 be laid on the table. The motion prevailed.

## SECOND READING OF SENATE BILLS

S.F. Nos. 2108, 1457, 1813, 1242, 1749, 2028, 2133, 2010, 1932, 1748, 1529, 2167, 2138 and 1353 were read the second time.

## SECOND READING OF HOUSE BILLS

H.F. Nos. 1507, 404, 1761 and 432 were read the second time.

## MOTIONS AND RESOLUTIONS

Ms. Berglin moved that her name be stricken as a co-author to S.F. No. 2056. The motion prevailed.

Mr. Pogemiller moved that the name of Mrs. Lantry be added as a co-author to S.F. No. 2098. The motion prevailed.

Mr. Petty moved that the names of Messrs. Solon and Benson be added as co-authors to S.F. No. 2146. The motion prevailed.

Mr. Vega introduced—

Senate Resolution No. 105: A Senate resolution relating to the city of South Saint Paul; extending congratulations upon being selected an honorable mention All-America City.

Referred to the Committee on Rules and Administration.

## SUSPENSION OF RULES

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

H.F. No. 1010: A bill for an act relating to the city of Thief River Falls; changing restrictions on filing and recording certain conveyances.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Kronebusch	Peterson, D.L.	Solon
Anderson	Dieterich	Lantry	Peterson, R.W.	Spear
Belanger	Frank	Lessard	Petty	Stumpf
Benson	Frederick	Luther	Pogemiller	Taylor
Berg	Frederickson	Mehrkens	Purfeerst	Ulland
Bernhagen	Freeman	Merriam	Ramstad	Vega
Bertram	Hughes	Moe, R. D.	Reichgott	Waldorf
Chmielewski	Isackson	Nelson	Renneke	Wegscheid
Dahl	Johnson, D.E.	Olson	Samuelson	Willet
Davis	Johnson, D.J.	Pehler	Schmitz	
DeCramer	Jude	Peterson, D.C.	Sieloff	

So the bill passed and its title was agreed to.

H.F. No. 1058: A bill for an act relating to limited partnerships; providing for withdrawals of certain partners; providing for liabilities of partners; amending Minnesota Statutes 1982, sections 322A.27; and 322A.33.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kamrath	Pehler	Schmitz
Anderson	Dieterich	Knaak	Peterson, D.C.	Sieloff
Belanger	Frank	Kronebusch	Peterson, D.L.	Solon
Benson	Frederick	Lantry	Peterson, R.W.	Spear
Berg	Frederickson	Lessard	Petty	Stumpf
Bernhagen	Freeman	Luther	Pogemiller	Taylor
Bertram	Hughes	Mehrkens	Purfeerst	Ulland
Chmielewski	Isackson	Merriam	Ramstad	Vega
Dahl	Johnson, D.E.	Moe, R. D.	Reichgott	Waldorf
Davis	Johnson, D.J.	Nelson	Renneke	Wegscheid
DeCramer	Jude	Olson	Samuelson	Willet

So the bill passed and its title was agreed to.

H.F. No. 2150: A bill for an act relating to newspapers; making certain publications legal newspapers; proposing new law coded in Minnesota Statutes, chapter 331.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Kronebusch	Peterson, D. L.	Solon
Belanger	Frank	Lantry	Peterson, R. W.	Spear
Benson	Frederick	Lessard	Petty	Stumpf
Berg	Frederickson	Luther	Pogemiller	Taylor
Bernhagen	Freeman	Mehrrens	Purfeerst	Uiland
Bertram	Hughes	Merriam	Ramstad	Vega
Chmielewski	Isackson	Moe, R. D.	Reichgott	Waldorf
Dahl	Johnson, D. E.	Nelson	Renneke	Wegscheid
Davis	Johnson, D. J.	Olson	Samuelson	Willet
DeCramer	Jude	Pehler	Schmitz	
Diessner	Kamrath	Peterson, D. C.	Sieloff	

Mr. Knaak voted in the negative.

So the bill passed and its title was agreed to.

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Johnson, D.J. moved that the following members be excused for a Conference Committee on H.F. No. 2314 at 12:00 noon:

Messrs. Johnson, D.J.; Peterson, C.C.; Ms. Berglin, Messrs. Novak and Bernhagen. The motion prevailed.

### 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. 1023: A bill for an act relating to probate; adopting provisions of the uniform probate code and clarifying laws relating to intestate succession, spouse's elective share, and omitted spouses and children; proposing new law coded in Minnesota Statutes, chapter 524; repealing Minnesota Statutes 1982, sections 519.06; 525.16; 525.17; 525.171; 525.20; 525.201; 525.202; 525.212 to 525.216; Minnesota Statutes 1983 Supplement, sections 525.172; and 525.173.

Mr. Sieloff moved to amend S. F. No. 1023 as follows:

Page 4, line 2, after "*adjudication*" insert "*or by acknowledgment, consent, or agreement pursuant to sections 257.51 to 257.74*"

Page 5, after line 25, insert:

*"(iv) any transfer made within one year of death of the decedent to the extent that the aggregate transfers to any one donee in the year exceeds \$30,000."*

Page 5, line 28, before the period, insert "*except that property given irrevocably to a donee during lifetime of the decedent is valued as of the date the donee came into possession or enjoyment if that occurs first*"

Page 6, line 8, delete everything after the comma

Page 6, delete line 9

Page 6, line 10, delete everything before "*any*"

Page 6, line 24, delete everything after the period

Page 6, delete lines 25 to 27 and insert *"The augmented estate does not include the proceeds of life insurance payable upon the death of the decedent in lump sum or in the form of an annuity or as part of any pension or profit sharing plan, nor does it include premiums paid therefore by the decedent or any other person."*

Page 7, delete lines 6 to 9

Page 7, line 10, delete "(ii)" and insert "(i)"

Page 7, line 14, delete "(iii)" and insert "(ii)"

Page 7, delete lines 21 to 24

Page 7, line 26, delete "the filing of" and insert "intention to file"

Page 7, lines 31 and 32, delete "the filing of" and insert "intention to file"

Page 7, after line 35, insert:

*"Upon petition to the probate court by the designated beneficiary, the court may order that all or part of the property may be paid to the designated beneficiary in such amount and subject to such conditions as are consistent with this section."*

Page 8, line 6, after "finding" insert "(1)"

Page 8, line 8, before the period, insert *"and (2) that the election will be consistent with the best interests of the natural bounty of the protected person's affection"*

Page 9, line 1, delete "adversely"

Page 11, line 21, delete "519.06;"

Amend the title as follows:

Page 1, line 7, delete "519.06;"

The motion prevailed. So the amendment was adopted.

S.F. No. 1023 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Peterson, D.C.	Sieloff
Anderson	Diessner	Kronebusch	Peterson, D.L.	Solon
Belanger	Frank	Lantry	Peterson, R.W.	Spear
Benson	Frederick	Lessard	Petty	Storm
Berg	Frederickson	Luther	Pogemiller	Stumpf
Berglin	Freeman	Mehrkens	Purfeerst	Taylor
Bernhagen	Hughes	Merriam	Ramstad	Ulland
Bertram	Isackson	Moe, D. M.	Reichgott	Vega
Chmielewski	Johnson, D.E.	Moe, R. D.	Renneke	Waldorf
Dahl	Jude	Olson	Samuelson	Wegscheid
Davis	Kamrath	Pehler	Schmitz	Willet

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

**SPECIAL ORDER**

S.F. No. 1575: A bill for an act relating to commerce; providing for the computation of interest on mechanics' lien claims; proposing new law coded in Minnesota Statutes, chapter 514.

Mr. Sieloff moved to amend S. F. No. 1575 as follows:

Page 1, after line 15, insert:

“Sec. 2. [TECHNICAL CORRECTION.]

*H. F. No. 559, if enacted at the 1984 regular session, is effective July 1, 1984, not August 1, 1983, and interest begins to accrue on July 1, 1984 on any pending causes of action.”*

Page 1, line 16, delete “2” and insert “3”

Amend the title as follows:

Page 1, line 3, after the semicolon, insert “delaying the effective date of a bill carried over from the 1983 to the 1984 regular session;”

The motion prevailed. So the amendment was adopted.

S.F. No. 1575 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 12, as follows:

Those who voted in the affirmative were:

Benson	Freeman	Moe, R. D.	Reichgott	Taylor
Bertram	Hughes	Olson	Renneke	Ulland
Chmielewski	Jude	Pehler	Samuelson	Waldorf
Dahl	Knaak	Peterson, D.C.	Schmitz	Wegscheid
Davis	Lantry	Peterson, R.W.	Sieloff	Willet
DeCramer	Lessard	Petty	Solon	
Diessner	Luther	Pogemiller	Spear	
Frank	Mehrkens	Purfeerst	Storm	
Frederickson	Merriam	Ramstad	Stumpf	

Those who voted in the negative were:

Adkins	Berg	Johnson, D.E.	Kronebusch	Peterson, D.L.
Anderson	Bernhagen	Kamrath	Moe, D. M.	Vega
Belanger	Isackson			

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

**SPECIAL ORDER**

S.F. No. 1864: A bill for an act relating to state government; amending the Administrative Procedure Act; establishing an optional negotiated rulemaking procedure; allowing interested persons to respond after a public hearing; removing a requirement that the attorney general review the hearing examiner's hearing report; providing that rules will be adopted without a public hearing unless 25 persons object; providing for notification that rules were modified after proposal; restricting the adoption of temporary rules; providing that exempt rules are not effective unless submitted to the revisor of

statutes; providing that judicial review of rules is by the court of appeals with appeal to the supreme court; amending Minnesota Statutes 1982, sections 14.03, subdivision 2; 14.10; 14.14, by adding a subdivision; 14.16; 14.23; 14.25; 14.29; 14.30; 14.31; 14.33; 14.35; 14.36; 14.38, subdivision 1; and 14.44; Minnesota Statutes 1983 Supplement, sections 14.07, subdivisions 2 and 4; 14.08; 14.12; 14.14, subdivision 1; 14.15, subdivision 1; 14.22; 14.26; 14.32; and 14.45; proposing new law coded in Minnesota Statutes, chapter 14; repealing Minnesota Statutes 1982, section 14.13; and Minnesota Statutes 1983 Supplement, sections 14.07, subdivision 5; 14.17; and 14.21.

Mr. Frederickson moved to amend S.F. No. 1864 as follows:

Page 5, line 2, before the period insert "*and must include, when appropriate:*

*(1) a description of the classes of persons likely to be affected by the proposed rule, including those that will bear the costs of the proposed rule and those that will benefit from the proposed rule;*

*(2) a description of the probable quantitative and qualitative impact of the proposed rule, economic or otherwise, on affected classes of persons;*

*(3) the probable costs to the agency and to any other agency of the implementation and enforcement of the proposed rule and the anticipated effect on state revenues;*

*(4) a comparison of the probable costs and benefits of the proposed rule to the probable costs and benefits of inaction;*

*(5) a determination whether there are less costly methods or less intrusive methods for achieving the purpose of the proposed rule;*

*(6) a description of alternative methods to achieve the purpose of the proposed rule that the agency seriously considered and the reasons they were rejected in favor of the proposed rule;*

*(7) a detailed description of the data to the extent practicable; and*

*(8) both the short-term and long-term consequences of the rule, if adopted.*

*Subd. 2. [EFFECT ON VALIDITY OF RULE.] If the agency has made a good faith effort to comply with the requirements of this section, a rule may not be invalidated solely on the ground that the contents of the statement of need and reasonableness are insufficient or inaccurate as long as the agency supplements the rulemaking record with additional or corrected information."*

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

S.F. No. 1864 was then progressed.

### SPECIAL ORDER

S.F. No. 992: A bill for an act relating to welfare; requiring parents of children on probation or parole to pay the costs of foster care; amending Minnesota Statutes 1982, sections 242.19, subdivision 2; and 260.251, subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kroening	Olsen	Samuelson
Anderson	Frank	Kronebusch	Pehler	Sieloff
Belanger	Frederick	Laidig	Peterson, D.C.	Solon
Benson	Frederickson	Lantry	Peterson, D.L.	Spear
Berg	Freeman	Lessard	Peterson, R.W.	Storm
Bertram	Hughes	Luther	Petty	Stumpf
Chmielewski	Isackson	McQuaid	Pogemiller	Taylor
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	Ulland
Davis	Jude	Merriam	Ramstad	Vega
DeCramer	Kamrath	Moe, D. M.	Reichgott	Waldorf
Diessner	Knaak	Moe, R. D.	Renneke	Willet

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

S.F. No. 1336: A bill for an act relating to crime; providing for criminal penalties and a one year driver's license revocation upon refusal by a driver suspected of driving under the influence of alcohol or a controlled substance to take a test; authorizing testing of a suspect who is unconscious or in a condition rendering the suspect incapable of refusal; clarifying provisions of the hit and run law; clarifying penalties imposed on certain persons convicted of driving while under the influence of alcohol or a controlled substance; prescribing penalties for causing death or injury of another while operating a vehicle in a certain manner; providing for admission into evidence of certain convictions for driving offenses for impeachment purposes; amending Minnesota Statutes 1982, sections 169.09, subdivision 4; 169.123, subdivisions 4 and 5a, and by adding a subdivision; and Minnesota Statutes 1983 Supplement, sections 169.09, subdivisions 1, 14, and 15; 169.121, subdivision 3; 169.123, subdivisions 2 and 6; and 609.21, subdivisions 1 and 2; proposing new law coded in Minnesota Statutes, chapter 634.

Mr. Freeman, for Mr. Luther, moved to amend S. F. No. 1336 as follows:

Page 8, after line 20, insert:

"Sec. 11. Minnesota Statutes 1982, section 169.123, subdivision 9, is amended to read:

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.

*The commissioner may require that an applicant for a limited license for work purposes affirmatively demonstrate that use of public transportation or carpooling as an alternative to a limited license would be a significant hardship.*

Sec. 12. Minnesota Statutes 1982, section 171.30, subdivision 1, is amended to read:

Subdivision 1. [ISSUANCE.] In any case where a person's license has been suspended under section 171.18 or revoked under sections 169.121 or 171.17, if the driver's livelihood or attendance at a chemical dependency treatment or counseling program depends upon the use of his driver's license, the commissioner may at his own discretion issue a limited license to the driver. The commissioner in issuing a limited license may impose such conditions and limitations as in his judgment are necessary to the interests of the public safety and welfare including re-examination as to the driver's qualifications. The license may be limited to the operation of particular vehicles, to particular classes and times of operation and to particular conditions of traffic. *The commissioner may require that an applicant for a limited license for work purposes affirmatively demonstrate that use of public transportation or carpooling as an alternative to a limited license would be a significant hardship.*

The limited license issued by the commissioner shall clearly indicate the limitations imposed and the driver operating under the limited license shall have the license in his possession at all times when operating as a driver.

In determining whether to issue a limited license, the commissioner shall consider the number and the seriousness of prior convictions and the entire driving record of the driver and shall consider the number of miles driven by the driver annually."

Page 10, line 16, delete "13" and insert "15"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, after the semicolon, insert "restricting issuance of limited licenses for work purposes;"

Page 1, line 17, delete the first "and" and insert a comma and after "5a" insert ", and 9"

Page 1, line 18, after the semicolon, insert "and 171.30, subdivision 1;"

The motion prevailed. So the amendment was adopted.

Mr. Pogemiller moved to amend S. F. No. 1336 as follows:

Page 3, line 23, after the first comma, insert "section 169.123,"

Page 3, lines 24 and 25, delete "either" and insert "any"

Page 3, line 28, after the first comma, insert "section 169.123,"

Page 3, lines 29 and 30, delete "either" and insert "any"

Page 4, line 26, delete everything after "I"

Page 4, delete line 27 and insert ". The following persons are guilty of a

*gross misdemeanor:*

*(1) a person who violates this section or an ordinance in conformity with it within five years of a prior conviction under this section, section 169.121, section 169.129, or an ordinance in conformity with any of them, or a statute or ordinance from another state in conformity with any of them; and*

*(2) a person who violates this section or an ordinance in conformity with it within ten years of two or more prior convictions under this section, section 169.121, section 169.129, or an ordinance in conformity with any of them, or a statute or ordinance from another state in conformity with any of them."*

The motion prevailed. So the amendment was adopted.

Mr. Storm moved to amend S. F. No. 1336 as follows:

Page 9, after line 33, insert:

"Sec. 13. [634.16] [ADMISSION INTO EVIDENCE OF PRIOR DRIVING HISTORY.]

*At the trial of any felony driving offense, including an offense under section 609.21, the court may admit evidence which shows the defendant's prior history of driving in a grossly negligent manner, driving while under the influence of alcohol or a controlled substance, or driving while having an alcohol concentration of 0.10 or more."*

Page 10, line 16, delete "13" and insert "14"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 15, delete "for impeachment purposes"

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

Mr. Freeman moved to amend S. F. No. 1336 as follows:

Page 8, after line 20, insert:

"Sec. 11. Minnesota Statutes 1982, section 171.24, is amended to read:

**171.24 [VIOLATIONS, MISDEMEANORS, EXCEPTIONS ; DRIVING AFTER REVOCATION, SUSPENSION, OR CANCELLATION.]**

*Any person whose driver's license or driving privilege has been cancelled, suspended, or revoked and who has been given notice of, or reasonably should know of the revocation, suspension, or cancellation, and who disobeys such order by operating anywhere in this state any motor vehicle, the operation of which requires a driver's license, upon the highways in this state while such license or privilege is ~~canceled~~ cancelled, suspended, or revoked is guilty of a misdemeanor.*

**It is a misdemeanor for any person to willfully violate any of the provisions of this chapter unless such violation is by any law declared to be a felony or a gross misdemeanor.**

*Notice of revocation, suspension, or cancellation is sufficient if personally served, or if mailed by first class mail to the person's last known address or to the address listed on the person's driver's license. Notice is also sufficient if*



*the person was informed that revocation, suspension, or cancellation would be imposed upon a condition occurring or failing to occur, and where the condition has in fact occurred or failed to occur. It is not a defense that a person failed to file a change of address with the post office, or failed to notify the department of public safety of a change of name or address as required under section 171.11.*

Sec. 12. [171.241] [VIOLATIONS; MISDEMEANORS.]

*It is a misdemeanor for any person to willfully violate any of the provisions of this chapter unless the violation is declared by any law to be a felony or gross misdemeanor, or the violation is declared by a section of this chapter to be a misdemeanor."*

Page 10, line 16, delete "13" and insert "15"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 11, after the semicolon, insert "clarifying provisions of the driving after revocation, suspension, or cancellation law;"

Page 1, line 18, after the semicolon, insert "and 171.24;"

Page 1, line 22, delete "chapter" and insert "chapters 171 and"

The motion prevailed. So the amendment was adopted.

Mr. Sieloff moved to amend S. F. No. 1336 as follows:

Page 8, after line 20, insert:

"Sec. 11. Minnesota Statutes 1982, section 171.30, subdivision 1, is amended to read:

Subdivision 1. [ISSUANCE.] In any case where a person's license has been suspended under section 171.18 or revoked under sections 169.121, 169.123, or 171.17, ~~if the driver's livelihood or attendance at a chemical dependency treatment or counseling program depends upon the use of his driver's license~~, the commissioner may at his own discretion issue a limited license to the driver *under the following conditions:*

*(1) if the driver's livelihood or attendance at a chemical dependency treatment or counseling program depends upon the use of the driver's license;*

*(2) if the exercise of rights of visitation of a child by a noncustodial parent depends upon the use of the driver's license; or*

*(3) if attendance at a post-secondary institution of education by an enrolled student of that institution depends upon the use of the driver's license.*

The commissioner in issuing a limited license may impose such conditions and limitations as in his judgment are necessary to the interests of the public safety and welfare including re-examination as to the driver's qualifications. The license may be limited to the operation of particular vehicles, to particular classes and times of operation and to particular conditions of traffic.

The limited license issued by the commissioner shall clearly indicate the limitations imposed and the driver operating under the limited license shall have the license in his possession at all times when operating as a driver.

In determining whether to issue a limited license, the commissioner shall consider the number and the seriousness of prior convictions and the entire driving record of the driver and shall consider the number of miles driven by the driver annually."

Page 10, after line 14, insert:

"Sec. 15. [REPEALER.]

*Minnesota Statutes 1982, section 169.123, subdivision 9, is repealed.*"

Page 10, line 16, delete "13" and insert "15"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 15, after the semicolon insert "authorizing issuance of limited licenses in certain circumstances;"

Page 1, line 20, after the second semicolon insert "171.30, subdivision 1;"

Page 1, line 22, before the period, insert "; repealing Minnesota Statutes 1982, section 169.123, subdivision 9"

The motion prevailed. So the amendment was adopted.

Mr. Sieloff then moved to amend S.F. No. 1336 as follows:

Page 5, line 21, before "CONSENT" insert "WITHDRAWAL OF" and delete "NOT"

Page 5, line 22, delete "WITHDRAWN"

Page 5, lines 22 to 25, delete the new language and insert "*If a person is unconscious or is otherwise in a condition rendering the person incapable of refusal, the test may not be given and the person shall not be deemed to have refused the test.*"

Amend the title as follows:

Page 1, line 6, delete "authorizing" and insert "prohibiting"

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

Mr. Sieloff then moved to amend S.F. No. 1336 as follows:

Page 4, lines 19 to 21, reinstate the stricken language

Page 4, line 35, strike "will" and insert "may"

Page 4, line 35, delete "one year" and insert "90 days"

Page 9, line 3, before the semicolon, insert "*and being under the influence caused or contributed to the death*"

Page 9, line 5, before the comma, insert "*and the alcohol concentration caused or contributed to the death*"

Page 9, line 28, before the semicolon, insert "*and being under the influence caused or contributed to the great bodily harm*"

Page 9, line 30, before the comma, insert "*and the alcohol concentration caused or contributed to the great bodily harm*"

Mr. Sieloff requested division of the amendment as follows:

First portion:

Page 4, lines 19 to 21, reinstate the stricken language

Page 4, line 35, strike "will" and insert "may"

Second portion:

Page 4, line 35, delete "one year" and insert "90 days"

Third portion:

Page 9, line 3, before the semicolon, insert "*and being under the influence caused or contributed to the death*"

Page 9, line 5, before the comma, insert "*and the alcohol concentration caused or contributed to the death*"

Page 9, line 28, before the semicolon, insert "*and being under the influence caused or contributed to the great bodily harm*"

Page 9, line 30, before the comma, insert "*and the alcohol concentration caused or contributed to the great bodily harm*"

The question was taken on the adoption of the first portion of the amendment. The motion did not prevail. So the first portion of the amendment was not adopted.

The question was taken on the adoption of the second portion of the amendment. The motion did not prevail. So the second portion of the amendment was not adopted.

The question was taken on the adoption of the third portion of the amendment. The motion did not prevail. So the third portion of the amendment was not adopted.

S.F. No. 1336 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Frederick	Kronebusch	Pehler	Schmitz
Anderson	Frederickson	Laidig	Peterson, D.C.	Sieloff
Belanger	Freeman	Lantry	Peterson, D.L.	Solon
Berg	Hughes	Lessard	Peterson, R.W.	Spear
Bertram	Isackson	Luther	Petty	Storm
Dahl	Johnson, D.E.	McQuaid	Pogemiller	Stumpf
Davis	Jude	Mehrkens	Purfeerst	Ulland
DeCramer	Kamrath	Merriam	Ramstad	Vega
Diessner	Knaak	Moe, D. M.	Reichgott	Waldorf
Djeterich	Knutson	Moe, R. D.	Renneke	Wegscheid
Frank	Kroening	Olson	Samuelson	Willet

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

### SPECIAL ORDER

S.F. No. 1864: A bill for an act relating to state government; amending the

Administrative Procedure Act; establishing an optional negotiated rulemaking procedure; allowing interested persons to respond after a public hearing; removing a requirement that the attorney general review the hearing examiner's hearing report; providing that rules will be adopted without a public hearing unless 25 persons object; providing for notification that rules were modified after proposal; restricting the adoption of temporary rules; providing that exempt rules are not effective unless submitted to the revisor of statutes; providing that judicial review of rules is by the court of appeals with appeal to the supreme court; amending Minnesota Statutes 1982, sections 14.03, subdivision 2; 14.10; 14.14, by adding a subdivision; 14.16; 14.23; 14.25; 14.29; 14.30; 14.31; 14.33; 14.35; 14.36; 14.38, subdivision 1; and 14.44; Minnesota Statutes 1983 Supplement, sections 14.07, subdivisions 2 and 4; 14.08; 14.12; 14.14, subdivision 1; 14.15, subdivision 1; 14.22; 14.26; 14.32; and 14.45; proposing new law coded in Minnesota Statutes, chapter 14; repealing Minnesota Statutes 1982, section 14.13; and Minnesota Statutes 1983 Supplement, sections 14.07, subdivision 5; 14.17; and 14.21.

Mr. Knaak moved to amend S.F. No. 1864 as follows:

Page 5, line 31, to page 6, line 12, delete section 10

Page 8, line 1, after "include" insert "*a citation to the most specific statutory authority for the proposed rule, and*"

Page 8, line 2, strike "and a citation to"

Page 8, line 3, strike everything before the period and insert "*unless this would exceed four printed pages, in which case the notice shall include an explanation of the rule and state that a copy of the complete rule is available from the agency at no cost*"

Page 8, line 29, delete "attorney general" and insert "*office of administrative hearings*"

Page 9, line 20, strike "ATTORNEY"

Page 9, line 21, strike "GENERAL" and insert "*OFFICE OF ADMINISTRATIVE HEARINGS*"

Page 9, lines 23, 28, and 33, strike "attorney general" and insert "*office of administrative hearings*"

Page 10, line 3, strike "attorney"

Page 10, line 4, strike the first "general" and insert "*office of administrative hearings*" and strike "attorney general" and insert "*office of administrative hearings*"

Page 10, line 14, strike "attorney general" and insert "*office of administrative hearings*"

Page 10, delete line 18, and insert "*and has established by an affirmative presentation the need for and reasonableness*"

Page 10, lines 20, 23, and 27, strike "attorney general" and insert "*office of administrative hearings*"

Page 10, line 28, strike "the chief"

Page 10, line 29, strike "hearing examiner,"

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "requiring notice of intent to adopt rules; requiring a statement of the impact of proposed rules; requiring a statement of need and reasonableness of proposed rules;"

Page 1, line 21, delete "14.15, subdivision 1;"

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

Mrs. McQuaid moved to amend S.F. No. 1864 as follows:

Page 8, line 16, delete "25" and insert "7"

Page 9, line 9, reinstate the stricken "seven" and delete " 25"

Amend the title as follows:

Page 1, lines 7 to 9, delete "providing that rules will be adopted without a public hearing unless 25 persons object;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 29, as follows:

Those who voted in the affirmative were:

Adkins	Frederickson	Knutson	Mehrkens	Sieloff
Anderson	Isackson	Kroening	Olson	Storm
Benson	Johnson, D.E.	Kronebusch	Peterson, D.L.	Taylor
Berg	Jude	Laidig	Ramstad	
Diessner	Kamrath	Lessard	Reichgott	
Frederick	Knaak	McQuaid	Samuelson	

Those who voted in the negative were:

Bertram	Frank	Moe, D. M.	Petty	Stumpf
Chmielewski	Freeman	Moe, R. D.	Purfeerst	Vega
Dahl	Hughes	Nelson	Renneke	Waldorf
Davis	Lantry	Pehler	Schmitz	Wegscheid
DeCramer	Luther	Peterson, D.C.	Solon	Willet
Dieterich	Merriam	Peterson, R.W.	Spear	

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

Mr. Benson moved to amend S.F. No. 1864 as follows:

Page 16, before line 1, insert:

"Sec. 29. [NO BLANKET EMERGENCY RULEMAKING.]

*No agency may adopt emergency or temporary rules, except with specific statutory authority for each separate rulemaking action."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, after the semicolon, insert "prohibiting blanket emergency or temporary rulemaking;"

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

Mr. Frederickson moved to amend S.F. No. 1864 as follows:

Page 12, line 22, delete "tenth" and insert "fifth"

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

Mr. Benson moved to amend S. F. No. 1864 as follows:

Page 11, line 34, after the period, insert:

*"If twenty-five or more persons object, during the notice period, to the adoption of the rule under the emergency rule procedure, the agency must adopt the rule under the procedure for controversial rules, unless the agency is directed by statute, federal law, or court order to use the emergency rule procedure."*

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 26 and nays 31, as follows:

Those who voted in the affirmative were:

Anderson	Frederickson	Knutson	Olson	Taylor
Belanger	Isackson	Kronebusch	Peterson, D.L.	Uiland
Benson	Johnson, D.E.	Laidig	Ramstad	
Berg	Jude	Lessard	Renneke	
Frank	Kamrath	McQuaid	Sieloff	
Frederick	Knaak	Mehrkens	Storm	

Those who voted in the negative were:

Adkins	Dieterich	Moe, D. M.	Purfeerst	Waldorf
Bertram	Freeman	Moe, R. D.	Reichgott	Wegscheid
Chmielewski	Hughes	Nelson	Samuelson	Willet
Dahl	Kroening	Pehler	Schmitz	
Davis	Lantry	Peterson, D.C.	Spear	
DeCramer	Luther	Peterson, R.W.	Stumpf	
Diessner	Merriam	Petty	Vega	

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

S.F. No. 1864 was read the third time 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:

Adkins	Frank	Kronebusch	Pehler	Solon
Anderson	Frederick	Laidig	Peterson, D.C.	Spear
Belanger	Frederickson	Lantry	Peterson, D.L.	Storm
Benson	Freeman	Lessard	Peterson, R.W.	Stumpf
Berg	Hughes	Luther	Petty	Taylor
Bertram	Isackson	McQuaid	Purfeerst	Uiland
Chmielewski	Johnson, D.E.	Mehrkens	Ramstad	Vega
Dahl	Jude	Merriam	Reichgott	Waldorf
Davis	Kamrath	Moe, D. M.	Renneke	Wegscheid
DeCramer	Knaak	Moe, R. D.	Samuelson	Willet
Diessner	Knutson	Nelson	Schmitz	
Dieterich	Kroening	Olson	Sieloff	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 1880: A bill for an act relating to local government; providing for

financing of county and county regional jails; amending Minnesota Statutes 1982, sections 641.24; and 641.264, subdivision 1.

Mr. Vega moved to amend S. F. No. 1880 as follows:

Page 1, after line 7, insert:

“Section 1. Minnesota Statutes 1982, section 462C.09, is amended by adding a subdivision to read:

*Subd. 2a. [1985 CITY ALLOCATION.] Notwithstanding the allocation provisions of subdivision 2, this subdivision applies to the January, 1985 allocations. Unless otherwise authorized by law, a city that intends to issue during the calendar year 1985 mortgage revenue bonds that are subject to the volume limitation imposed by section 103A(g) of the Internal Revenue Code of 1954, as amended through March 1, 1983, shall by January 2 of 1985 submit to the Minnesota housing finance agency a program that will use a portion of the state mortgage revenue bond ceiling. The total amount of bonds included in all programs submitted pursuant to this subdivision by a city may not exceed \$10,000,000. Each program shall be accompanied by a certificate from the city that states that the revenue bond issue is feasible. By February 1, the Minnesota housing finance agency shall review each program pursuant to section 462C.04, subdivision 2. The Minnesota housing finance agency shall approve all programs that the agency determines are consistent with this chapter, and that meet the following conditions:*

*(a) all of the loans must be reserved for a period of not less than six months for persons and families whose adjusted family income is below 80 percent of the limits on adjusted gross income provided in section 462C.03, subdivision 2; and*

*(b) loans must be made only to finance homes that are serviced by municipal water and sewer utilities; provided that if the approval of all programs would result in an allocation to cities in excess of 27-1/2 percent of the state ceiling for the calendar year 1985, reduced by the amount of bonds that are allocated by law to specified cities, the Minnesota housing finance agency shall approve programs that are submitted by a city which meets any of the following three criteria: (1) a city of the first class, or (2) a city that did not receive an allocation under this subdivision during the preceding two calendar years, or (3) a group of cities that plan to jointly issue bonds for the program provided further that if approval of all of the programs submitted by cities that meet one or more of the criteria in (1), (2), or (3) would result in a total allocation to cities in excess of the portion of the state ceiling available for allocation, then from among those programs the agency shall select by lot the programs to be approved. If a portion of the state ceiling remains unallocated after the agency has approved all programs submitted by cities that meet one or more of the criteria in (1), (2), or (3), the Minnesota housing finance agency shall select by lot from among the remaining programs the programs to be approved. The Minnesota housing finance agency shall determine if a program meets the conditions in clauses (a) and (b) based solely upon the program with accompanying information submitted to the agency. Approval of a program shall constitute an allocation of a portion of the state ceiling for mortgage revenue bonds equal to the proposed bond issue or issues contained in the program, provided that the allocation for the last selected program that receives an allocation may be equal to or less than the*

*amount of the bond issue or issues proposed in the program.*

*If a city which received an allocation pursuant to this subdivision, or which has been allocated a portion of the state ceiling by law and has received approval of one or more programs, has not issued bonds by September 1 in an amount equal to the allocation, and the city intends to issue mortgage revenue bonds prior to the end of the calendar year, the city shall by September 1 submit to the Minnesota housing finance agency for each program a letter that states the city's intent to issue the mortgage revenue bonds prior to the end of the calendar year. If the Minnesota housing finance agency does not receive the letter from the city, then the allocation of the state ceiling for that program shall expire on September 1, and the applicable limit for the Minnesota housing finance agency shall be increased by an amount equal to the unused portion of the allocation to the city. A city referred to in subdivision 1, clause (i), shall not be required to apply under this subdivision with respect to bonds allocated by law to any such city. Nothing in this subdivision shall prevent any such city from applying for an additional allocation of bonds under this subdivision."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "providing for a special allocation of mortgage revenue bonds for calendar year 1985;"

Page 1, line 4, after "sections" insert "462C.09, by adding a subdivision;"

The motion prevailed. So the amendment was adopted.

Mr. Pogemiller moved to amend S. F. No. 1880 as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1982, section 429.021, subdivision 1, is amended to read:

Subdivision 1. [IMPROVEMENTS AUTHORIZED.] The council of a municipality shall have power to make the following improvements:

(1) To acquire, open, and widen any street, and to improve the same by constructing, reconstructing, and maintaining sidewalks, pavement, gutters, curbs, and vehicle parking strips of any material, or by grading, graveling, oiling, or otherwise improving the same, including the beautification thereof and including storm sewers or other street drainage and connections from sewer, water or similar mains to curb lines.

(2) To acquire, develop, construct, reconstruct, extend and maintain storm and sanitary sewers and systems, including outlets, holding areas and ponds, treatment plants, pumps, lift stations, service connections, and other appurtenances of a sewer system, within and without the corporate limits.

(3) To construct, reconstruct, extend and maintain steam heating mains.

(4) To install, replace, extend and maintain street lights and street lighting systems and special lighting systems.

(5) To acquire, improve, construct, reconstruct, extend and maintain water



works systems, including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks, treatment plants, and other appurtenances of a water works system, within and without the corporate limits.

(6) To acquire, improve and equip parks, open space areas, playgrounds and recreational facilities within or without the corporate limits.

(7) To plant trees on streets and provide for their trimming, care and removal.

(8) To abate nuisances and to drain swamps, marshes and ponds on public or private property and to fill the same.

(9) To construct, reconstruct, extend, and maintain dikes and other flood control works.

(10) To construct, reconstruct, extend and maintain retaining walls and area walls.

(11) To acquire, construct, reconstruct, improve, alter, extend, operate, maintain and promote a pedestrian skyway system. *Such improvement may be made upon a petition pursuant to section 429.031, subdivision 3.*

(12) To acquire, construct, reconstruct, extend, operate, maintain and promote underground pedestrian concourses.

(13) To acquire, construct, improve, alter, extend, operate, maintain and promote public malls, plazas or courtyards.

(14) To construct, reconstruct, extend, and maintain district heating systems.

*(15) To construct, reconstruct, alter, extend, operate, maintain and promote fire protection systems in existing buildings, but only upon a petition pursuant to section 429.031, subdivision 3.*

Sec. 2. Minnesota Statutes 1982, section 429.031, subdivision 3, is amended to read:

Subd. 3. [PETITION BY ALL OWNERS.] Whenever all owners of real property abutting upon any street named as the location of any improvement shall petition the council to construct the improvement and to assess the entire cost against their property, the council may, without a public hearing, adopt a resolution determining such fact and ordering the improvement. The validity of the resolution shall not be questioned by any taxpayer or property owner or the municipality unless an action for that purpose is commenced within 30 days after adoption of the resolution as provided in section 429.036. Nothing herein prevents any property owner from questioning the amount or validity of the special assessment against his property pursuant to section 429.081. *In the case of a petition for the installation of a fire protection or a pedestrian skyway system, the petition must contain or be accompanied by an undertaking satisfactory to the city by the petitioner that the petitioner will grant the municipality the necessary property interest in the building to permit the city to enter upon the property and the building to construct, maintain, and operate the fire protection or pedestrian skyway system. In the case of a petition for the installation of a fire protection or pedestrian skyway system which will be privately owned, the petition shall also contain the plans and specifications for the improvement, the estimated*

*cost of the improvement and a statement indicating whether the city or the owner will contract for the construction of the improvement. If the owner is contracting for the construction of the improvement, the city shall not approve the petition until it has reviewed and approved the plans, specifications, and cost estimates contained in the petition. The construction cost financed under section 429.091 shall not exceed the amount of the cost estimate contained in the petition. In the case of a petition for the installation of a fire protection or a pedestrian skyway system, the petitioner may request abandonment of the improvement at any time after it has been ordered pursuant to subdivision 1 and before contracts have been awarded for the construction of the improvement under section 429.041, subdivision 2. If such a request is received, the city council shall abandon the proceedings but in such case the petitioner shall reimburse the city for any and all expenses incurred by the city in connection with the improvement.*

Sec. 3. Minnesota Statutes 1982, section 429.091, subdivision 2, is amended to read:

Subd. 2. [TYPES OF OBLIGATIONS PERMITTED.] The council may by resolution adopted prior to the sale of obligations pledge the full faith, credit, and taxing power of the municipality for the payment of the principal and interest. Such obligations shall be called improvement bonds and the council shall pay the principal and interest out of any fund of the municipality when the amount credited to the specified fund is insufficient for the purpose and shall each year levy a sufficient amount to take care of accumulated or anticipated deficiencies, which levy shall not be subject to any statutory or charter tax limitation. Obligations for the payment of which the full faith and credit of the municipality is not pledged shall be called improvement warrants or, in the case of bonds for fire protection or pedestrian skyway systems, revenue bonds and shall contain a promise to pay solely out of the proper special fund or funds pledged to their payment. It shall be the duty of the municipal treasurer to pay maturing principal and interest on warrants or revenue bonds out of funds on hand in the proper ~~special fund funds~~ and not otherwise.

Sec. 4. Minnesota Statutes 1982, section 429.101, subdivision 1, is amended to read:

Subdivision 1. [ORDINANCES.] In addition to any other method authorized by law or charter, the governing body of any municipality may provide for the collection of unpaid special charges for all or any part of the cost of

(a) snow, ice, or rubbish removal from sidewalks,

(b) weed elimination from streets or private property,

(c) removal or elimination of public health or safety hazards from private property, excluding any structure included under the provisions of sections 463.15 to 463.26,

(d) installation or repair of water service lines, street sprinkling or other dust treatment of streets,

(e) the trimming and care of trees and the removal of unsound trees from any street,

(f) the treatment and removal of insect infested or diseased trees on private

property, the repair of sidewalks and alleys, or

(g) the operation of a street lighting system, or

(h) the operation and maintenance of a fire protection or a pedestrian skyway system,

as a special assessment against the property benefited. The council may by ordinance adopt regulations consistent with this section to make this authority effective, including, at the option of the council, provisions for placing primary responsibility upon the property owner or occupant to do the work himself (except in the case of street sprinkling or other dust treatment, alley repair, tree trimming, care, and removal or the operation of a street lighting system) upon notice before the work is undertaken, and for collection from the property owner or other person served of the charges when due before unpaid charges are made a special assessment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "authorizing the levy of special assessments or service charges for fire protection and pedestrian skyway systems;"

Page 1, line 4, after "sections" insert "429.021, subdivision 1; 429.031, subdivision 3; 429.091, subdivision 2; 429.101, subdivision 1;"

The motion prevailed. So the amendment was adopted.

Mr. Davis moved to amend S.F. 1880 as follows:

Page 3, after line 7, insert:

"Sec. 3. [BLUE HILL; POWERS.] *The town of Blue Hill in Sherburne county may exercise the powers set out in Minnesota Statutes, section 368.01, and the powers of a municipality set out in Minnesota Statutes, chapter 474.*"

Page 3, line 9, delete "This act is" and insert "Sections 1 and 2 are"

Page 3, line 9, after the period, insert "Section 3 is effective the day after the town board of Blue Hill complies with Minnesota Statutes, section 645.021, subdivision 3."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "allowing the town of Blue Hill to exercise certain powers;"

The motion prevailed. So the amendment was adopted.

Ms. Peterson, D.C. moved to amend S. F. No. 1880 as follows:

Page 3, after line 7, insert:

"Sec. 3. Minnesota Statutes 1982, section 462.461, subdivision 1, is amended to read:

Subdivision 1. All construction work, and work of demolition or clearing,

and every purchase of equipment, supplies, or materials, necessary in carrying out the purposes of sections 462.415 to 462.705, that shall involve the expenditure of ~~\$5,000~~ \$15,000 or more shall be awarded by contract as hereinafter provided. Before receiving bids under the provisions of these sections the authority shall publish, once a week for two consecutive weeks in an official newspaper of general circulation in the community a notice that bids will be received for that construction work, or that purchase of equipment, supplies, or materials, stating the nature of the work and the terms and conditions upon which the contract is to be let, naming therein a time and place where bids will be received, opened and read publicly, which time shall be not less than seven days after the date of the last publication. After the bids have been duly received, opened and read publicly and recorded, the authority shall award the contract to the lowest responsible bidder, the authority reserving the right, however, to reject any or all bids, each such contract to be duly executed in writing, and the person to whom the contract is awarded shall give sufficient bond to the authority for its faithful performance. If no satisfactory bid is received, the authority may readvertise. The authority shall have the right to set up reasonable qualifications to determine the fitness and responsibility of bidders and to require bidders to meet such qualifications before bids are accepted.

Sec. 4. Minnesota Statutes 1982, section 462.461, subdivision 2, is amended to read:

Subd. 2. If the authority by an affirmative vote of four-fifths of its members shall declare that an emergency exists requiring the immediate purchase of any equipment or material or supplies at a cost in excess of ~~\$5,000~~ \$15,000, but not exceeding ~~\$10,000~~ \$30,000 in amount, or making of emergency repairs, it shall not be necessary to advertise for bids, but the material, equipment, or supplies may be purchased in the open market at the lowest price obtainable, or the emergency repairs may be contracted for or performed without securing formal competitive bids. An emergency, as considered in sections 462.415 to 462.705, shall be understood to be unforeseen circumstances or conditions which result in the placing in jeopardy of human life or property.

Sec. 5. Minnesota Statutes 1982, section 462.461, subdivision 3, is amended to read:

Subd. 3. Bonds shall be required from contractors for any works of construction as provided in and subject to all the provisions of ~~Minnesota Statutes 1945,~~ sections 574.26 to 574.31. *Sections 574.21 to 574.31 and this subdivision do not apply to contracts entered into by an authority for an expenditure of less than \$15,000.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "letting municipal housing contracts; increasing the amount of expenditures for construction and other work that requires an award by contract;"

Page 1, line 4, after "sections" insert "462.461, subdivisions 1, 2, and 3;"

The motion prevailed. So the amendment was adopted.

Mr. Merriam moved to amend S.F. No. 1880 as follows:

Page 1, delete lines 8 to 25

Page 2, delete lines 1 to 36

Page 3, delete lines 1 to 7

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon

Page 1, delete lines 3 to 5

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

S.F. No. 1880 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 27 and nays 33, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Moe, R. D.	Pogemiller	Stumpf
Benson	Freeman	Novak	Reichgott	Wegscheid
Berglin	Hughes	Pehler	Samuelson	Willet
Chmielewski	Lantry	Peterson, C.C.	Solon	
Dahl	Lessard	Peterson, D.C.	Spear	
Davis	Luther	Petty	Storm	

Those who voted in the negative were:

Anderson	Frank	Knaak	Merriam	Sieloff
Belanger	Frederick	Knutson	Olson	Taylor
Berg	Frederickson	Kroening	Peterson, D.L.	Ulland
Bernhagen	Isackson	Kronebusch	Peterson, R.W.	Vega
Bertram	Johnson, D.E.	Laidig	Purfeerst	Waldorf
Diessner	Jude	McQuaid	Ramstad	
Dieterich	Kamrath	Mehrkens	Renneke	

So the bill, as amended, failed to pass.

### SPECIAL ORDER

S.F. No. 1883: A bill for an act relating to occupations and professions; prohibiting evidence of the previous sexual conduct of a patient or client in proceedings concerning unprofessional conduct; proposing new law coded in Minnesota Statutes, chapters 147 and 148.

Ms. Peterson, D.C. moved to amend S. F. No. 1883 as follows:

Page 1, line 17, after "*complainant*" insert "*, unless the evidence would be admissible under the applicable provisions of section 609.347, subdivision 3*"

Page 1, line 25, after "*complainant*" insert "*, unless the evidence would be admissible under the applicable provisions of section 609.347, subdivision 3*"

The motion prevailed. So the amendment was adopted.

S.F. No. 1883 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 55 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kronebusch	Pehler	Samuelson
Anderson	Dieterich	Laidig	Peterson, C.C.	Sieloff
Benson	Frank	Lantry	Peterson, D.C.	Solon
Berg	Frederickson	Lessard	Peterson, D.L.	Spear
Berglin	Freeman	Luther	Peterson, R.W.	Storm
Bernhagen	Hughes	McQuaid	Petty	Stumpf
Bertram	Isackson	Mehrkens	Pogemiller	Taylor
Chmielewski	Johnson, D.E.	Merriam	Purfeerst	Ulland
Dahl	Jude	Moe, R. D.	Ramstad	Vega
Davis	Knaak	Novak	Reichgott	Waldorf
DeCramer	Kroening	Olson	Renneke	Wegscheid

Mr. Willet voted in the negative.

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

### SPECIAL ORDER

S.F. No. 1548: A bill for an act relating to game and fish; prohibiting taking, possession and transportation of fish in international waters in excess of certain daily limits; regulating enforcement of the laws relating to wild animals; providing for reciprocity with other governments; removing the license surcharge on fish and dark houses; eliminating the discount on walleye buyouts; amending Minnesota Statutes 1982, sections 97.48, subdivision 3; 97.501; Minnesota Statutes 1983 Supplement, sections 97.86, subdivision 1; and 102.26, subdivision 3d.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kronebusch	Peterson, C.C.	Spear
Anderson	Diessner	Laidig	Peterson, D.C.	Storm
Belanger	Frank	Lantry	Peterson, R.W.	Stumpf
Benson	Frederickson	Lessard	Petty	Taylor
Berg	Freeman	Luther	Pogemiller	Ulland
Berglin	Isackson	McQuaid	Ramstad	Waldorf
Bernhagen	Johnson, D.E.	Merriam	Reichgott	Wegscheid
Bertram	Jude	Moe, R. D.	Renneke	Willet
Chmielewski	Kamrath	Novak	Samuelson	
Dahl	Knaak	Olson	Sieloff	
Davis	Kroening	Pehler	Solon	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 1498: A bill for an act relating to occupations and professions; clarifying jurisdiction over installment of power limited circuits.

Mr. Waldorf moved to amend S. F. No. 1498 as follows:

Page 1, line 14, before the period, insert "*provided that proof is provided to the board of electricity that a bond and insurance in the amounts required under section 326.242, subdivision 6, have been obtained*"

The motion prevailed. So the amendment was adopted.

Mr. Waldorf then moved to amend S. F. No. 1498 as follows:

Page 1, line 14, after the period, insert "*The exemption provided by this section does not include installation of wiring in hazardous locations as covered by Article 500 of the National Electrical Code.*"

The motion prevailed. So the amendment was adopted.

S.F. No. 1498 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 11, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Laidig	Peterson, D. L.	Storm
Anderson	Frank	Lessard	Peterson, R. W.	Stumpf
Belanger	Frederickson	Luther	Petty	Taylor
Benson	Hughes	McQuaid	Pogemiller	Ulland
Berg	Isackson	Mehrkens	Purfeerst	Waldorf
Berglin	Johnson, D.E.	Merriam	Ramstad	Wegscheid
Bernhagen	Kamrath	Moe, R. D.	Renneke	Willet
Bertram	Knaak	Novak	Sieloff	
Davis	Knutson	Olson	Solon	
DeCramer	Kronebusch	Pehler	Spear	

Those who voted in the negative were:

Chmielewski	Freeman	Kroening	Peterson, C. C.	Reichgott
Dahl	Jude	Lantry	Peterson, D. C.	Samuelson
Dieterich				

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

### SPECIAL ORDER

S.F. No. 2079: A bill for an act relating to gambling; requiring organizations conducting gambling under chapter 349 to file annual reports; proposing new law coded in Minnesota Statutes, chapter 349.

Mr. Bertram moved to amend S. F. No. 2079 as follows:

Page 1, line 16, delete everything after the comma and insert "*the fund raising organization must provide the data required by this section to the department of revenue.*"

Page 1, delete lines 17 and 18

The motion prevailed. So the amendment was adopted.

S.F. No. 2079 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 22 and nays 36, as follows:

Those who voted in the affirmative were:

Bertram	Frank	Luther	Peterson, R. W.	Stumpf
Chmielewski	Hughes	Moe, R. D.	Petty	Willet
Davis	Jude	Olson	Samuelson	
DeCramer	Kronebusch	Pehler	Sieloff	
Dieterich	Lessard	Peterson, C. C.	Solon	

Those who voted in the negative were:

Adkins	Frederick	Kroening	Peterson, D. L.	Taylor
Anderson	Frederickson	Laidig	Pogemiller	Ulland
Belanger	Freeman	Lantry	Purfeerst	Waldorf
Berg	Isackson	McQuaid	Ramstad	Wegscheid
Berglin	Johnson, D. E.	Mehrkens	Reichgott	
Bernhagen	Kamrath	Merriam	Renneke	
Dahl	Knaak	Novak	Spear	
Diessner	Knutson	Peterson, D. C.	Storm	

So the bill, as amended, failed to pass.

### SPECIAL ORDER

S.F. No. 1862: A bill for an act relating to insurance; regulating insurance claims settlement; defining terms; prescribing penalties; providing for the venue for certain injunction proceedings; amending Minnesota Statutes 1982, sections 72A.20, subdivisions 11 and 12, and by adding a subdivision; 72A.23, subdivision 1; and 72A.25, subdivision 2.

Was read the third time 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 2, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Olson	Sieloff
Anderson	Diessner	Kroening	Pehler	Solon
Belanger	Frank	Laidig	Peterson, C. C.	Spear
Benson	Frederick	Lantry	Peterson, D. C.	Storm
Berg	Frederickson	Lessard	Peterson, D. L.	Stumpf
Berglin	Freeman	Luther	Peterson, R. W.	Taylor
Bernhagen	Hughes	McQuaid	Petty	Waldorf
Bertram	Isackson	Mehrkens	Pogemiller	Wegscheid
Chmielewski	Johnson, D. E.	Merriam	Purfeerst	Willet
Dahl	Jude	Moe, R. D.	Ramstad	
Davis	Kamrath	Novak	Reichgott	

Mrs. Kronebusch and Mr. Renneke voted in the negative.

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 1826: A bill for an act relating to state government; specifying authority of the governor; specifying powers and duties of the commissioner of the department of energy and economic development; providing services for small businesses; amending Minnesota Statutes 1982, sections 116J.67, subdivision 8; 116J.68; Minnesota Statutes 1983 Supplement, sections



116J.10; 116J.61; proposing new law coded in Minnesota Statutes, chapters 4 and 116J.

Mr. Freeman moved to amend S. F. No. 1826 as follows:

Page 7, lines 5 and 10, before "*business*" insert "*small*"

Page 8, lines 11 and 24, before "*business*" insert "*small*"

The motion prevailed. So the amendment was adopted.

Mr. Pogemiller moved to amend S.F. No. 1826 as follows:

Page 1, delete section 1

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, delete "chapters 4 and" and insert "chapter"

The motion prevailed. So the amendment was adopted.

S.F. No. 1826 was then progressed.

### SPECIAL ORDER

S.F. No. 2030: A bill for an act relating to public safety; prohibiting the state fire marshal from adopting or enforcing certain rules relating to family or group family day care homes; amending Minnesota Statutes 1982, section 299F.011, by adding a subdivision.

Mr. Luther moved to amend S. F. No. 2030 as follows:

Page 1, line 25, delete everything after the period

Page 1, delete line 26

Page 2, delete line 1

The motion prevailed. So the amendment was adopted.

S.F. No. 2030 was read the third time, as amended, and placed on its final passage.

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

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

Those who voted in the affirmative were:

Adkins	Dieterich	Kronebusch	Peterson, C.C.	Solon
Anderson	Frank	Laidig	Peterson, D.C.	Spear
Benson	Frederick	Lantry	Peterson, D.L.	Storm
Berglin	Frederickson	Luther	Peterson, R.W.	Stumpf
Bernhagen	Freeman	McQuaid	Petty	Taylor
Bertram	Hughes	Mehrkens	Pogemiller	Ulland
Chmielewski	Isackson	Merriam	Ramstad	Waldorf
Dahl	Johnson, D.E.	Moe, R. D.	Reichgott	Wegscheid
Davis	Jude	Novak	Renneke	Willet
DeCramer	Kamrath	Olson	Samuelson	
Diessner	Knaak	Pehler	Sieloff	

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

### SPECIAL ORDER

S.F. No. 595: A bill for an act relating to insurance; holding companies;

modifying the commissioner's jurisdiction with respect to the interests of shareholders; making miscellaneous style and form changes; amending Minnesota Statutes 1982, section 60D.02, subdivisions 1, 2, and 4; repealing Minnesota Statutes 1982, sections 60D.01, subdivision 8; and 60D.02, subdivision 5.

Mr. Luther moved to amend S.F. No. 595 as follows:

Page 6, line 1, strike "60" and insert "45"

Page 6, line 8, strike "30" and insert "15"

The motion prevailed. So the amendment was adopted.

S.F. No. 595 was read the third time, as amended, and placed on its final passage.

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

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

Those who voted in the affirmative were:

Adkins	Diessner	Knaak	Pehler	Solon
Anderson	Dieterich	Kronebusch	Peterson, C.C.	Spear
Belanger	Frank	Laidig	Peterson, D.C.	Storm
Benson	Frederick	Lantry	Peterson, D.L.	Stumpf
Berglin	Frederickson	Lessard	Petty	Taylor
Bernhagen	Freeman	Luther	Pogemiller	Ulland
Bertram	Hughes	McQuaid	Purfeerst	Waldorf
Chmielewski	Isackson	Mehrkens	Ramstad	Wegscheid
Dahl	Johnson, D.E.	Merriam	Reichgott	Willet
Davis	Jude	Moe, R. D.	Renneke	
DeCramer	Kamrath	Olson	Sieloff	

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

### SPECIAL ORDER

S.F. No. 1732: A bill for an act relating to financial institutions; authorizing industrial loan and thrift companies to act as trustees or custodians of certain retirement accounts; authorizing the removal of the bond requirement on the advertisement and sale of certain evidences of indebtedness; allowing special powers without inclusion in articles of incorporation; providing certain conventional loans on the same terms as other lenders; authorizing open-end loans; providing an alternative to filing fee charges; authorizing the deposit of real estate broker and salesperson trust funds in industrial loan and thrifts; amending Minnesota Statutes 1982, sections 47.75, subdivision 1; 53.04, subdivision 1, and by adding a subdivision; 56.131, subdivision 2; 82.24, subdivisions 1, 2, and 6; Minnesota Statutes 1983 Supplement, sections 53.04, subdivision 3a; and 53.05; proposing new law coded in Minnesota Statutes, chapter 56.

Mr. Wegscheid moved to amend S.F. No. 1732 as follows:

Page 2, line 20, delete "7" and insert "6"

Page 5, line 31, after "loan" insert "at or"

Page 5, line 32, after "balance" insert "first"

Page 6, line 34, delete "section" and insert "sections 56.12 and"

Page 6, line 35, delete the comma

Page 6, delete line 36

Page 7, line 1, delete everything before the period

Page 7, line 1, after the period, insert "In addition,"

The motion prevailed. So the amendment was adopted.

S.F. No. 1732 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 45 and nays 10, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kamrath	Moe, R. D.	Ramstad
Anderson	Diessner	Knaak	Novak	Reichgott
Belanger	Frederick	Kronebusch	Olson	Renneke
Benson	Frederickson	Laidig	Pehler	Sieloff
Berg	Freeman	Lantry	Peterson, C. C.	Solon
Bernhagen	Hughes	Lessard	Peterson, D. L.	Storm
Chmielewski	Isackson	McQuaid	Peterson, R. W.	Ulland
Dahl	Johnson, D. E.	Mehrkens	Petty	Waldorf
Davis	Jude	Merriam	Pogemiller	Wegscheid

Those who voted in the negative were:

Bertram	Frank	Luther	Spear	Taylor
Dieterich	Kroening	Peterson, D. C.	Stumpf	Willet

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

### SPECIAL ORDER

S.F. No. 1914: A bill for an act relating to airports; metropolitan government; requiring reports to pollution control agency concerning noise abatement for the Minneapolis-St. Paul airport; amending Minnesota Statutes 1982, section 473.612.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Pehler	Solon
Anderson	Dieterich	Kronebusch	Peterson, C. C.	Spear
Belanger	Frank	Laidig	Peterson, D. C.	Storm
Benson	Frederickson	Lantry	Peterson, D. L.	Stumpf
Berg	Freeman	Luther	Peterson, R. W.	Taylor
Berglin	Hughes	McQuaid	Petty	Ulland
Bernhagen	Isackson	Mehrkens	Pogemiller	Waldorf
Chmielewski	Johnson, D. E.	Merriam	Ramstad	Wegscheid
Dahl	Jude	Moe, R. D.	Reichgott	Willet
Davis	Kamrath	Novak	Renneke	
DeCramer	Knaak	Olson	Sieloff	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 2009: A bill for an act relating to state lands; conveying certain

lands to the city of Melrose.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Olson	Sieloff
Anderson	Frank	Kronebusch	Pehler	Solon
Belanger	Frederickson	Laidig	Peterson, D.C.	Spear
Benson	Freeman	Lantry	Peterson, D.L.	Storm
Berg	Hughes	Luther	Peterson, R.W.	Stumpf
Berglin	Isackson	McQuaid	Petty	Taylor
Chmielewski	Johnson, D.E.	Mehrkens	Pogemiller	Ulland
Dahl	Jude	Merriam	Ramstad	Waldorf
Davis	Kamrath	Moe, R. D.	Reichgott	Wegscheid
DeCramer	Knaak	Novak	Renneke	Willet

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 1976: A bill for an act relating to regulated industries; changing conditions that regulate the telecast of games at metropolitan sports facilities; amending Minnesota Statutes 1982, section 473.581, subdivision 3; repealing Minnesota Statutes 1982, section 473.568.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 41 and nays 15, as follows:

Those who voted in the affirmative were:

Adkins	Frederick	Laidig	Peterson, C.C.	Storm
Anderson	Frederickson	Lantry	Peterson, D.L.	Stumpf
Belanger	Freeman	Lessard	Pogemiller	Taylor
Benson	Hughes	Luther	Ramstad	Ulland
Berg	Isackson	McQuaid	Reichgott	Wegscheid
Chmielewski	Johnson, D.E.	Mehrkens	Renneke	
DeCramer	Jude	Moe, R. D.	Samuelson	
Diessner	Kamrath	Novak	Sieloff	
Frank	Kronebusch	Olson	Solon	

Those who voted in the negative were:

Berglin	Davis	Kroening	Peterson, D.C.	Spear
Bertram	Dieterich	Merriam	Peterson, R.W.	Waldorf
Dahl	Knaak	Pehler	Petty	Willet

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 396: A bill for an act relating to taxation; extending Class 3 property to certain property owned by certain fraternal beneficiary societies or associations for community service; exempting sales of candy by nonprofit youth organizations from the sales tax; amending Minnesota Statutes 1983 Supplement, sections 273.13, subdivision 4; and 297A.25, subdivision 1.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Knaak	Pehler	Sieloff
Anderson	Dieterich	Kroening	Peterson, C. C.	Spear
Belanger	Frank	Kronebusch	Peterson, D. C.	Storm
Benson	Frederick	Laidig	Peterson, D. L.	Stumpf
Berg	Frederickson	Lantry	Peterson, R. W.	Taylor
Berglin	Freeman	Lessard	Petty	Ulland
Bertram	Hughes	Luther	Pogemiller	Waldorf
Chmielewski	Isackson	McQuaid	Ramstad	Wegscheid
Dahl	Johnson, D. E.	Merriam	Reichgott	Willet
Davis	Jude	Novak	Renneke	
DeCramer	Kamrath	Olson	Samuelson	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 1403: A bill for an act relating to the Mississippi River headwaters area; requiring other governmental units to follow the land use plan adopted by the board; proposing new law coded in Minnesota Statutes, chapter 114B.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Knaak	Peterson, C. C.	Solon
Anderson	Dieterich	Kronebusch	Peterson, D. C.	Spear
Belanger	Frank	Lantry	Peterson, D. L.	Storm
Benson	Frederick	Lessard	Peterson, R. W.	Stumpf
Berg	Frederickson	Luther	Petty	Taylor
Berglin	Freeman	McQuaid	Pogemiller	Ulland
Bertram	Hughes	Mehrkens	Ramstad	Waldorf
Chmielewski	Isackson	Merriam	Reichgott	Wegscheid
Dahl	Johnson, D. E.	Novak	Renneke	Willet
Davis	Jude	Olson	Samuelson	
DeCramer	Kamrath	Pehler	Sieloff	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1819: A bill for an act relating to health; requiring that hearing aid sellers give buyers a right to cancel their purchase; amending Minnesota Statutes 1982, section 145.43, by adding a subdivision; repealing Minnesota Statutes 1982, sections 145.43, subdivision 2; and 145.44.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Peher	Sieloff
Anderson	Dieterich	Kronebusch	Peterson, C. C.	Solon
Belanger	Frank	Laidig	Peterson, D. C.	Spear
Benson	Frederick	Lantry	Peterson, D. L.	Storm
Berg	Freeman	Lessard	Peterson, R. W.	Stumpf
Berglin	Hughes	Luther	Petty	Taylor
Bertram	Isackson	McQuaid	Pogemiller	Ulland
Chmielewski	Johnson, D.E.	Mehrkens	Purfeerst	Waldorf
Dahl	Jude	Merriam	Ramstad	Wegscheid
Davis	Kamrath	Novak	Reichgott	Willet
DeCramer	Knaak	Olson	Renneke	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 2102: A bill for an act relating to health; providing counseling and educational services for sudden infant death syndrome families; requiring autopsies on victims of sudden infant death syndrome; requiring the report of sudden infant death to the registrar of vital statistics; amending Minnesota Statutes 1982, sections 144.07; 144.222; and 390.11.

Mrs. McQuaid moved to amend S.F. No. 2102 as follows:

Amend the title as follows:

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

The motion prevailed. So the amendment was adopted.

S.F. No. 2102 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knaak	Peterson, C. C.	Spear
Anderson	Dieterich	Kroening	Peterson, D. C.	Storm
Belanger	Frank	Kronebusch	Peterson, D. L.	Taylor
Benson	Frederick	Laidig	Peterson, R. W.	Ulland
Berg	Frederickson	Lantry	Petty	Waldorf
Berglin	Freeman	Luther	Pogemiller	Wegscheid
Bertram	Hughes	McQuaid	Ramstad	Willet
Chmielewski	Isackson	Mehrkens	Reichgott	
Dahl	Johnson, D.E.	Merriam	Renneke	
Davis	Jude	Novak	Sieloff	
DeCramer	Kamrath	Olson	Solon	

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

### SPECIAL ORDER

S.F. No. 1826: A bill for an act relating to state government; specifying authority of the governor; specifying powers and duties of the commissioner of the department of energy and economic development; providing services for small businesses; amending Minnesota Statutes 1982, sections 116J.67, subdivision 8; 116J.68; Minnesota Statutes 1983 Supplement, sections

116J.10; 116J.61; proposing new law coded in Minnesota Statutes, chapters 4 and 116J.

Mr. Benson moved to amend S.F. No. 1826, as follows:

Page 4, lines 7 and 8, delete “, including temporary rules.”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 24, as follows:

Those who voted in the affirmative were:

Adkins	Frederick	Kroening	Peterson, D.L.	Ulland
Anderson	Frederickson	Kronebusch	Peterson, R.W.	Waldorf
Belanger	Freeman	Laidig	Ramstad	Wegscheid
Benson	Isackson	Lessard	Renneke	
Berg	Jude	McQuaid	Sieloff	
Bertram	Kamrath	Mehrkens	Storm	
Frank	Knaak	Olson	Taylor	

Those who voted in the negative were:

Berglin	Diessner	Merriam	Peterson, D.C.	Samuelson
Chmielewski	Dieterich	Moe, R. D.	Petty	Solon
Dahl	Hughes	Novak	Pogemiller	Spear
Davis	Lantry	Pehler	Purfeerst	Willet
DeCramer	Luther	Peterson, C.C.	Reichgott	

The motion prevailed. So the amendment was adopted.

S.F. No. 1826 was then progressed.

## MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, without objection the Senate reverted to the Order of Business of Reports of Committees and Second Reading of Senate Bills.

## REPORTS OF COMMITTEES

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

H.F. No. 1815: A bill for an act relating to taxation; property; eliminating obsolete language; making technical changes; and repealing obsolete provisions; amending Minnesota Statutes 1982, sections 272.02, subdivisions 2, 3, and 5; 272.20; 272.21; 272.32; 272.37; 272.64; 273.05, subdivision 1; 273.061, subdivision 2; 273.08; 273.1105, subdivision 5; 273.111, subdivisions 8 and 11; 273.115, subdivision 5; 273.116, subdivisions 1 and 5; 273.13, subdivisions 7a, 15a, and 19; 273.135, subdivision 3; 273.1391, subdivision 3; 273.22; 275.02; 275.49; 275.51, subdivisions 1 and 4; 360.037, subdivision 2; 373.31, subdivision 2; 375.167, subdivision 1; 473F.02, subdivision 3; 473H.10, subdivision 3; 475.53, subdivisions 1, 3, and 5; Minnesota Statutes 1983 Supplement, sections 272.02, subdivision 1; 273.115, subdivision 1; 273.13, subdivisions 6, 7, 7d, and 14a; 273.138, subdivision 6; 507.235, subdivision 2; repealing Minnesota Statutes 1982, sections 270.90; 272.34; 272.35; 272.36; 272.61; 272.62; 272.63; 272.66; 273.04; 273.111, subdivision 8a; 273.13, subdivision 14; 273.27; 273.56;

275.09; 275.091; 275.161; 275.23; 275.44; 275.45; 275.46; 275.47; 368.86; and 382.19.

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

Page 2, lines 5 and 6, delete the new language

Page 9, after line 2, insert:

“Sec. 5. Minnesota Statutes 1983 Supplement, section 272.03, subdivision 1, is amended to read:

Subdivision 1. [REAL PROPERTY.] (a) For the purposes of taxation, “real property” includes the land itself, rails, ties, and other track materials annexed to the land, and all buildings, structures, and improvements or other fixtures on it, *bridges of bridge companies*, and all rights and privileges belonging or appertaining to ~~the land~~, and all mines, minerals, quarries, fossils, and trees on or under it.

(b) A building or structure shall include the building or structure itself, together with all improvements or fixtures annexed to the building or structure, which are integrated with and of permanent benefit to the building or structure, regardless of the present use of the building, and which cannot be removed without substantial damage to itself or to the building or structure.

(c) (i) The term real property shall not include tools, implements, machinery, and equipment attached to or installed in real property for use in the business or production activity conducted thereon, regardless of size, weight or method of attachment.

(ii) The exclusion provided in clause (c) (i) shall not apply to machinery and equipment includable as real estate by clauses (a) and (b) even though such machinery and equipment is used in the business or production activity conducted on the real property if and to the extent such business or production activity consists of furnishing services or products to other buildings or structures which are subject to taxation under this chapter.

Sec. 6. Minnesota Statutes 1982, section 272.03, subdivision 2, is amended to read:

Subd. 2. [PERSONAL PROPERTY.] For the purposes of taxation, “personal property” includes:

(1) All goods, chattels, money and effects;

(2) All ships, boats, and vessels belonging to inhabitants of this state and all capital invested therein;

(3) All improvements upon land the fee of which is vested in the United States, and all improvements upon land the title to which is vested in any corporation whose property is not subject to the same mode and rule of taxation as other property;

(4) All stock of nurserymen, growing or otherwise;

(5) All gas, electric, and water mains, pipes, conduits, subways, poles, and wires of gas, electric light, water, heat, or power companies, and all tracks, roads, ~~bridges~~, conduits, poles, and wires of street railway, plank



road, gravel road, and turnpike, and bridge companies;

(6) All credits over and above debts owed by the creditor;

(7) The income of every annuity, unless the capital of the annuity is taxed within this state;

(8) All public stocks and securities;

(9) All personal estate of moneyed corporations, whether the owners reside within or without the state;

(10) All shares in foreign corporations owned by residents of this state; and

(11) All shares in banks organized under the laws of the United States or of this state."

Page 30, line 36, delete "43" and insert "45"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after "5;" insert "272.03, subdivision 2;"

Page 1, line 16, after the semicolon, insert "272.03, subdivision 1;"

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

Mr. Moe, R.D. moved the adoption of the foregoing committee report. The motion prevailed.

## SECOND READING OF HOUSE BILLS

H.F. No. 1815 was read the second time.

## RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

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

## 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. 1814: Messrs. Johnson, D.J.; Vega and Berg.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

## MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Hughes moved that S.F. No. 1928, No. 28 on Special Orders, be stricken and returned to its author. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, 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. Frank and Belanger introduced—

S.F. No. 2212: A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 6; prohibiting lawyers from serving in the legislature.

Referred to the Committee on Elections and Ethics.

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

Mr. Petty moved that S.F. No. 1834, No. 44 on Special Orders, be stricken and returned to its author. The motion prevailed.

Ms. Peterson, D.C. moved that S.F. No. 1995, No. 66 on Special Orders, be stricken and returned to its author. The motion prevailed.

Mr. Peterson, R.W. moved that S.F. No. 1671, No. 23 on Special Orders, be stricken and returned to its author. The motion prevailed.

Ms. Olson moved that S.F. No. 1719, No. 38 on Special Orders, be stricken and returned to its author. The motion prevailed.

### **MEMBERS EXCUSED**

Mr. Dicklich was excused from the Session of today. Mr. Peterson, C.C. was excused from the Session of today until 3:45 p.m. Mr. Jude was excused from the Session of today from 11:00 to 11:25 a.m. Mr. Ramstad was excused from the Session of today from 11:00 to 11:30 a.m. Messrs. Storm and Knaak were excused from the Session of today from 11:00 to 11:45 a.m. Mrs. McQuaid and Mr. Novak were excused from the Session of today from 11:00 a.m. to 12:00 noon. Messrs. Laidig and Kroening were excused from the Session of today from 11:00 a.m. to 12:30 p.m. Mr. Nelson was excused from the Session of today from 11:00 a.m. to 1:15 p.m. and from 3:00 to 6:15 p.m. Mr. Schmitz was excused from the Session of today from 3:30 to 6:15 p.m. Mr. Pogemiller was excused from the Session of today from 3:00 to 4:00 p.m. Mr. Johnson, D.E. was excused from the Session of today from 6:00 to 6:15 p.m. Mr. Stumpf was excused from the Session of today from 5:45 to 6:15 p.m. Mr. Johnson, D.J. was excused from the Session of today from 12:00 noon to 6:15 p.m. Mr. Vega was excused from the Session of today from 4:00 to 6:15 p.m.

### **ADJOURNMENT**

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:00 noon, Monday, April 16, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

**SEVENTY-NINTH DAY**

St. Paul, Minnesota, Monday, April 16, 1984

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

Prayer was offered by the Chaplain, Rev. Tim Bauer.

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

Adkins	Diessner	Kroening	Olson	Sieloff
Anderson	Dieterich	Kronebusch	Pehler	Solon
Belanger	Frank	Laidig	Peterson, C.C.	Spear
Benson	Frederick	Langseth	Peterson, D.C.	Storm
Berg	Frederickson	Lantry	Peterson, D.L.	Stumpf
Berglin	Freeman	Lessard	Peterson, R.W.	Taylor
Bernhagen	Hughes	Luther	Petty	Ulland
Bertram	Isackson	McQuaid	Pogemiller	Vega
Brataas	Johnson, D.E.	Mehrkens	Purfeerst	Waldorf
Chmielewski	Johnson, D.J.	Merriam	Ramstad	Wegscheid
Dahl	Jude	Moe, D.M.	Reichgott	Willet
Davis	Kamrath	Moe, R.D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	
Dicklich	Knutson	Novak	Schmitz	

The President declared a quorum present.

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

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

The following communication was received.

April 14, 1984

The Honorable Jerome M. Hughes  
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. 1832.

Sincerely,  
Rudy Perpich, Governor

**REPORTS OF COMMITTEES**

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to

which was referred

H.F. No. 1502 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1502	1491				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1502 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1502 and insert the language after the enacting clause of S.F. No. 1491, the second engrossment; further, delete the title of H.F. No. 1502 and insert the title of S.F. No. 1491, the second engrossment.

And when so amended H.F. No. 1502 will be identical to S.F. No. 1491, and further recommends that H.F. No. 1502 be given its second reading and substituted for S.F. No. 1491, 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. 1878 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:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1878	1661				

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. 1656 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1656	1652				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1656 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1656 and

insert the language after the enacting clause of S.F. No. 1652, the first engrossment; further, delete the title of H.F. No. 1656 and insert the title of S.F. No. 1652, the first engrossment.

And when so amended H.F. No. 1656 will be identical to S.F. No. 1652, and further recommends that H.F. No. 1656 be given its second reading and substituted for S.F. No. 1652, 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. 1950 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:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1950	1680				

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. 2148 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2148	2054				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2148 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2148 and insert the language after the enacting clause of S.F. No. 2054, the first engrossment; further, delete the title of H.F. No. 2148 and insert the title of S.F. No. 2054, the first engrossment.

And when so amended H.F. No. 2148 will be identical to S.F. No. 2054, and further recommends that H.F. No. 2148 be given its second reading and substituted for S.F. No. 2054, 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. 322 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>SPECIAL 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.
322	2091				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 322 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 322 and insert the language after the enacting clause of S.F. No. 2091, the first engrossment; further, delete the title of H.F. No. 322 and insert the title of S.F. No. 2091, the first engrossment.

And when so amended H.F. No. 322 will be identical to S.F. No. 2091, and further recommends that H.F. No. 322 be given its second reading and substituted for S.F. No. 2091, 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. 1806 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>SPECIAL 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.
1806	1836				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1806 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1806 and insert the language after the enacting clause of S.F. No. 1836, the first engrossment; further, delete the title of H.F. No. 1806 and insert the title of S.F. No. 1836, the first engrossment.

And when so amended H.F. No. 1806 will be identical to S.F. No. 1836, and further recommends that H.F. No. 1806 be given its second reading and substituted for S.F. No. 1836, 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. 1875 for comparison with companion Senate File, reports the

following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1875	2078				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1875 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1875 and insert the language after the enacting clause of S.F. No. 2078, the first engrossment; further, delete the title of H.F. No. 1875 and insert the title of S.F. No. 2078, the first engrossment.

And when so amended H.F. No. 1875 will be identical to S.F. No. 2078, and further recommends that H.F. No. 1875 be given its second reading and substituted for S.F. No. 2078, 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. 1846 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1846	1606				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1846 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1846 and insert the language after the enacting clause of S.F. No. 1606, the first engrossment; further, delete the title of H.F. No. 1846 and insert the title of S.F. No. 1606, the first engrossment.

And when so amended H.F. No. 1846 will be identical to S.F. No. 1606, and further recommends that H.F. No. 1846 be given its second reading and substituted for S.F. No. 1606, 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. 1839 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1839	1755				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1839 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1839 and insert the language after the enacting clause of S.F. No. 1755; further, delete the title of H.F. No. 1839 and insert the title of S.F. No. 1755.

And when so amended H.F. No. 1839 will be identical to S.F. No. 1755, and further recommends that H.F. No. 1839 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. 1974 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1974	1681				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1974 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1974 and insert the language after the enacting clause of S.F. No. 1681, the first engrossment; further, delete the title of H.F. No. 1974 and insert the title of S.F. No. 1681, the first engrossment.

And when so amended H.F. No. 1974 will be identical to S.F. No. 1681, and further recommends that H.F. No. 1974 be given its second reading and substituted for S.F. No. 1681, 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. 1946 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1946	1982				

Pursuant to Rule 49, the Committee on Rules and Administration recom-



mends that H.F. No. 1946 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1946 and insert the language after the enacting clause of S.F. No. 1982, the first engrossment; further, delete the title of H.F. No. 1946 and insert the title of S.F. No. 1982, the first engrossment.

And when so amended H.F. No. 1946 will be identical to S.F. No. 1982, and further recommends that H.F. No. 1946 be given its second reading and substituted for S.F. No. 1982, 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 companion Senate File as follows:

<b>SPECIAL 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.
1803	1808				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1803 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1803 and insert the language after the enacting clause of S.F. No. 1808, the first engrossment; further, delete the title of H.F. No. 1803 and insert the title of S.F. No. 1808, the first engrossment.

And when so amended H.F. No. 1803 will be identical to S.F. No. 1808, and further recommends that H.F. No. 1803 be given its second reading and substituted for S.F. No. 1808, 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. 1352 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>SPECIAL 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.
1352	1306				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1352 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1352 and

insert the language after the enacting clause of S.F. No. 1306, the first engrossment; further, delete the title of H.F. No. 1352 and insert the title of S.F. No. 1306, the first engrossment.

And when so amended H.F. No. 1352 will be identical to S.F. No. 1306, and further recommends that H.F. No. 1352 be given its second reading and substituted for S.F. No. 1306, 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 identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1743	1781				

and that the above Senate File be indefinitely postponed.

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

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

S.F. No. 2173: A bill for an act relating to notaries public; changing the term of office; increasing the required bond amount; amending Minnesota Statutes 1982, section 359.02.

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

Page 1, after line 6, insert:

“Section 1. [358.41] [DEFINITIONS.]

*For the purposes of sections 1 to 3,*

(1) “*acknowledgment*” means a declaration by a person that another identified person has executed an instrument.

(2) “*verification upon oath or affirmation*” means a written declaration upon oath or affirmation that a written statement is true.

Sec. 2. [358.42] [DECLARATION UNDER PENALTY OF PERJURY.]

*Notwithstanding any law to the contrary, any matter that is required to be supported, evidenced, established, or proved by verification upon oath or affirmation in writing by the person making the verification may with like force and effect be supported, evidenced, established, or proved by a written statement that the matter is true under penalty of perjury. The written state-*

ment shall contain the date and county of execution within this state or any other state permitting declarations under penalty of perjury.

The written statement may be in substantially the following form:

"I declare under penalty of perjury that the foregoing is true and correct.

.....(date)..... (county)"

Sec. 3. [358.43] [EXCLUSIONS.]

Sections 1 to 3 shall not apply to a deposition, or an oath of office, or an oath required to be taken before a specified official other than a notary public, or to any instrument to be recorded in the office of the county recorder or to be filed in the office of the registrar of titles, or to acknowledgments as defined pursuant to section 1. A verification upon oath or affirmation includes a signature under oath as required by Rule 33 of the rules of civil procedure of the district court.

Sec. 4. Minnesota Statutes 1982, section 359.01, is amended to read:

359.01 [COMMISSION.]

Subdivision 1. [RESIDENT NOTARIES.] The governor may appoint and commission as notaries public, by and with the advice and consent of the senate, as many citizens of this state, over the age of 18 years, resident in the county for which appointed, as ~~he~~ the governor deems necessary.

Subd. 2. [NONRESIDENT NOTARIES.] Notwithstanding the provisions of subdivision 1, the governor may appoint as notary public, by and with the advice and consent of the senate, a person who is not a resident of this state and who is not a resident of the county for which appointment is sought if:

(1) the person is a resident of Wisconsin, Iowa, North Dakota, or South Dakota, and of a county that shares a boundary with this state;

(2) the person designates the clerk of the district court of a county of this state that shares a boundary with the county of residence as agent for the service of process for all purposes relating to notarial acts and for receipt of all correspondence relating to notarial acts.

Subd. 3. [FEES.] The fee for each commission shall not exceed \$10, and shall be paid to the governor's private secretary."

Page 1, line 11, delete "four" and insert "six"

Page 1, after line 22, insert:

"Sec. 6. [359.071] [CHANGE OF RESIDENCE.]

A notary public who, during his term of office, establishes residency in a county of this state other than the county for which he was appointed, may file with the secretary of state an affidavit identifying the county of current residency, the county for which he is appointed as notary public, and the date of change of residency. If the affidavit is properly filed, the notary shall continue to have the same powers during the unexpired term of his appointment as if he had not changed residence. No new bond is required to be given to the state and the existing bond shall remain valid until the expiration of the commission. The notary public shall be entitled to use his official seal for the remainder of his term.

Sec. 7. Minnesota Statutes 1982, section 609.48, subdivision 1, is amended to read:

Subdivision 1. [ACTS CONSTITUTING.] Whoever makes a false material statement which he does not believe to be true in any of the following cases is guilty of perjury and may be sentenced as provided in subdivision 4:

(1) In or for an action, hearing or proceeding of any kind in which the statement is required or authorized by law to be made under oath or affirmation; or

(2) *Except as otherwise provided in section 8*, in any writing which is required or authorized by law to be under oath or affirmation; or

(3) In any other case in which the penalties for perjury are imposed by law and no specific sentence is otherwise provided.

Sec. 8. Minnesota Statutes 1982, section 609.48, is amended by adding a subdivision to read:

*Subd. 1a. [OTHER ACTS PROHIBITED.] Whoever testifies, declares, deposes, or certifies under penalty of perjury in any of the cases in which the testimony, declarations, depositions, or certification is permitted by section 2 and makes a false material statement which he does not believe to be true, is guilty of perjury and may be sentenced as provided in subdivision 4, clause (2)."*

Page 1, line 25, delete "1" and insert "5"

Page 2, line 1, delete "1983" and insert "1984"

Page 2, after line 2, insert:

"Sec. 10. [EFFECTIVE DATE.]

*Sections 7 and 8 apply to crimes committed on or after August 1, 1984."*

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to notarial acts; providing that matters to be verified by oath or affirmation can be certified under penalty of perjury; authorizing appointment of out-of-state notaries; requiring designation of the clerk of district court of the county in which appointment is sought as agent for out-of-state notaries; changing the term of office for notaries public; increasing the bond amount; providing for transfer of notary public commissions; prescribing penalties; amending Minnesota Statutes 1982, sections 359.01; 359.02; and 609.48, subdivision 1, and by adding a subdivision; proposing new law coded in Minnesota Statutes, chapters 358 and 359."

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

## SECOND READING OF SENATE BILLS

S.F. No. 2173 was read the second time.

## SECOND READING OF HOUSE BILLS

H.F. Nos. 1502, 1878, 1656, 1950, 2148, 322, 1806, 1875, 1846, 1839,

1974, 1946, 1803, 1352 and 1743 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Sieloff moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1572. The motion prevailed.

### CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

### MOTIONS AND RESOLUTIONS - CONTINUED

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

H.F. No. 1760: A bill for an act relating to natural resources; authorizing a private sale of certain state fisheries land.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Pehler	Sieloff
Anderson	Dieterich	Kronebusch	Peterson, D.C.	Solon
Belanger	Frank	Laidig	Peterson, D.L.	Spear
Benson	Frederick	Lantry	Peterson, R.W.	Storm
Bertram	Frederickson	Lessard	Petty	Stumpf
Brataas	Freeman	Luther	Pogemiller	Ulland
Chmielewski	Hughes	Mehrkens	Purfeerst	Vega
Dahl	Isackson	Merriam	Ramstad	Wegscheid
Davis	Jude	Moe, D. M.	Reichgott	Willet
DeCramer	Kamrath	Moe, R. D.	Renneke	
Dicklich	Knaak	Olson	Samuelson	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1553: A bill for an act relating to metropolitan government; prescribing the authority of watershed management organizations; providing procedures for boundary changes and termination of watershed districts; amending Minnesota Statutes 1982, sections 473.876, subdivision 9; 473.877; 473.878, subdivisions 2, 3, 4, and by adding a subdivision; 473.882, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 473.

Mr. Merriam moved to amend H.F. No. 1553, as amended pursuant to Rule 49, adopted by the Senate April 11, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1554.)

Page 1, after line 11, insert:

“Section 1. Minnesota Statutes 1982, section 112.37, subdivision 7, is amended to read:

Subd. 7. The managers of a district wholly within the metropolitan area shall number not less than five nor more than nine. *The managers shall be selected to fairly represent by residence the various hydrologic areas within the district.* 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 1a.

Sec. 2. Minnesota Statutes 1982, 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. If the nominating petition that initiated the district 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 persons nominated jointly or severally by the townships and municipalities within the district. The list shall contain at least three nominees for each position to be filled. *Managers for a district wholly within the metropolitan area shall be appointed to fairly represent by residence the various hydrologic areas within the district.* It shall be submitted to the affected county board at least 60 days prior to the expiration of the term of office. If 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. 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 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 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 9, line 30, after "cities" insert "and towns"

Renumber the sections in sequence and correct internal cross-references

Amend the title as follows:

Page 1, line 6, after "sections" insert "112.37, subdivision 7; 112.42, subdivision 3;"

The motion prevailed. So the amendment was adopted.

Mr. Renneke moved to amend H.F. No. 1553, as amended pursuant to Rule 49, adopted by the Senate April 11, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1554.)

Page 2, delete lines 25 to 32 and insert:

*"(d) the authority of a watershed district under section 112.65 to accept the transfer of drainage systems in the watershed, to repair, improve, and maintain the transferred drainage systems, and to construct all new drainage systems and improvements of existing drainage systems in the watershed, provided that projects may be carried out under the powers granted in chapter 106, 112, or 473 and that proceedings of the board with respect to the systems must be in conformance with the watershed plan adopted under section 473.878; and"*

The motion prevailed. So the amendment was adopted.

H.F. No. 1553 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:

Adkins	Diessner	Knutson	Moe, R. D.	Samuelson
Anderson	Dieterich	Kroening	Olson	Schmitz
Belanger	Frank	Kronebusch	Pehler	Sieloff
Benson	Frederick	Laidig	Peterson, D.C.	Spear
Berg	Frederickson	Langseth	Peterson, D.L.	Storm
Bertram	Freeman	Lantry	Peterson, R.W.	Stumpf
Brataas	Hughes	Lessard	Petty	Taylor
Chmielewski	Isackson	Luther	Pogemiller	Ulland
Dahl	Johnson, D.E.	McQuaid	Purfeerst	Vega
Davis	Jude	Mehrkens	Ramstad	Waldorf
DeCramer	Kamrath	Merriam	Reichgott	Wegscheid
Dicklich	Knaak	Moe, D. M.	Renneke	Willett

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

## MOTIONS AND RESOLUTIONS - CONTINUED

### RECONSIDERATION

Mr. Kroening moved that the vote whereby S.F. No. 2079 failed to pass the Senate on April 14, 1984, be now reconsidered. The motion prevailed.

S.F. No. 2079: A bill for an act relating to gambling; requiring organizations conducting gambling under chapter 349 to file annual reports; proposing new law coded in Minnesota Statutes, chapter 349.

Mr. Kroening moved to amend S. F. No. 2079 as follows:

Page 1, line 9, after "*organization*" insert "*except churches or associations of churches*"

The motion prevailed. So the amendment was adopted.

### CALL OF THE SENATE

Mr. Bertram imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

S.F. No. 2079 was read the third time, as amended, and placed on its final passage.

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

Mr. Waldorf moved that those not voting be excused from voting. The motion did not prevail.

Mr. Moe, R.D. moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 33 and nays 33, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Langseth	Pehler	Solon
Berg	Diessner	Lantry	Peterson, C.C.	Stumpf
Bertram	Frank	Lessard	Petty	Vega
Chmielewski	Hughes	Luther	Pogemiller	Wegscheid
Dahl	Johnson, D.J.	Moe, R. D.	Purfeerst	Willet
Davis	Knaak	Nelson	Samuelson	
DeCramer	Kroening	Novak	Schmitz	

Those who voted in the negative were:

Anderson	Frederickson	Kronebusch	Peterson, D.C.	Spear
Belanger	Freeman	Laidig	Peterson, D.L.	Storm
Benson	Isackson	McQuaid	Peterson, R.W.	Taylor
Bernhagen	Johnson, D.E.	Mehrkens	Ramstad	Uiland
Brataas	Jude	Merriam	Reichgott	Waldorf
Dieterich	Kamrath	Moe, D. M.	Renneke	
Frederick	Knutson	Olson	Sieloff	

So the bill, as amended, failed to pass.

### SPECIAL ORDER

H.F. No. 1528: A bill for an act relating to taxation; updating references to the internal revenue code; simplifying certain income tax and property tax



refund provisions; making technical corrections and administrative changes to income tax, inheritance tax and property tax refund provisions; amending Minnesota Statutes 1982, sections 10A.31, subdivision 1; 62E.11, subdivision 8; 171.31; 271.19; 290.01, subdivision 20e; 290.012, subdivision 3; 290.05, subdivision 4; 290.06, subdivisions 3e, 3f, and 3g; 290.095, subdivision 11; 290.17, subdivision 1a; 290.19, subdivision 1a; 290.23, subdivision 3; 290.311, subdivision 1; 290.41, subdivision 2, and by adding a subdivision; 290.56, subdivisions 4 and 5; 290.61; 290.931, subdivision 1; 290A.07, subdivision 2a; 600.21; Minnesota Statutes 1983 Supplement, sections 176.186; 290.01, subdivisions 20, 20a, 20b, and 20f; 290.032, subdivision 2; 290.06, subdivisions 2c, 3d, 11, 13, and 14; 290.067, subdivisions 1 and 2; 290.077, subdivision 4; 290.089, subdivisions 2 and 3; 290.09, subdivisions 5 and 29; 290.091; 290.10; 290.17, subdivisions 1 and 2; 290.174; 290.175; 290.18, subdivision 1; 290.21, subdivision 3; 290.37, subdivision 1; 290.431; 290.45, subdivision 1; 290.46; 290.92, subdivision 26; 290.93, subdivision 10; 290.9726, subdivision 5; 290A.03, subdivisions 3, 6, 11, 12, and 14; 290A.04, subdivisions 1 and 2; 290A.07, subdivision 3; and 296.18, subdivision 1; Laws 1980, chapter 439, section 36; repealing Minnesota Statutes 1982, sections 290.011; 290.311, subdivision 2; Minnesota Statutes 1983 Supplement, section 290A.16; and Laws 1983, chapter 207, section 6.

Mr. Peterson, C.C. moved to amend the Peterson, C.C. amendment to H. F. No. 1528, adopted by the Senate April 12, 1984, as follows:

Page 1 of the Peterson amendment, after line 22, insert: "Page 58, line 10, after the period, insert *"An individual who is not a Minnesota resident for any part of the year is not required to file a Minnesota income tax return if the individual's Minnesota gross income computed under section 290.06, subdivision 2c, clause (c)(1) is less than the filing requirements for an individual who is a full year resident of Minnesota with the same marital status and number of personal credits."*

The motion prevailed. So the amendment was adopted.

H.F. No. 1528 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 56 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Lantry	Peterson, D.C.	Storm
Anderson	Dieterich	Lessard	Peterson, R. W.	Stumpf
Benson	Frank	Luther	Petty	Taylor
Berg	Frederick	McQuaid	Pogemiller	Ulland
Bernhagen	Frederickson	Mehrkens	Purfeerst	Vega
Bertram	Isackson	Merriam	Ramstad	Waldorf
Brataas	Johnson, D.E.	Moe, D. M.	Renneke	Wegscheid
Chmielewski	Knaak	Moe, R. D.	Samuelson	Willet
Dahl	Knutson	Novak	Schmitz	
Davis	Kroening	Olson	Sieloff	
DeCramer	Kronebusch	Pehler	Solon	
Dicklich	Laidig	Peterson, C.C.	Spear	

Mr. Kamrath voted in the negative.

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

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Waldorf moved that the following members be excused for a Conference Committee on H.F. No. 2314 at 1:15 p.m.:

Messrs. Waldorf, Taylor, Purfeerst, Langseth and Dicklich. The motion prevailed.

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Johnson, D.J. moved that the following members be excused for a Conference Committee on H.F. No. 2016 at 12:00 noon:

Messrs. Johnson, D.J.; Peterson, C.C.; Ms. Berglin, Messrs. Novak and Bernhagen. The motion prevailed.

### SPECIAL ORDER

H.F. No. 1466: A bill for an act relating to courts; providing procedures for collection of conciliation court judgments; requiring conciliation court clerks to explain procedures of conciliation court to litigants and to assist them in filling out forms; amending Minnesota Statutes 1982, sections 487.30, by adding subdivisions; 488A.13, subdivision 2; 488A.16, subdivisions 1 and 8; 488A.30, subdivision 2; 488A.33, subdivisions 1 and 7; and 488A.34, subdivision 9.

Mr. Sieloff moved to amend H.F. No. 1466, as amended pursuant to Rule 49, adopted by the Senate April 11, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1285.)

Page 1, delete lines 15 to 22

Page 1, line 23, delete "form" and insert:

*"Subd. 5. [NOTICE OF ORDER.] The notice of order of judgment, mailed by the clerk to each party, shall state that (1) if the conciliation court judgment has been docketed as a county court judgment for at least 30 days, and (2) if the judgment has not been satisfied or if the parties have not agreed otherwise; the judgment debtor shall mail to the judgment creditor information as to the nature, amount, identity, and location of all his assets, liabilities, and personal earnings. The information shall be provided on a form that shall be enclosed with the order. The form shall be"*

Page 2, line 4, delete everything after the period

Page 2, delete lines 5 to 21

Page 2, line 24, delete "7" and insert "6"

Page 2, line 32, delete "8" and insert "7"

Page 4, delete lines 10 to 18

Pages 4 to 6, delete sections 6 and 7 and insert:

*"Sec. 5. Minnesota Statutes 1982, section 488A.16, subdivision 1, is amended to read:*

Subdivision 1. [NOTICE OF ORDER.] The clerk shall promptly mail to each party a notice of the order for judgment which the judge enters. The notice shall state:

(a) the number of days allowed for obtaining an order to vacate where there has been a default or for removing the cause to municipal court;

(b) that if the cause is removed to municipal court, the court may, in its discretion, allow the prevailing party to recover from the aggrieved party an amount not to exceed \$50 as costs if the prevailing party on appeal is not the aggrieved party in the original action;

(c) that if the conciliation court judgment has been docketed as a municipal court judgment pursuant to subdivision 8 for at least 30 days, and if (1) the judgment has not been satisfied or (2) the parties have not agreed otherwise; the judgment debtor shall mail to the judgment creditor information as to the nature, amount, identity, and location of all his assets, liabilities, and personal earnings. The information shall be provided on a form that shall be enclosed with the order. The form shall be prescribed by the supreme court and shall be sufficiently detailed to enable the judgment creditor to obtain satisfaction of the judgment by way of execution on nonexempt assets and earnings of the judgment debtor. The form shall be written in a clear and coherent manner using words with common and everyday meanings, shall summarize the execution and garnishment exemptions and limitations applicable to assets and earnings, and shall permit the judgment debtor to identify on the form those assets and earnings that he considers to be exempt from execution or garnishment."

Page 6, delete lines 14 to 36

Page 7, delete lines 1 to 36 and insert:

"Sec. 7. Minnesota Statutes 1982, section 488A.33, subdivision 1, is amended to read:

Subdivision 1. [NOTICE OF ORDER.] The administrator shall promptly mail to each party a notice of the order for judgment which the judge enters. The notice shall state:

(a) the number of days allowed for obtaining an order to vacate where there has been a default or for removing the cause to municipal court;

(b) that if the cause is removed to municipal court, the court may, in its discretion, allow the prevailing party to recover from the aggrieved party an amount not to exceed \$50 as costs if the prevailing party on appeal is not the aggrieved party in the original action;

(c) that if the conciliation court judgment has been docketed as a municipal court judgment pursuant to subdivision 7 for at least 30 days, and if (1) the judgment has not been satisfied or (2) the parties have not agreed otherwise; the judgment debtor shall mail to the judgment creditor information as to the nature, amount, identity, and location of all his assets, liabilities, and personal earnings. The information shall be provided on a form that shall be enclosed with the order. The form shall be prescribed by the supreme court and shall be sufficiently detailed to enable the judgment creditor to obtain satisfaction of the judgment by way of execution on nonexempt assets and earnings of the judgment debtor. The form shall be written in a clear and

*coherent manner using words with common and everyday meanings, shall summarize the execution and garnishment exemptions and limitations applicable to assets and earnings, and shall permit the judgment debtor to identify on the form those assets and earnings that he considers to be exempt from execution or garnishment."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "requiring"

Page 1, delete lines 4 and 5

Page 1, line 6, delete everything before the semicolon and insert "requiring notice to litigants regarding satisfaction of judgment and costs on removal"

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

Page 1, line 9, delete "subdivisions 1 and 7" and insert "subdivision 1"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 22 and nays 35, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Kamrath	McQuaid	Storm
Belanger	Frederickson	Knaak	Mehrkens	Ulland
Benson	Isackson	Knutson	Olson	
Berg	Johnson, D. E.	Kronebusch	Renneke	
Bernhagen	Jude	Laidig	Sieloff	

Those who voted in the negative were:

Adkins	Diessner	Lessard	Peterson, C. C.	Samuelson
Bertram	Dieterich	Luther	Peterson, D. C.	Schmitz
Chmielewski	Frank	Merriam	Peterson, R. W.	Solon
Dahl	Freeman	Moe, D. M.	Petty	Stumpf
Davis	Hughes	Moe, R. D.	Pogemiller	Vega
DeCramer	Kroening	Novak	Purfeerst	Wegscheid
Dicklich	Lantry	Pehler	Reichgott	Willet

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

H.F. No. 1466 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Moe, R. D.	Storm
Belanger	DeCramer	Kroening	Novak	Stumpf
Benson	Diessner	Kronebusch	Olson	Taylor
Berg	Dieterich	Laidig	Peterson, D. C.	Vega
Bernhagen	Frank	Lantry	Petty	Wegscheid
Bertram	Freeman	Luther	Pogemiller	Willet
Brataas	Hughes	McQuaid	Reichgott	
Chmielewski	Jude	Merriam	Samuelson	
Dahl	Kamrath	Moe, D. M.	Schmitz	

Those who voted in the negative were:

Anderson  
Frederickson

Isackson  
Johnson, D.E.

Knutson  
Mehrkens

Sieloff

Ulland

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1824: A bill for an act relating to transportation; providing for installation of drain tile along or across highways; delineating debt collection authority of the department of transportation; allowing vending machines in rest areas; tourist information centers, and weigh stations; providing for the erection of certain signs by counties; permitting restaurants to be included on specific service signs; providing for the clustering and spacing of specific service signs; directing the commissioner of transportation to establish a sign franchise program for the placement of advertising logos on the right-of-way of certain highways; authorizing road authorities to assist each other; redefining "directional signs" for purposes of outdoor advertising control and directing the commissioner of transportation to develop uniform standards for them; reducing a fee; repealing a restriction on the authority of the commissioner of transportation to expend money to acquire or condemn advertising devices; amending Minnesota Statutes 1982, sections 160.08, subdivision 7; 160.20, subdivision 3, and by adding a subdivision; 160.28; 160.283, subdivision 3; 160.285; 160.292; 160.293, subdivisions 1 and 3; 160.295, subdivisions 2 and 3; 161.20, subdivision 4; 161.39, subdivisions 1, 5, and 6; 173.02, subdivision 6; and 173.13, subdivision 7; Minnesota Statutes 1983 Supplement, section 173.13, subdivision 4; and Laws 1983, chapter 293, section 2, subdivision 4; proposing new law coded in Minnesota Statutes, chapters 160 and 173.

Mr. Schmitz moved that the amendment made to H.F. No. 1824 by the Committee on Rules and Administration in the report adopted April 11, 1984, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Schmitz moved to amend H.F. No. 1824 as follows:

Page 2, line 13, delete "11" and insert "12"

Page 4, line 26, after "candy" insert ", potato chips, popcorn, peanuts, cookies"

Pages 13 and 14, delete section 22

ReNUMBER the sections in sequence

Amend the title as follows:

Page 1, lines 31 and 32, delete "sections 173.08, subdivision 1;" and insert "section"

The motion prevailed. So the amendment was adopted.

H.F. No. 1824 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Moe, R. D.	Samuelson
Anderson	Diessner	Knutson	Novak	Schmitz
Belanger	Dieterich	Kroening	Olson	Sieloff
Benson	Frank	Kronebusch	Peterson, C.C.	Solon
Berglin	Frederickson	Laidig	Peterson, D.C.	Spear
Bernhagen	Freeman	Lantry	Peterson, D.L.	Storm
Bertram	Hughes	Lessard	Petty	Stumpf
Brataas	Isackson	Luther	Pogemiller	Ulland
Chmielewski	Johnson, D.E.	McQuaid	Ramstad	Vega
Dahl	Jude	Merriam	Reichgott	Willet
Davis	Kamrath	Moe, D. M.	Renneke	

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

### SPECIAL ORDER

H.F. No. 1809: A bill for an act relating to crimes; authorizing aggregation of thefts in medicaid fraud cases; extending the statute of limitations in medicaid fraud cases; amending Minnesota Statutes 1982, section 628.26; Minnesota Statutes 1983 Supplement, section 609.52, subdivision 3.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Moe, D. M.	Reichgott
Anderson	Diessner	Knutson	Moe, R. D.	Samuelson
Belanger	Dieterich	Kroening	Novak	Schmitz
Benson	Frank	Kronebusch	Olson	Sieloff
Berglin	Frederickson	Laidig	Peterson, C.C.	Solon
Bernhagen	Freeman	Lantry	Peterson, D.C.	Spear
Bertram	Hughes	Lessard	Peterson, D.L.	Storm
Brataas	Isackson	Luther	Peterson, R.W.	Stumpf
Chmielewski	Johnson, D.E.	McQuaid	Petty	Ulland
Dahl	Jude	Mehrkens	Pogemiller	Vega
Davis	Kamrath	Merriam	Ramstad	Willet

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 1408: A bill for an act relating to state government; recodifying the laws governing the department of administration; allowing the commissioner of administration to transfer to local government units certain supplies, materials, and equipment; allowing the commissioner of administration to charge a price sufficient to cover costs when selling copies of laws and resolutions; allowing the commissioner of administration to lease office space and purchase supplies and equipment without the approval of the governor; allowing the commissioner of administration to provide for the use of certain motor vehicles by the governor and lieutenant governor; relating to the use of state vehicles and compensation for use of personal vehicles; including in the definition of the term "employee" for purposes of workers' compensation a voluntary uncompensated worker accepted by the commissioner of administration; specifying the United States department of labor as

the entity which designates a labor surplus area; amending Minnesota Statutes 1982, sections 16A.065; and 645.445, subdivision 5; and Minnesota Statutes 1983 Supplement, section 176.011, subdivision 9; proposing new law coded in Minnesota Statutes, chapter 16A; proposing new law coded as Minnesota Statutes, chapter 16B; repealing Minnesota Statutes 1982, sections 16.01; 16.011; 16.012; 16.014; 16.02, subdivisions 1, 2, 2a, 3, 4, 5, 5a, 6, 6a, 6b, 7, 8, 9, 10, 13, 15, 16, 17, 18, 19, 24, 25, 26, and 27; 16.021; 16.022; 16.023; 16.0231; 16.024; 16.025; 16.026; 16.028; 16.03; 16.04; 16.05; 16.06; 16.061; 16.062; 16.063; 16.064; 16.065; 16.066; 16.068; 16.07; 16.073; 16.075; 16.08; 16.081; 16.082; 16.083, subdivision 2; 16.086, subdivision 2; 16.09; 16.095; 16.096; 16.098, subdivisions 1, 2, 3, 5, 6, 7, 8, 9, 10, and 11; 16.12; 16.125; 16.135; 16.139; 16.172; 16.21; 16.22; 16.23; 16.24; 16.243; 16.244; 16.251; 16.281; 16.32, subdivisions 1, 3, and 4; 16.34; 16.365; 16.381; 16.51; 16.52; 16.53; 16.54; 16.55; 16.56; 16.71; 16.72; 16.723; 16.73; 16.75, subdivisions 1, 2, 3, 4, 5, 6, and 8; 16.753, subdivisions 1, 2, 4, 5, and 6; 16.756; 16.76; 16.77; 16.78; 16.80; 16.81; 16.811; 16.82, subdivision 2; 16.821; 16.822; 16.823; 16.824; 16.825; 16.826; 16.827; 16.83; 16.84; 16.85; 16.851, subdivisions 1 and 2; 16.854; 16.86; 16.861, subdivisions 1, 2, 4, 5, 6, and 7; 16.862; 16.8632; 16.864; 16.865; 16.866, subdivision 2; 16.867; 16.868; 16.869; 16.871; 16.872, subdivisions 1, 2, and 3; 16.874; 16.88; 16.89; 16.90, subdivisions 1, 2, and 3; 16.931; 16.94; 16.95; 16.955; 16.96; and 16.97; and Minnesota Statutes 1983 Supplement, sections 16.02, subdivisions 10a, 14, 28, and 29; 16.072; 16.0721; 16.083, subdivisions 1, 1a, 3, 4, 4a, 4b, 5 and 6; 16.084; 16.085; 16.086, subdivision 1; 16.092; 16.098, subdivision 4; 16.28; 16.32, subdivision 2; 16.321; 16.75, subdivisions 7 and 9; 16.753, subdivision 3; 16.82, subdivision 1; 16.851, subdivision 3; 16.861, subdivision 3; 16.863; 16.866, subdivision 1; 16.872; 16.90, subdivision 4; 16.91; and 16.911.

Mr. Moe, D.M. moved to amend S.F. No. 1408 as follows:

Page 84, after line 15, insert:

“Sec. 78. [INSTRUCTIONS TO REVISOR.]

*In the following sections of Minnesota Statutes, the revisor of statutes shall change the reference to chapter 16 listed in column B which occurs in the section specified in column A to the new reference listed in column C.*

<i>COLUMN A, Section</i>	<i>COLUMN B, Section</i>	<i>COLUMN C, Section</i>
13.43, subd. 7	16.02, subd. 28	16B.39, subd. 2
14.56	16.125	16B.37
15.44	16.84, subd. 8	16B.60, subd. 7
15.061	16.098	16B.17
15.18	16.02	chapter 16B
16A.131	16.72, subd. 7	16B.58, subd. 7
16A.15	16.07, subd. 1	16B.07, subd. 2
16A.72	16.78	16B.57
85A.03, subd. 4	16.06 and 16.07 and 16.28	16B.07
105.41, subd. 5	15.011	16B.01
105.44, subd. 10	16.011	16B.01
116J.06, subd. 2	16.85	16B.61
116J.19, subd. 8	16.862	16B.66
120.81, subd. 1	16.90	16B.40
120.81, subd. 1	16.94	16B.44
123.73	16.93	Chapter 16B

<i>COLUMN A, Section</i>	<i>COLUMN B, Section</i>	<i>COLUMN C, Section</i>
136A.29, subd. 6	16.07	chapter 16B
144.0742	16.098	chapter 16B
161.321, subd. 4	16.083, subds. 2, 3, and 6	16B.19, subds. 2, 3, and 6
179.7411	16.07	16B.07, subd. 1
268.12, subd. 8	16.02	16B.50
299F.011, subd. 4	16.83 to 16.867	16B.59 to 16B.73
299F.015, subd. 2	16.83 to 16.867	16B.59 to 16B.73
299F.391, subd. 3	16.83 to 16.867	16B.59 to 16B.73
326.243	Minnesota Statutes 1965, section 16.85	16B.61
327.32, subd. 7	16.83 to 16.867	16B.59 to 16B.73
471.616, subd. 1	Minnesota Statutes 1971, section 16.07, subds. 1, 2, 4, and 5	16B.07, subds. 1 to 5
473.556, subd. 14	16.081 to 16.084	16B.19 to 16B.22
480.09, subd. 1	16.02	chapter 16B''

Renumber the sections in sequence

The motion prevailed. So the amendment was adopted.

Mr. Moe, D.M. then moved to amend S.F. No. 1408 as follows:

Page 84, after line 3, insert:

“Sec. 77. [611.216] [CRIMINAL AND JUVENILE DEFENSE GRANTS.]

*Subdivision 1. [ELIGIBLE RECIPIENTS.] Money appropriated to provide criminal and juvenile defense to indigent individuals must be distributed by the board of public defense to the nonprofit criminal and juvenile defense corporations designated by law. Money may not be disbursed to a corporation in the Leech Lake reservation area or the White Earth reservation area without prior approval by the respective reservation business committee. Within its geographic area of responsibility each corporation shall accept cases involving felony, gross misdemeanor, and misdemeanor charges and juvenile cases if financial eligibility standards are met, unless there is a legal reason for rejecting a case. A corporation may accept cases arising outside its geographic area of responsibility, as appropriate. Each corporation, in order to insure broad support, shall provide matching money received from non-state sources, which may include money from federal agencies, local governments, private agencies, and community groups, equal to ten percent of its state appropriation. The board of public defense shall give notice 30 days in advance and conduct a hearing if it has reasonable grounds to believe money appropriated for this purpose is being improperly used, or if it has reasonable cause to believe criminal and juvenile defense of proper quality is not being supplied. Payment must cease from the date of notice until either the board of public defense determines that the money appropriated will be properly handled, or the board of public defense determines that criminal and juvenile defense of proper quality will be provided. A participating corporation may give notice at any time of its withdrawal from this program of financial assistance.*

*Subd. 2. [DISCRIMINATION; PENALTY.] An employee, administrator,*



The roll was called, and there were yeas 12 and nays 38, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Kronebusch	McQuaid	Ramstad
Belanger	Knaak	Laidig	Mehrkens	Storm
Benson	Knutson			

Those who voted in the negative were:

Adkins	DeCramer	Isackson	Novak	Renneke
Berg	Diessner	Jude	Olson	Schmitz
Berglin	Dieterich	Kamrath	Peterson, C. C.	Sieloff
Bernhagen	Frank	Kroening	Peterson, D. C.	Spear
Bertram	Frederick	Lantry	Peterson, R. W.	Stumpf
Chmielewski	Frederickson	Merriam	Petty	Ulland
Dahl	Freeman	Moe, D. M.	Pogemiller	
Davis	Hughes	Moe, R. D.	Reichgott	

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

S.F. No. 2043 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 35 and nays 21, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Kroening	Novak	Schmitz
Belanger	DeCramer	Lantry	Peterson, C. C.	Spear
Berg	Diessner	Lessard	Peterson, D. C.	Storm
Berglin	Dieterich	Luther	Peterson, R. W.	Stumpf
Bernhagen	Frank	Merriam	Petty	Vega
Bertram	Hughes	Moe, D. M.	Pogemiller	Wegscheid
Chmielewski	Jude	Moe, R. D.	Reichgott	Willet

Those who voted in the negative were:

Anderson	Frederickson	Knutson	Olson	Ulland
Benson	Isackson	Kronebusch	Peterson, D. L.	
Brataas	Johnson, D. E.	Laidig	Ramstad	
Davis	Kamrath	McQuaid	Renneke	
Frederick	Knaak	Mehrkens	Sieloff	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 1977: A bill for an act relating to economic development; clarifying provisions relating to the export finance authority; amending Minnesota Statutes 1983 Supplement, sections 17.104, by adding a subdivision; and 17.105, subdivisions 1, 3, 4, and 7.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kamrath	Merriam	Reichgott
Anderson	Diessner	Knaak	Moe, R. D.	Renneke
Belanger	Dieterich	Knutson	Novak	Samuelson
Benson	Frank	Kroening	Olson	Schmitz
Berg	Frederick	Kronebusch	Peterson, C. C.	Sieloff
Berglin	Frederickson	Laidig	Peterson, D. C.	Solon
Bernhagen	Freeman	Lantry	Peterson, D. L.	Spear
Bertram	Hughes	Lessard	Peterson, R. W.	Storm
Brataas	Isackson	Luther	Petty	Stumpf
Chmielewski	Johnson, D. E.	McQuaid	Pogemiller	Ulland
Davis	Jude	Mehrkens	Ramstad	Wegscheid

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1939: A bill for an act relating to commerce; removing preference for Minnesota made materials in state purchasing; clarifying definition of public contract for resident preference; amending Minnesota Statutes 1982, section 16.365; Minnesota Statutes 1983 Supplement, section 16.0721; repealing Minnesota Statutes 1982, section 16.073; Minnesota Statutes 1983 Supplement, section 16.072; and Laws 1983, chapter 336, section 3.

Mr. Chmielewski moved to amend H.F. No. 1939, as amended pursuant to Rule 49, adopted by the Senate April 11, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2153.)

Page 3, after line 26, insert:

“Sec. 3. [RELATION TO OTHER ENACTMENTS.]

*If S.F. No. 1408, H.F. No. 1757, or any act recodifying the laws in Minnesota Statutes 1982 and 1983 Supplement, chapter 16, is enacted by the 1984 legislature, sections 1, 2, 3, and 4 of this act shall prevail over that enactment.*”

Renumber the sections in sequence and correct the internal references

The motion prevailed. So the amendment was adopted.

H.F. No. 1939 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 1, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Novak	Schmitz
Anderson	Diessner	Knutson	Olson	Sieloff
Belanger	Dieterich	Kroening	Peterson, C. C.	Solon
Benson	Frank	Kronebusch	Peterson, D. C.	Spear
Berg	Frederick	Laidig	Peterson, D. L.	Storm
Berglin	Frederickson	Lantry	Peterson, R. W.	Stumpf
Bernhagen	Freeman	Lessard	Petty	Ulland
Bertram	Hughes	Luther	Pogemiller	Wegscheid
Brataas	Isackson	McQuaid	Ramstad	Willet
Chmielewski	Johnson, D. E.	Mehrkens	Reichgott	
Dahl	Jude	Merriam	Renneke	
Davis	Kamrath	Moe, R. D.	Samuelson	

Mr. Vega voted in the negative.

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

## MOTIONS AND RESOLUTIONS - CONTINUED

### RECONSIDERATION

Mr. Vega moved that the vote whereby S.F. No. 1880 failed to pass the Senate on April 14, 1984, be now reconsidered. The motion prevailed.

S.F. No. 1880: A bill for an act relating to local government; providing for financing of county and county regional jails; amending Minnesota Statutes 1982, sections 641.24; and 641.264, subdivision 1.

Mr. Wegscheid moved that S.F. No. 1880 be laid on the table. The motion prevailed.

### SPECIAL ORDER

S.F. No. 1451: A bill for an act relating to commerce; including all liens on file in abstract by the county recorder; providing a lien for agricultural production inputs; establishing a procedure for priority and foreclosure requirements; amending Minnesota Statutes 1982, section 386.42; proposing new law coded in Minnesota Statutes, chapter 514.

Mr. DeCramer moved to amend S.F. No. 1451 as follows:

Page 2, line 20, before the period, insert "*identified in a lien-notification statement*"

Page 2, line 21, delete "CREDIT" and insert "COMMITMENT" and delete "credit" and insert "commitment"

Page 2, line 23, before the period, insert "*upon the supplier presenting invoices signed by the purchaser or other proof of delivery*"

Page 2, line 36, delete "4" and insert "3"

Page 3, line 12, after the period, insert "*Delivery of*"

Page 3, line 15, after "must" insert "*be in a form approved by the secretary of state and*"

Page 3, line 16, delete "*designated*"

Page 3, line 17, delete everything before the semicolon

Page 3, line 18, delete "*person*" and insert "*supplier*"

Page 3, line 19, after "*anticipated date*" insert "*or dates*"

Page 3, line 20, after "*cost*" insert "*or anticipated costs*"

Page 3, line 24, after "*and*" delete "*the*" and insert "*a*"

Page 3, line 25, delete "*location*" and insert "*description*" and delete "*property*" and insert "*estate*"

Page 3, line 35, delete "*credit*" and insert "*commitment for part or all of the amount in the lien-notification statement*"

Page 3, line 36, delete "*credit*" and insert "*commitment*"

Page 4, line 2, delete "credit" and insert "commitment for part or all of the amount in the lien-notification statement"

Page 4, line 14, delete "or"

Page 4, line 16, before the period, insert " ; or

(3) for livestock any limitation in section 4, subdivision 2"

Page 5, after line 12, insert:

*Subd. 3. [TIME OF ATTACHMENT.] An agricultural input lien attaches when the agricultural production inputs are furnished by the supplier to the purchaser."*

The motion prevailed. So the amendment was adopted.

S.F. No. 1451 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knutson	Novak	Samuelson
Anderson	DeCramer	Kroening	Olson	Schmitz
Belanger	Diessner	Kronebusch	Peterson, C. C.	Sieloff
Benson	Dieterich	Laidig	Peterson, D. C.	Solon
Berg	Frank	Lantry	Peterson, D. L.	Storm
Berglin	Frederick	Lessard	Peterson, R. W.	Stumpf
Bernhagen	Frederickson	Luther	Petty	Ulland
Bertram	Freeman	McQuaid	Pogemiller	Vega
Brataas	Isackson	Mehrkens	Ramstad	Wegscheid
Chmielewski	Kamrath	Merriam	Reichgott	Willet
Dahl	Knaak	Moe, R. D.	Renneke	

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

### SPECIAL ORDER

H.F. No. 996: A bill for an act relating to local government; authorizing the port authorities of the cities of St. Paul and Bloomington to acquire and operate a district heating system.

Was read the third time 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 3, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Kamrath	Olson	Sieloff
Anderson	DeCramer	Kroening	Peterson, C. C.	Spear
Belanger	Diessner	Kronebusch	Peterson, D. C.	Storm
Benson	Frank	Laidig	Petty	Stumpf
Berglin	Frederick	Lantry	Pogemiller	Ulland
Bernhagen	Frederickson	Lessard	Ramstad	Wegscheid
Bertram	Freeman	Luther	Reichgott	Willet
Brataas	Hughes	McQuaid	Renneke	
Chmielewski	Isackson	Mehrkens	Samuelson	
Dahl	Jude	Novak	Schmitz	

Messrs. Knaak, Knutson and Merriam voted in the negative.

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1428: A bill for an act relating to missing children; requiring the commissioner of public safety to establish a Minnesota missing child program; requiring law enforcement agencies receiving missing child reports to take certain actions; proposing new law coded in Minnesota Statutes, chapter 299C.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kronebusch	Olson	Solon
Anderson	Dieterich	Laidig	Peterson, C.C.	Spear
Belanger	Frank	Lantry	Peterson, D.C.	Storm
Benson	Frederick	Lessard	Petty	Stumpf
Berg	Frederickson	Luther	Pogemiller	Ulland
Berglin	Isackson	McQuaid	Ramstad	Vega
Bernhagen	Jude	Mehrkens	Reichgott	Wegscheid
Bertram	Kamrath	Merriam	Renneke	Willet
Brataas	Knaak	Moe, D. M.	Samuelson	
Dahl	Knutson	Moe, R. D.	Schmitz	
Davis	Kroening	Novak	Sieloff	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 2100: A bill for an act relating to public finance; providing for allocation of federal authority to issue certain state and local obligations; amending Minnesota Statutes 1982, sections 116J.58, by adding a subdivision; 273.77; 429.091, by adding a subdivision; 430.12; and 472.09, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapters 458; 459; 462; 474; and 475.

Mr. Pogemiller moved to amend S.F. No. 2100, as follows:

Page 1, line 27, delete “; and” and insert a period

Page 2, delete lines 1 to 5

Page 10, line 2, after the period, insert “*Prior to enactment by Congress of the United States of America of a federal limitation act, “previous use” means the principal amount of obligations of a type subject to limitation under the terms of section 721 of the Tax Reform Bill of 1984, H.R. 4170, as reported by the Ways and Means Committee of the United States House of Representatives on March 5, 1984, issued by a local issuer during a specified period.*”

Page 11, line 11, delete “a” and insert “an application”

Page 11, line 16, after “and” insert “the application”

Page 11, line 24, delete everything after the period

Page 11, delete lines 25 to 28

Page 11, line 29, delete "*an entitlement issuer pursuant to section 11.*"

Page 12, line 17, delete "a" and insert "*an application*"

Page 12, line 22, after "*and*" insert "*the application*"

Page 13, line 30, delete everything after the period

Page 13, delete lines 31 to 36

Page 14, delete lines 1 and 2

Page 14, line 3, delete "*allocation of the entitlement issuer.*"

Page 14, after line 7, insert:

*"Within 15 days after the effective date of a federal limitation act, any issuer who submitted a certification in accordance with the first paragraph of this subdivision shall submit a new certification as to previous use as defined in accordance with the federal limitation act for the highest three of the four preceding calendar years. Within 15 days thereafter, the department of energy and economic development shall determine and publish the revised amount of issuance authority allocated to each issuer that is an entitlement issuer that submitted the information required by this subdivision. Failure to submit the new certification required by this paragraph shall result in forfeiture of unused previously allocated issuance authority. The revised amount of issuance authority for each entitlement issuer shall be determined in accordance with the first paragraph of this subdivision, but shall be reduced by the principal amount of obligations issued by the entitlement issuer prior to the date of the determination. If the revised amount of issuance authority for any entitlement issuer is less than zero, the amount shall reduce the amount otherwise available for allocation pursuant to section 12, subdivision 1. The principal amount of any obligations issued by a local issuer that does not qualify as an entitlement issuer based on previous use determined in accordance with the federal limitation act, but issued pursuant to an allocation published in accordance with the first paragraph of this subdivision, shall reduce the amount otherwise available for allocation pursuant to section 12, subdivision 1."*

Page 14, line 15, delete "a" and insert "*an application*"

Page 14, line 19, after "*and*" insert "*the application*"

Page 15, line 3, delete "13" and insert "10"

Page 15, line 28, delete "a" and insert "*an application*"

Page 16, line 34, after "*employed*" insert "*in the applicant's jurisdiction*"

Page 19, line 2, delete "*out-of-bond*" and insert "*from bond*"

Page 19, line 30, delete "five" and insert "four"

Page 20, line 6, delete "five" and insert "four"

Page 20, line 14, after the first "*the*" insert "*application*"

Page 20, line 25, after "*percent*" insert "*application*"

Page 20, line 30, delete "*November 30*" and insert "*October 31*"

Page 20, lines 33 and 34, delete "*December 1 to November 30*" and insert

*"November 1 to December 31"*

Page 21, line 7, delete *"must"* and insert *"shall"*

Page 21, line 13, delete *"a"* and insert *"an application"*

Page 21, line 16, delete *"I"* and insert *"S"*

Page 21, line 18, delete *"I"* and insert *"S"*

Page 22, line 11, delete *"must"* and insert *"shall"*

Page 22, line 28, after *"month"* insert *"during which the notice is published"*

The motion prevailed. So the amendment was adopted.

Mr. Pogemiller then moved to amend S. F. No. 2100 as follows:

Page 7, after line 8, insert:

*"Sec. 3. Minnesota Statutes 1982, section 429.021, subdivision 1, is amended to read:*

*Subdivision 1. [IMPROVEMENTS AUTHORIZED.] The council of a municipality shall have power to make the following improvements:*

(1) To acquire, open, and widen any street, and to improve the same by constructing, reconstructing, and maintaining sidewalks, pavement, gutters, curbs, and vehicle parking strips of any material, or by grading, graveling, oiling, or otherwise improving the same, including the beautification thereof and including storm sewers or other street drainage and connections from sewer, water or similar mains to curb lines.

(2) To acquire, develop, construct, reconstruct, extend and maintain storm and sanitary sewers and systems, including outlets, holding areas and ponds, treatment plants, pumps, lift stations, service connections, and other appurtenances of a sewer system, within and without the corporate limits.

(3) To construct, reconstruct, extend and maintain steam heating mains.

(4) To install, replace, extend and maintain street lights and street lighting systems and special lighting systems.

(5) To acquire, improve, construct, reconstruct, extend and maintain water works systems, including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks, treatment plants, and other appurtenances of a water works system, within and without the corporate limits.

(6) To acquire, improve and equip parks, open space areas, playgrounds and recreational facilities within or without the corporate limits.

(7) To plant trees on streets and provide for their trimming, care and removal.

(8) To abate nuisances and to drain swamps, marshes and ponds on public or private property and to fill the same.

(9) To construct, reconstruct, extend, and maintain dikes and other flood control works.

(10) To construct, reconstruct, extend and maintain retaining walls and

area walls.

(11) To acquire, construct, reconstruct, improve, alter, extend, operate, maintain and promote a pedestrian skyway system. *Such improvement may be made upon a petition pursuant to section 429.031, subdivision 3.*

(12) To acquire, construct, reconstruct, extend, operate, maintain and promote underground pedestrian concourses.

(13) To acquire, construct, improve, alter, extend, operate, maintain and promote public malls, plazas or courtyards.

(14) To construct, reconstruct, extend, and maintain district heating systems.

*(15) To construct, reconstruct, alter, extend, operate, maintain and promote fire protection systems in existing buildings, but only upon a petition pursuant to section 429.031, subdivision 3.*

Sec. 4. Minnesota Statutes 1982, section 429.031, subdivision 3, is amended to read:

Subd. 3. [PETITION BY ALL OWNERS.] Whenever all owners of real property abutting upon any street named as the location of any improvement shall petition the council to construct the improvement and to assess the entire cost against their property, the council may, without a public hearing, adopt a resolution determining such fact and ordering the improvement. The validity of the resolution shall not be questioned by any taxpayer or property owner or the municipality unless an action for that purpose is commenced within 30 days after adoption of the resolution as provided in section 429.036. Nothing herein prevents any property owner from questioning the amount or validity of the special assessment against his property pursuant to section 429.081. *In the case of a petition for the installation of a fire protection or a pedestrian skyway system, the petition must contain or be accompanied by an undertaking satisfactory to the city by the petitioner that the petitioner will grant the municipality the necessary property interest in the building to permit the city to enter upon the property and the building to construct, maintain, and operate the fire protection or pedestrian skyway system. In the case of a petition for the installation of a fire protection or pedestrian skyway system which will be privately owned, the petition shall also contain the plans and specifications for the improvement, the estimated cost of the improvement and a statement indicating whether the city or the owner will contract for the construction of the improvement. If the owner is contracting for the construction of the improvement, the city shall not approve the petition until it has reviewed and approved the plans, specifications, and cost estimates contained in the petition. The construction cost financed under section 429.091 shall not exceed the amount of the cost estimate contained in the petition. In the case of a petition for the installation of a fire protection or a pedestrian skyway system, the petitioner may request abandonment of the improvement at any time after it has been ordered pursuant to subdivision 1 and before contracts have been awarded for the construction of the improvement under section 429.041, subdivision 2. If such a request is received, the city council shall abandon the proceedings but in such case the petitioner shall reimburse the city for any and all expenses incurred by the city in connection with the improvement.*



Sec. 5. Minnesota Statutes 1982, section 429.091, subdivision 2, is amended to read:

Subd. 2. [TYPES OF OBLIGATIONS PERMITTED.] The council may by resolution adopted prior to the sale of obligations pledge the full faith, credit, and taxing power of the municipality for the payment of the principal and interest. Such obligations shall be called improvement bonds and the council shall pay the principal and interest out of any fund of the municipality when the amount credited to the specified fund is insufficient for the purpose and shall each year levy a sufficient amount to take care of accumulated or anticipated deficiencies, which levy shall not be subject to any statutory or charter tax limitation. Obligations for the payment of which the full faith and credit of the municipality is not pledged shall be called improvement warrants *or, in the case of bonds for fire protection or pedestrian skyway systems, revenue bonds* and shall contain a promise to pay solely out of the proper special fund *or funds pledged to their payment*. It shall be the duty of the municipal treasurer to pay maturing principal and interest on warrants *or revenue bonds* out of funds on hand in the proper ~~special fund~~ *funds* and not otherwise."

Page 7, after line 14, insert:

"Sec. 7. Minnesota Statutes 1982, section 429.101, subdivision 1, is amended to read:

Subdivision 1. [ORDINANCES.] In addition to any other method authorized by law or charter, the governing body of any municipality may provide for the collection of unpaid special charges for all or any part of the cost of

- (a) snow, ice, or rubbish removal from sidewalks,
- (b) weed elimination from streets or private property,
- (c) removal or elimination of public health or safety hazards from private property, excluding any structure included under the provisions of sections 463.15 to 463.26,
- (d) installation or repair of water service lines, street sprinkling or other dust treatment of streets,
- (e) the trimming and care of trees and the removal of unsound trees from any street,
- (f) the treatment and removal of insect infested or diseased trees on private property, the repair of sidewalks and alleys, or
- (g) the operation of a street lighting system, *or*
- (h) *the operation and maintenance of a fire protection or a pedestrian skyway system,*

as a special assessment against the property benefited. The council may by ordinance adopt regulations consistent with this section to make this authority effective, including, at the option of the council, provisions for placing primary responsibility upon the property owner or occupant to do the work himself (except in the case of street sprinkling or other dust treatment, alley repair, tree trimming, care, and removal or the operation of a street lighting system) upon notice before the work is undertaken, and for collection from

the property owner or other person served of the charges when due before unpaid charges are made a special assessment.”

Renumber the sections in sequence and correct internal references

Amend the title as follows:

Page 1, line 2, after the semicolon, insert “authorizing the levy of special assessments or service charges for fire protection and pedestrian skyway systems;”

Page 1, line 5, after the second semicolon, insert “429.021, subdivision 1; 429.031, subdivision 3;”

Page 1, line 6, after the comma, insert “subdivision 2, and” and after the first semicolon, insert “429.101, subdivision 1;”

The motion prevailed. So the amendment was adopted.

S.F. No. 2100 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 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Peterson, C.C.	Spear
Anderson	Dieterich	Kroening	Peterson, D.C.	Storm
Belanger	Frank	Kronebusch	Petty	Stumpf
Benson	Frederickson	Laidig	Pogemiller	Ulland
Bertram	Freeman	Lantry	Reichgott	Vega
Brataas	Isackson	Lessard	Renneke	Wegscheid
Chmielewski	Johnson, D.E.	Luther	Samuelson	Willet
Dahl	Jude	McQuaid	Schmitz	
Davis	Kamrath	Moe, R. D.	Sieloff	
DeCramer	Knaak	Olson	Solon	

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

Mr. Pogemiller moved that S.F. No. 2100 be laid on the table. The motion prevailed.

### SPECIAL ORDER

H.F. No. 1786: A bill for an act relating to the military; modifying the qualifications of the adjutant general; changing the appointment of assistant adjutants general; mandating termination of an officer's commission when federal recognition is withdrawn; expanding the power of the adjutant general to sell an armory; and expanding the use of the proceeds from the sale of an armory; amending Minnesota Statutes 1982, sections 190.07; 190.08, subdivisions 1, 3, and 4; 190.09; 192.18, subdivision 1; and 193.36, subdivision 2.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 44 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Jude	Moe, R. D.	Sieloff
Anderson	DeCramer	Kamrath	Olson	Solon
Belanger	Diessner	Knaak	Peterson, C. C.	Spear
Benson	Frank	Kroening	Peterson, D. C.	Storm
Berg	Frederickson	Laidig	Petty	Stumpf
Bertram	Freeman	Lantry	Pogemiller	Ulland
Brataas	Hughes	Luther	Ramstad	Vega
Chmielewski	Isackson	McQuaid	Renneke	Wegscheid
Dahl	Johnson, D.E.	Moe, D. M.	Schmitz	

Ms. Reichgott voted in the negative.

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

H.F. No. 1835: A bill for an act relating to transportation; allowing prepayment of state contractual obligations to governmental subdivisions under agreements for the construction, improvement, or maintenance of trunk highways; amending Minnesota Statutes 1982, section 16A.41, subdivision 1, and by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 46 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Peterson, D. C.	Storm
Anderson	Diessner	Knutson	Petty	Stumpf
Belanger	Dieterich	Kroening	Pogemiller	Ulland
Benson	Frank	Laidig	Ramstad	Vega
Berg	Frederickson	Lantry	Reichgott	Wegscheid
Bertram	Hughes	Luther	Renneke	Willet
Brataas	Isackson	McQuaid	Schmitz	
Chmielewski	Johnson, D.E.	Moe, D. M.	Sieloff	
Dahl	Jude	Moe, R. D.	Solon	
Davis	Kamrath	Olson	Spear	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

H.F. No. 1522: A bill for an act relating to Mille Lacs county; permitting the sale of certain tax-forfeited land.

Mr. Davis moved to amend H.F. No. 1522 as follows:

Page 1, after line 13, insert:

“Sec. 2. Minnesota Statutes 1982, section 282.018, is amended to read:

282.018 [TAX-FORFEITED LAND; MEANDERED LAKES; SALE; EXCEPTION.]

All land which is the property of the state as a result of forfeiture to the state for nonpayment of taxes, regardless of whether the land is held in trust for taxing districts, and which borders on or is adjacent to meandered lakes and other public waters and watercourses, and the live timber growing or being thereon, is hereby withdrawn from sale except as hereinafter provided. The

authority having jurisdiction over the timber on any such lands may sell the timber as otherwise provided by law for cutting and removal under such conditions as the authority may prescribe in accordance with approved, sustained yield forestry practices. The authority having jurisdiction over the timber shall reserve such timber and impose such conditions as the authority deems necessary for the protection of watersheds, wildlife habitat, shorelines, and scenic features. Within the area in Cook, Lake, and St. Louis counties described in the Act of Congress approved July 10, 1930 (46 Stat. 1020), the timber on tax-forfeited lands shall be subject to like restrictions as are now imposed by that act on federal lands.

Of all tax-forfeited land bordering on or adjacent to meandered lakes and other public waters and watercourses and so withdrawn from sale, a strip two rods in width, the ordinary high-water mark being the water side boundary thereof, and the land side boundary thereof being a line drawn parallel to the ordinary high-water mark and two rods distant landward therefrom, hereby is reserved for public travel thereon, and whatever the conformation of the shore line or conditions require, the authority having jurisdiction over such lands shall reserve a wider strip for such purposes.

Any tract or parcel of land which has *50 feet or less than 50 feet* of waterfront may be sold by the authority having jurisdiction over the land, in the manner otherwise provided by law for the sale of such lands, if the authority determines that it is in the public interest to do so. If the authority having jurisdiction over the land is not the commissioner of natural resources, the land may not be offered for sale without the prior approval of the commissioner of natural resources."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "Mille Lacs county" and insert "tax-forfeited land"

Page 1, line 3, after "land" insert "in Mille Lacs County; modifying certain limitations on the sale of tax-forfeited land which borders on or is adjacent to certain waters; amending Minnesota Statutes 1982, section 282.018"

The motion prevailed. So the amendment was adopted.

H.F. No. 1522 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 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Laidig	Peterson, D.C.	Spear
Anderson	Diessner	Lantry	Petty	Storm
Belanger	Frank	Lessard	Pogemiller	Stumpf
Benson	Hughes	Luther	Ramstad	Ulland
Berg	Isackson	McQuaid	Reichgott	Vega
Bertram	Johnson, D.E.	Moe, D. M.	Renneke	Wegscheid
Brataas	Jude	Moe, R. D.	Samuelson	Willet
Chmielewski	Kamrath	Olson	Schmitz	
Dahl	Knaak	Pehler	Sieloff	
Davis	Kroening	Peterson, C.C.	Solon	

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

**SPECIAL ORDER**

H.F. No. 1456: A bill for an act relating to Otter Tail county; authorizing the board of county commissioners to sell certain real property.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 44 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Peterson,C.C.	Solon
Anderson	DeCramer	Kroening	Peterson,D.C.	Spear
Belanger	Diessner	Laidig	Petty	Storm
Benson	Frank	Lantry	Pogemiller	Stumpf
Berg	Hughes	Lessard	Reichgott	Ulland
Bertram	Isackson	Luther	Renneke	Vega
Brataas	Johnson, D.E.	McQuaid	Samuelson	Wegscheid
Chmielewski	Jude	Moe, R. D.	Schmitz	Willet
Dahl	Kamrath	Olson	Sieloff	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

H.F. No. 523: A bill for an act relating to public utilities; defining scope of independent telephone companies accountable under chapter 237; amending Minnesota Statutes 1982, section 237.01, subdivision 3.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 45 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Kamrath	Olson	Schmitz
Anderson	DeCramer	Knaak	Peterson,C.C.	Solon
Belanger	Diessner	Kroening	Peterson,D.C.	Spear
Benson	Frank	Laidig	Petty	Storm
Berg	Freeman	Lantry	Pogemiller	Stumpf
Bertram	Hughes	Lessard	Ramstad	Ulland
Brataas	Isackson	Luther	Reichgott	Vega
Chmielewski	Johnson, D.E.	McQuaid	Renneke	Wegscheid
Dahl	Jude	Moe, R. D.	Samuelson	Willet

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

H.F. No. 1338: A bill for an act relating to elections; clarifying certain provisions relating to voting machines; amending Minnesota Statutes 1982, section 123.32, subdivision 7; Minnesota Statutes 1983 Supplement, section 204C.24, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 206; repealing Minnesota Statutes 1982, sections 206.01; 206.02; 206.025; 206.026; 206.03; 206.04; 206.05; 206.06; 206.07; 206.075; 206.08, subdivisions 1, 2, and 4; 206.095; 206.10; 206.12; 206.13; 206.14; 206.15; 206.16; 206.17; 206.185; 206.185; 206.195; 206.20; 206.21, subdivisions 1, 2, 4, and 5; 206.211; and 206.23; and Minnesota Statutes 1983

Supplement, sections 206.08, subdivision 3; 206.09; 206.11; 206.19; and 206.21, subdivision 3.

Ms. Peterson, D.C. moved that the amendment made to H.F. No. 1338 by the Committee on Rules and Administration in the report adopted April 9, 1984, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 1338 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 42 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Peterson, C.C.	Spear
Anderson	Frank	Laidig	Peterson, D.C.	Storm
Belanger	Frederickson	Lantry	Petty	Stumpf
Benson	Freeman	Lessard	Ramstad	Ulland
Berg	Isackson	Luther	Reichgott	Wegscheid
Bertram	Johnson, D.E.	McQuaid	Renneke	Willet
Chmielewski	Jude	Moe, D. M.	Samuelson	
Dahl	Kamrath	Moe, R. D.	Schmitz	
DeCramer	Knaak	Olson	Sieloff	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1936: A bill for an act relating to elections; changing the time for filing for school district offices; amending Minnesota Statutes 1982, section 123.32, subdivision 4.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 43 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Knutson	Olson	Sieloff
Anderson	Frederickson	Kroening	Peterson, D.C.	Spear
Belanger	Freeman	Kronebusch	Petty	Storm
Bertram	Hughes	Laidig	Pogemiller	Stumpf
Chmielewski	Isackson	Lantry	Ramstad	Ulland
Dahl	Johnson, D.E.	Lessard	Reichgott	Wegscheid
Davis	Jude	Luther	Renneke	Willet
DeCramer	Kamrath	McQuaid	Samuelson	
Diessner	Knaak	Moe, R. D.	Schmitz	

Messrs. Benson and Berg voted in the negative.

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1652: A bill for an act relating to no-fault insurance; requiring no-fault insurance coverage of certain benefits rather than medicare coverage; amending Minnesota Statutes 1982, section 65B.61, subdivision 1; repealing Minnesota Statutes 1982, section 65B.61, subdivision 2b.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 44 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kamrath	McQuaid	Schmitz
Anderson	Diessner	Knaak	Olson	Sieloff
Belanger	Frank	Knutson	Peterson, D.C.	Spear
Benson	Frederickson	Kroening	Petty	Storm
Berg	Freeman	Kronebusch	Pogemiller	Stumpf
Bertram	Hughes	Laidig	Ramstad	Ulland
Chmielewski	Isackson	Lantry	Reichgott	Wegscheid
Dahl	Johnson, D.E.	Lessard	Renneke	Willet
Davis	Jude	Luther	Samuelson	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 1622: A bill for an act relating to peace officers; increasing the compensation for dependents of peace officers killed in the line of duty; amending Minnesota Statutes 1982, section 352E.04.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 43 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Olson	Spear
Anderson	Diessner	Knutson	Peterson, D.C.	Storm
Belanger	Frank	Kroening	Petty	Stumpf
Benson	Frederickson	Kronebusch	Ramstad	Ulland
Berg	Freeman	Laidig	Reichgott	Vega
Bertram	Isackson	Lantry	Renneke	Wegscheid
Chmielewski	Johnson, D.E.	Lessard	Samuelson	Willet
Dahl	Jude	Luther	Schmitz	
Davis	Kamrath	McQuaid	Sieloff	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1156: A bill for an act relating to the revisor of statutes; recodifying the laws governing the office of the revisor of statutes and the publication of Minnesota Statutes; amending Minnesota Statutes 1982, sections 15.18; 16.02, subdivision 24; 60B.01, subdivision 1; 336.1-101; 480.057; and 524.1-101; proposing new law coded in Minnesota Statutes, chapter 645; proposing new law coded as Minnesota Statutes, chapter 3C; repealing Minnesota Statutes 1982, sections 645.03; 645.04; 645.05; and 645.06; and chapters 482 and 648.

Mr. Jude moved to amend H.F. No. 1156, the unofficial engrossment, as follows:

Page 10, line 21, delete "100" and insert "150" and after "and" delete "150" and insert "200"

The motion prevailed. So the amendment was adopted.

Mr. Jude then moved to amend H.F. No. 1156, the unofficial engrossment, as follows:

Page 14, line 33, after "*removal*" insert "*from Minnesota Statutes, without substantive change in legal effect,*"

Page 14, lines 34 and 35, delete "*from Minnesota Statutes without substantive change in legal effect*"

Page 15, line 10, delete everything after the period

Page 15, delete lines 11 to 13 and insert "*The revisor shall not mechanically replace masculine pronouns and possessives with masculine and feminine equivalents but shall avoid repetition and preserve normal English word patterns.*"

The motion prevailed. So the amendment was adopted.

Mr. Willet moved to amend H. F. No. 1156, the unofficial engrossment, as follows:

Page 1, delete section 1

Page 1, line 23, delete "3C.02" and insert "3C.01"

Page 1, line 28, delete "3C.03" and insert "3C.02"

Page 2, line 15, delete "3C.04" and insert "3C.03"

Page 2, line 36, delete "3C.05" and insert "3C.04"

Page 3, line 35, delete "3C.06" and insert "3C.05"

Page 4, line 23, delete "3C.07" and insert "3C.06"

Page 5, line 9, delete "3C.08" and insert "3C.07"

Page 6, line 7, delete "3C.09" and insert "3C.08"

Page 7, line 8, delete "3C.10" and insert "3C.09"

Page 7, line 14, delete "3C.11" and insert "3C.10"

Page 8, line 25, delete "3C.12" and insert "3C.11"

Page 9, line 19, delete "3C.13" and insert "3C.12"

Page 11, line 34, delete "3C.14" and insert "3C.13"

Renumber the sections in sequence

The motion prevailed. So the amendment was adopted.

H.F. No. 1156 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 1, as follows:

Those who voted in the affirmative were:



Anderson	Diessner	Knaak	Moe, D. M.	Samuelson
Belanger	Frank	Knutson	Moe, R. D.	Sieloff
Benson	Frederickson	Kroening	Olson	Spear
Berg	Freeman	Kronebusch	Peterson, D.C.	Storm
Bertram	Hughes	Laidig	Petty	Stumpf
Chmielewski	Isackson	Lantry	Pogemiller	Ulland
Dahl	Johnson, D.E.	Lessard	Ramstad	Wegscheid
Davis	Jude	Luther	Reichgott	Willet
DeCramer	Kamrath	McQuaid	Renneke	

Mrs. Adkins voted in the negative.

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

### SPECIAL ORDER

S.F. No. 1807: A bill for an act relating to commerce; clarifying the right of indirect purchasers to sue for damages under the Minnesota Antitrust Law of 1971; amending Minnesota Statutes 1982, section 325D.57.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 42 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Olson	Spear
Anderson	Diessner	Kroening	Peterson, D.C.	Storm
Belanger	Frank	Kronebusch	Petty	Stumpf
Benson	Frederickson	Laidig	Pogemiller	Ulland
Berg	Freeman	Lantry	Ramstad	Wegscheid
Bertram	Hughes	Luther	Reichgott	Willet
Chmielewski	Isackson	McQuaid	Renneke	
Dahl	Johnson, D.E.	Moe, D. M.	Samuelson	
Davis	Jude	Moe, R. D.	Sieloff	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1347: A bill for an act relating to crimes; prohibiting a person from depriving another of parental, custodial, or visitation rights; imposing penalties; providing for notification in custody or visitation orders of the deprivation of parental rights laws; requiring violations of the parental rights law to be reported under the child abuse reporting law; imposing a penalty; amending Minnesota Statutes 1982, sections 609.26; and 626.556, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 518.

Mr. Sieloff moved to amend H. F. No. 1347, as amended pursuant to Rule 49, adopted by the Senate April 10, 1984, as follows:

(The text of the amended House File is identical to S. F. No. 1318.)

Page 1, line 17, delete "whether temporary or final" and insert "and judgment and decree"

Page 1, line 18, before "child" insert "minor" and delete everything after "child"

Page 1, line 19, delete "of 18" and delete everything after "shall" and

insert "*restate*"

Page 1, line 20, delete "*stepparents, or guardians of*"

Page 1, line 26, delete "*is guilty of a*"

Page 1, line 27, delete "*felony and*"

Page 2, line 2, delete "*, stepparent, or a legal*" and insert "*or other person having the right to visitation or custody*"

Page 2, line 3, delete "*custodian,*"

Page 2, line 4, delete "*, stepparent, or custodian*" and insert "*or other person*"

Page 2, line 5, delete "*the child*" and insert "*visitation or custody*"

Page 2, lines 6, 11, and 17, delete "*his own*" and insert "*a minor*"

Page 2, lines 7, 12, and 18, delete "*or stepchild under the age of 18*"

Page 2, line 12, delete the comma and insert "*or other person having the right to visitation or custody*"

Page 2, delete line 13

Page 2, line 14, delete "*under a court order*"

Page 2, line 15, delete "*, stepparent or legal*" and insert "*or other person having the right to visitation or custody*"

Page 2, line 16, delete "*custodian*"

Page 2, line 19, delete "*stepparent*" and insert "*other person having the right to visitation or custody*"

Page 2, line 19, delete "*being served with process in*" and insert "*commencement of*"

Page 2, line 20, delete "*affecting marriage*" and insert "*relating to child visitation or custody*" and delete "*a temporary or*" and insert "*an*"

Page 2, line 21, delete "*final*"

Page 3, reinstate lines 17 to 20

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

Mr. Sieloff then moved to amend H.F. No. 1347, as amended pursuant to Rule 49, adopted by the Senate April 10, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1318.)

Page 2, line 30, after "*physical*" insert "*or emotional*"

Page 3, after line 14, insert:

"*Subd. 5. [DEFENSES.] It shall be a defense to any prosecution under section 1 or 2 that:*

(1) *the person taking the action and the child have not left the state of Minnesota; and*

(2) *within a period of 14 days after taking the action, a proceeding under*

*chapter 518 is commenced by the person taking the action or the attorney representing the person taking the action has consented to service of process by the party whose rights are being deprived for any action pursuant to chapter 518A, 518B, or 518C."*

Renumber the subdivisions in sequence

The motion prevailed. So the amendment was adopted.

H.F. No. 1347 was then progressed.

### SPECIAL ORDER

S.F. No. 1442: A bill for an act relating to resident aliens; clarifying the rights and responsibilities of resident aliens with respect to the distribution of economic benefits, militia enlistment, and veterans affairs; amending Minnesota Statutes 1982, sections 43A.11, subdivision 1; 60A.19, subdivision 7; 64A.10, subdivision 1; 85.018, subdivision 6; 98.45, subdivision 4; 98.47, subdivisions 8 and 15; 137.10; 147.25; 181.59; 184.26, subdivision 3; 190.06, subdivision 3; 197.03; 197.05; 197.447; 197.63, subdivision 1; 198.01; 256E.08, subdivision 10; 340.02, subdivision 8; 340.13, subdivision 12; 340.403, subdivision 3; 359.01; 360.015, subdivision 9; 395.14; 462.525, subdivision 10; 617.34; and 617.35; and Minnesota Statutes 1983 Supplement, section 51A.03, subdivision 1.

Was read the third time 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 1, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kronebusch	Nelson	Samuelson
Anderson	Frank	Laidig	Olson	Schmitz
Belanger	Frederick	Lantry	Pehler	Spear
Benson	Frederickson	Lessard	Peterson, D.C.	Storm
Bertram	Hughes	Luther	Peterson, R.W.	Ulland
Brataas	Isackson	McQuaid	Petty	Vega
Chmielewski	Johnson, D.E.	Mehrrens	Pogemiller	Wegscheid
Dahl	Jude	Merriam	Ramstad	Willet
Davis	Knutson	Moe, D. M.	Reichgott	
DeCramer	Kroening	Moe, R. D.	Renneke	

Mr. Sieloff voted in the negative.

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 2038: A bill for an act relating to local government; providing procedures for making certain contracts; amending Minnesota Statutes 1983 Supplement, section 471.345, subdivision 5.

Was read the third time 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 21, as follows:

Those who voted in the affirmative were:

Adkins	Isackson	Laidig	Olson	Schmitz
Anderson	Johnson, D.E.	Lantry	Peterson, D.C.	Sieloff
Bertram	Jude	Lessard	Peterson, D.L.	Solon
Chmielewski	Kamrath	McQuaid	Petty	Stumpf
Diessner	Knaak	Mehrkens	Ramstad	Vega
Frederick	Knutson	Moe, R. D.	Reichgott	Wegscheid
Hughes	Kronebusch	Nelson	Renneke	

Those who voted in the negative were:

Belanger	Davis	Kroening	Pogemiller	Willet
Benson	DeCramer	Luther	Samuelson	
Berg	Dieterich	Merriam	Spear	
Brataas	Frank	Moe, D. M.	Storm	
Dahl	Frederickson	Peterson, R. W.	Ulland	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1850: A bill for an act relating to statutes; conforming various laws to judicial decisions of unconstitutionality; amending Minnesota Statutes 1982, sections 125.12, subdivision 4; 297A.25, subdivision 4; and 609.341, subdivision 11; repealing Minnesota Statutes 1982, section 238.07.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knutson	Nelson	Schmitz
Anderson	Dieterich	Kroening	Olson	Sieloff
Belanger	Frank	Kronebusch	Peterson, D.C.	Solon
Benson	Frederick	Lantry	Peterson, D.L.	Spear
Berg	Frederickson	Lessard	Peterson, R. W.	Storm
Bertram	Hughes	Luther	Petty	Stumpf
Brataas	Isackson	McQuaid	Ramstad	Ulland
Chmielewski	Johnson, D.E.	Mehrkens	Reichgott	Vega
Dahl	Jude	Merriam	Renneke	Wegscheid
Davis	Kamrath	Moe, R. D.	Samuelson	Willet

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 585: A bill for an act relating to commerce; art; regulating the sale of fine prints; providing sales and advertising disclosures; prescribing penalties; defining terms; proposing new law coded as Minnesota Statutes, chapter 324.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Kronebusch	Peterson, D. C.	Spear
Anderson	Frederick	Lantry	Peterson, D. L.	Storm
Belanger	Frederickson	Lessard	Peterson, R. W.	Stumpf
Benson	Hughes	Luther	Petty	Ulland
Berg	Isackson	McQuaid	Ramstad	Vega
Bertram	Johnson, D. E.	Mehrkens	Reichgott	Wegscheid
Brataas	Jude	Merriam	Renneke	Willet
Chmielewski	Kamrath	Moe, D. M.	Samuelson	
Davis	Knaak	Moe, R. D.	Schmitz	
DeCramer	Knutson	Nelson	Sieloff	
Dieterich	Kroening	Olson	Solon	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S. F. No. 924: A bill for an act relating to marriage dissolution; excluding mediators' information except on consent of the parties; providing for deposing of investigators; amending Minnesota Statutes 1982, section 518.167.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Kronebusch	Peterson, D. C.	Spear
Anderson	Frederick	Lantry	Peterson, D. L.	Storm
Belanger	Frederickson	Lessard	Peterson, R. W.	Stumpf
Benson	Hughes	Luther	Petty	Ulland
Berg	Isackson	McQuaid	Ramstad	Vega
Bertram	Johnson, D. E.	Mehrkens	Reichgott	Wegscheid
Chmielewski	Jude	Merriam	Renneke	Willet
Davis	Kamrath	Moe, D. M.	Samuelson	
DeCramer	Knaak	Moe, R. D.	Schmitz	
Diessner	Knutson	Nelson	Sieloff	
Dieterich	Kroening	Olson	Solon	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S. F. No. 2109: A resolution memorializing the International Joint Commission, the President and Congress to effectuate an agreement between Minnesota and Ontario on joint management of their border waters.

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 52 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kronebusch	Olson	Sieloff
Anderson	Frederick	Laidig	Pehler	Solon
Belanger	Frederickson	Lantry	Peterson, D. C.	Storm
Benson	Hughes	Lessard	Peterson, D. L.	Stumpf
Berg	Isackson	Luther	Peterson, R. W.	Ulland
Bertram	Johnson, D. E.	McQuaid	Petty	Vega
Chmielewski	Jude	Mehrrens	Ramstad	Wegscheid
Dahl	Kamrath	Merriam	Reichgott	Willet
Davis	Knaak	Moe, D. M.	Renneke	
DeCramer	Knutson	Moe, R. D.	Samuelson	
Diessner	Kroening	Nelson	Schmitz	

So the resolution passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 120: A bill for an act relating to local government; authorizing counties or cities to enact ordinances against trespassing under certain conditions; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 471.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kroening	Olson	Solon
Anderson	Frank	Kronebusch	Pehler	Spear
Belanger	Frederick	Laidig	Peterson, D. C.	Storm
Benson	Frederickson	Lantry	Peterson, D. L.	Stumpf
Berg	Hughes	Lessard	Petty	Ulland
Bertram	Isackson	Luther	Ramstad	Vega
Chmielewski	Johnson, D. E.	McQuaid	Reichgott	Willet
Dahl	Jude	Mehrrens	Renneke	
Davis	Kamrath	Merriam	Samuelson	
DeCramer	Knaak	Moe, R. D.	Schmitz	
Diessner	Knutson	Nelson	Sieloff	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 1492: A bill for an act relating to marriage dissolution; providing for determination and modification of child support; changing laws relating to docketing of judgments for support and maintenance; providing for withholding of support and maintenance from retirement and annuity benefits; providing for the vacating of liens of certain judgments; amending Minnesota Statutes 1982, sections 69.62; 257.66, by adding a subdivision; 353.15; 354.10; 422A.24; 423.39; 423.61; 423.813; 424.27; 518.55; 548.13; and 548.17; and Minnesota Statutes 1983 Supplement, sections 256.87, by adding a subdivision; 352.15, subdivision 1; 352B.071; 354A.11; 424A.02, subdivision 6; 518.17, subdivision 5; 518.551, subdivisions 5 and 9; 518.611, subdivision 3; 518C.17, subdivision 1; and 548.09, subdivisions 1 and 3; proposing new law coded in Minnesota Statutes, chapters 423A and 548; repealing Laws 1931, chapter 48, section 5; Laws 1935, chapter 192, section 4; Laws 1943, chapter 397, section 26; Laws 1945, chapter 74, section 5; Laws 1947, chapter 43, section 26; Laws 1949, chapters 87, section

29; 144, section 26; 378, section 26; and 406, section 7, subdivision 3, as amended; Laws 1953, chapters 91, section 12; 348, section 22; and 399, section 26; Laws 1955, chapters 75, section 27, as amended; 151, section 17; and 375, section 28; Laws 1959, chapter 131, section 22; Laws 1961, chapters 343, section 22, as amended; and 631, section 4; Laws 1963, chapters 443, section 22; and 643, section 23; Laws 1965, chapter 605, section 28; Laws 1971, chapter 51, section 14, subdivision 16; Laws 1973, chapter 432, section 7, subdivision 2; Laws 1974, chapter 382, section 7, subdivision 2; Laws 1977, chapter 374, section 15; and Laws 1982, chapter 610, section 18.

Ms. Berglin moved to amend S. F. No. 1492 as follows:

Page 2, lines 17 and 26, delete "25" and insert "24"

Page 8, line 34, delete "25" and insert "24"

Page 12, line 35, delete "25" and insert "24"

Page 13, line 16, delete "25" and insert "24"

Page 16, line 28, delete "25" and insert "24"

The motion prevailed. So the amendment was adopted.

S.F. No. 1492 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knutson	Olson	Schmitz
Anderson	Diessner	Kroening	Pehler	Sieloff
Belanger	Dieterich	Kronebusch	Peterson, C.C.	Solon
Benson	Frank	Laidig	Peterson, D.C.	Spear
Berg	Frederick	Lantry	Peterson, D.L.	Storm
Berglin	Frederickson	Lessard	Peterson, R.W.	Stumpf
Bernhagen	Hughes	Luther	Petty	Ulland
Bertram	Isackson	McQuaid	Pogemiller	Vega
Brataas	Johnson, D.E.	Mehrkens	Ramstad	Wegscheid
Chmielewski	Jude	Merriam	Reichgott	Willet
Dahl	Kamrath	Moe, R. D.	Renneke	
Davis	Knaak	Novak	Samuelson	

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

### SPECIAL ORDER

H.F. No. 1651: A bill for an act relating to crimes; including conservation officers as peace officers authorized to enforce the crime of fleeing a peace officer and related laws; setting penalties for flight from a peace officer under certain conditions; amending Minnesota Statutes 1982, sections 65B.605, subdivision 2; and 609.487, subdivisions 2 and 4.

Was read the third time 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:

Adkins	Dicklich	Knutson	Peterson, C. C.	Solon
Anderson	Diessner	Kronebusch	Peterson, D. C.	Spear
Belanger	Dieterich	Laidig	Peterson, D. L.	Storm
Benson	Frank	Lantry	Peterson, R. W.	Stumpf
Berg	Frederick	Lessard	Petty	Ulland
Bernhagen	Frederickson	Luther	Pogemiller	Vega
Bertram	Hughes	McQuaid	Purfeerst	Wegscheid
Brataas	Isackson	Mehrrens	Ramstad	Willet
Chmielewski	Johnson, D. E.	Merriam	Renneke	
Dahl	Jude	Moe, R. D.	Samuelson	
Davis	Kamrath	Olson	Schmitz	
DeCramer	Knaak	Pehler	Sieloff	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1562: A bill for an act relating to labor; providing for the prompt payment of commissions to commission salespersons who leave or lose their job; providing civil penalties for non-prompt payment; proposing new law coded in Minnesota Statutes, chapter 181.

Mr. Freeman moved that the amendment made to H.F. No. 1562 by the Committee on Rules and Administration in the report adopted April 10, 1984, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 1562 was read the third time 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:

Adkins	DeCramer	Kamrath	Merriam	Renneke
Anderson	Dicklich	Knaak	Moe, R. D.	Samuelson
Belanger	Diessner	Knutson	Nelson	Schmitz
Benson	Dieterich	Kroening	Olson	Sieloff
Berg	Frank	Kronebusch	Pehler	Solon
Berglin	Frederick	Laidig	Peterson, C. C.	Spear
Bernhagen	Frederickson	Langseth	Peterson, D. C.	Storm
Bertram	Freeman	Lantry	Peterson, D. L.	Stumpf
Brataas	Hughes	Lessard	Peterson, R. W.	Ulland
Chmielewski	Isackson	Luther	Pogemiller	Vega
Dahl	Johnson, D. E.	McQuaid	Purfeerst	Wegscheid
Davis	Jude	Mehrrens	Ramstad	Willet

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1999: A bill for an act relating to the city of Duluth; authorizing the application of the energy conservation program to all structures containing dwelling units; amending Laws 1981, chapter 223, section 2.

Mr. Solon moved to amend H.F. No. 1999, as amended pursuant to Rule 49, adopted by the Senate April 5, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1660.)



Delete everything after the enacting clause and insert:

“Section 1. Laws 1981, chapter 223, section 2, is amended to read:

Sec. 2. [SURVEY AND CONTRACTS WITH HOMEOWNERS; *SCOPE OF PROGRAM* .]

*Subdivision 1. [SURVEYS, AUDITS AND CONTRACTS.]* The city may survey homes to identify those where significant energy waste exists and can be reduced by energy conservation projects including but not limited to insulation, weatherstripping, temperature controls, storm windows and doors, furnace modifications, or conversion to cheaper or more plentiful energy sources, at a capital cost recoverable within a 10 year period from energy cost savings. An energy audit to document the cost effectiveness of a full range of energy conserving measures must be performed prior to investment in such measures. It may contract with the owners of such homes to cause work and materials to be furnished for such projects by the means authorized in section 3 and subject to reimbursement in the ways contemplated in section 4.

*Subd. 2. [OWNER-OCCUPIED AND MULTIFAMILY HOMES.]* The program ~~shall be limited to~~ may include improvements to:

(1) “owner-occupied homes”, defined as homes containing not more than four dwelling units, one occupied as a principal residence by an owner not engaged in the trade or business of rental real estate, and

(2) “multifamily homes”, defined as structures or parts of structures rented from the owner and occupied as a principal residence by each renter.

*Subd. 3. [SERIES OF BONDS AND NOTES.]* Revenue bonds or notes authorized by section 5, if the proceeds are to be used for improvements to multifamily homes, shall be issued in one or more series separate from series of bonds or notes issued for improvements to owner-occupied homes.

*Subd. 4. [IMPROVEMENTS TO OTHER PROPERTY.]* Nothing herein, ~~however,~~ shall preclude the city from constructing or financing ~~similar~~ energy conservation improvements to other property, in any manner otherwise authorized by law or the city charter.

Sec. 2. Laws 1981, chapter 223, section 6, subdivision 2, is amended to read:

*Subd. 2. [STATUS AND PROCEEDS OF BONDS AND NOTES.]* The revenue bonds and notes authorized herein are not considered to be mortgage subsidy bonds within the meaning of section 103A of the Internal Revenue Code of 1954, as amended, or bonds issued to provide projects for residential rental property within the meaning of section 103(b)(4)(A), of said Code, which ~~provides~~ provide that the interest on such bonds is subject to federal income taxation unless exempted by reason of the performance of certain conditions stated in these sections; because ~~they~~ the bonds and notes are authorized for the purpose of financing improvements needed for the welfare of the city as a whole, to avoid hardship which would result from the failure of utility service within the city. The proceeds are not to be used for ~~owner-financing~~ financing of financing owner-occupied or multifamily home improvements generally, but for financing the city’s undertaking of improvements which, though situated on private premises, are needed to protect all the citizens, in

a manner which is intended to pay the cost without thereby raising materially the level of current home energy costs of either the owners of the premises or other utility customers.

Sec. 3. Laws 1981, chapter 223, section 6, subdivision 3, is amended to read:

Subd. 3. [GENERAL POWERS.] Notwithstanding the provisions of subdivision 2, the city is authorized to do all things determined on the advice of counsel to be necessary or desirable to assure that any issue of revenue bonds or notes hereunder, if subject to section 103A or section 103(b)(4)(A) of the Internal Revenue Code of 1954, as amended, will be a qualified mortgage bond issue or will provide projects for residential rental property as described therein, ~~the interest on which~~ through the performance of conditions necessary to assure that the interest will be and remain exempt from federal income taxation. Until and unless it is determined by a clarifying amendment of section 103A of the Internal Revenue Code of 1954, as amended, or by rulings or regulations of the internal revenue service or a decision of a court of competent jurisdiction, that such issues are not mortgage subsidy bonds, the applicable limit established pursuant to section 103A of the Internal Revenue Code of 1954, as amended, upon the amount of qualified mortgage bonds which the city may issue in any calendar year, shall be \$3,000,000.

Sec. 4. [EFFECTIVE DATE.]

*This act is effective upon compliance by the governing body of the city of Duluth with Minnesota Statutes, section 645.021, subdivision 3.*"

Amend the title as follows:

Page 1, line 3, delete "application" and insert "expansion" and delete "all"

Page 1, line 4, delete everything before the semicolon and insert "include multifamily homes"

Page 1, line 5, delete "section 2" and insert "sections 2; and 6, subdivisions 2 and 3"

The motion prevailed. So the amendment was adopted.

H.F. No. 1999 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Nelson	Samuelson
Anderson	Diessner	Kroening	Novak	Schmitz
Belanger	Frank	Kronebusch	Olson	Sietoff
Benson	Frederick	Laidig	Pehler	Solon
Berg	Frederickson	Langseth	Peterson, C. C.	Storm
Berglin	Freeman	Lantry	Peterson, D. C.	Stumpf
Bernhagen	Hughes	Lessard	Peterson, D. L.	Ulland
Bertram	Isackson	Luther	Peterson, R. W.	Vega
Chmielewski	Johnson, D. E.	McQuaid	Pogemiller	Wegscheid
Dahl	Jude	Mehrkens	Purfeerst	Willet
Davis	Kamrath	Merriam	Reichgott	
DeCramer	Knaak	Moe, R. D.	Renneke	

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

**SPECIAL ORDER**

S.F. No. 1978: A bill for an act relating to the metropolitan airports commission; defining its relationship to the legislature and the metropolitan council; amending Minnesota Statutes 1982, sections 473.611, subdivision 5; 473.621, subdivision 6, and by adding subdivisions.

Was read the third time 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 9, as follows:

Those who voted in the affirmative were:

Anderson	Diessner	Kroening	Nelson	Samuelson
Belanger	Frederick	Kronebusch	Olson	Schmitz
Benson	Frederickson	Laidig	Pehler	Sieloff
Berg	Freeman	Langseth	Peterson, C.C.	Solon
Bernhagen	Hughes	Lantry	Peterson, D.L.	Storm
Bertram	Isackson	Lessard	Petty	Ulland
Chmielewski	Johnson, D.E.	Luther	Purfeerst	Vega
Dahl	Jude	McQuaid	Ramstad	Wegscheid
Davis	Kamrath	Mehrkens	Reichgott	Willet
DeCramer	Knutson	Moe, R. D.	Renneke	

Those who voted in the negative were:

Adkins	Frank	Merriam	Peterson, D.C.	Spear
Berglin	Knaak	Novak	Peterson, R.W.	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

H.F. No. 1770: A bill for an act relating to the city of Minneapolis; authorizing compensation for members of the park and recreation board; amending Laws 1974, chapter 181, section 1, as amended.

Mr. Kroening moved to amend H.F. No. 1770, as amended pursuant to Rule 49, adopted by the Senate April 12, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1831.)

Page 1, after line 18, insert:

“Sec. 2. Laws 1974, chapter 182, section 1, is amended to read:

Section 1. [MINNEAPOLIS, CITY OF; COMPENSATION FOR LIBRARY BOARD MEMBERS.] Notwithstanding any provision of the home rule charter to the contrary, each trustee of the library board of the city of Minneapolis may, ~~upon his request therefor,~~ be compensated at the rate of ~~\$35 for each meeting of the board up to \$3,600 per annum paid in such a manner as may be determined by the library board;~~ such compensation to be paid as an operating expense of the board.”

Page 1, line 20, delete “This act” and insert “Section 1”

Page 1, line 23, after the period, insert “Section 2 is effective after its approval by a majority of all the members of the library board of the city of Minneapolis, in compliance with the provisions of Minnesota Statutes, section 645.021, subdivision 3.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after "board" insert "and the library board"

Page 1, line 4, delete "chapter" and insert "chapters"

Page 1, line 5, before the period, insert "; and 182, section 1"

The motion prevailed. So the amendment was adopted.

H.F. No. 1770 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 12, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kroening	Nelson	Solon
Belanger	Diessner	Kronebusch	Pehler	Spear
Benson	Frederick	Laidig	Peterson,C.C.	Storm
Berg	Frederickson	Langseth	Peterson,D.C.	Vega
Berglin	Freeman	Lantry	Purfeerst	Wegscheid
Bernhagen	Hughes	Luther	Reichgott	
Chmielewski	Johnson, D.E.	Mehrkens	Renneke	
Dahl	Jude	Merriam	Samuelson	
Davis	Knutson	Moe, R. D.	Schmitz	

Those who voted in the negative were:

Anderson	Isackson	Olson	Peterson,R.W.	Sieloff
Bertram	Kamrath	Peterson,D.L.	Ramstad	Ulland
Frank	Knaak			

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

**SPECIAL ORDER**

H.F. No. 1912: A bill for an act relating to the state agricultural society; changing the authority to make certain contracts; amending Minnesota Statutes 1983 Supplement, section 37.19.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Olson	Schmitz
Anderson	Dicklich	Knutson	Pehler	Sieloff
Belanger	Diessner	Kroening	Peterson,C.C.	Solon
Benson	Frank	Kronebusch	Peterson,D.C.	Storm
Berg	Frederick	Laidig	Peterson,D.L.	Ulland
Berglin	Frederickson	Langseth	Pogemiller	Wegscheid
Bernhagen	Freeman	Lantry	Purfeerst	Willet
Bertram	Isackson	Luther	Ramstad	
Chmielewski	Johnson, D.E.	Mehrkens	Reichgott	
Dahl	Jude	Moe, R. D.	Renneke	
Davis	Kamrath	Nelson	Samuelson	

Messrs. Merriam; Peterson, R.W. and Spear voted in the negative.

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

H.F. No. 1998: A bill for an act relating to commerce; excluding certain securities and commodities agreements from plain language contract regulation; amending Minnesota Statutes 1983 Supplement, section 325G.30, subdivision 3.

Was read the third time 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 10, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Pehler	Sieloff
Anderson	Frederick	Kroening	Peterson,C.C.	Solon
Belanger	Frederickson	Kronebusch	Peterson,D.C.	Storm
Benson	Freeman	Laidig	Peterson,D.L.	Ulland
Berg	Hughes	Langseth	Purfeerst	Wegscheid
Bernhagen	Isackson	Luther	Ramstad	Willet
Brataas	Johnson, D.E.	Mehrkens	Reichgott	
Chmielewski	Jude	Moe, R. D.	Renneke	
Dahl	Kamrath	Nelson	Samuelson	
Dicklich	Knaak	Olson	Schmitz	

Those who voted in the negative were:

Berglin	Davis	Frank	Merriam	Pogemiller
Bertram	DeCramer	Lantry	Peterson,R.W.	Spear

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Messages From the House. The motion prevailed.

**MESSAGES FROM THE HOUSE**

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2317:

H.F. No. 2317: A bill for an act relating to the organization and operation of state government; clarifying, providing for deficiencies in, and supplementing appropriations for the expenses of state government with certain conditions; creating and modifying agencies and functions; fixing and limiting fees; requiring studies and reports; appropriating money; amending Minnesota Statutes 1982, sections 3.099, subdivisions 2 and 3; 3.30, subdivision 2; 3.3005; 10.12; 10.14; 10.15; 11A.08, subdivision 3; 15.0575, subdivision 3; 15.0597, subdivision 1; 16.026, subdivisions 3 and 7; 16.80, subdivision 1; 16A.04, subdivisions 1 and 4; 16A.06; 16A.065; 16A.125, subdivision 6; 16A.13, subdivisions 1 and 2; 16A.131, subdivision 1; 16A.14, subdivision 2; 16A.28; 16A.45; 16A.53; 16A.63; 16A.64, as amended; 16A.65; 16A.66, as amended; 16A.671; 16A.675; 43A.27, by adding a subdivision; 43A.30, by adding a subdivision; 84.085; 84A.53; 84A.54; 84B.03, by adding a subdivision; 94.16; 117.085; 117.195, subdi-

vision 1; 117.232, subdivision 1; 125.031; 136.11, subdivisions 2 and 7; 136.506; 136.55, subdivision 2; 136A.81, subdivision 1; 144.413, subdivision 2; 144.414; 158.07; 158.08; 161.173; 161.174; 168.12, subdivisions 1 and 5; 168.33, subdivision 2; 169.966, subdivision 1a, and by adding a subdivision; 174.22, subdivisions 5, 10, and 13, and by adding a subdivision; 174.23, subdivisions 2 and 4; 174.24, subdivisions 1, 2, and 5; 174.265, subdivision 3; 179.741, subdivision 2; 214.001, subdivision 2; 214.13, subdivisions 1, 2, 3, and 5; 221.295; 239.10; 241.66, subdivision 2; 245.811; 256E.07, subdivision 1, and by adding subdivisions; 296.13; 299D.03, subdivision 2; 340.11, subdivision 11a; 345.47, subdivision 1, and by adding a subdivision; 345.525; 352.01, subdivision 2A; 359.01; 462A.05, subdivision 20; 473.121, subdivisions 7, 10, 18, 19, and by adding subdivisions; 473.146, subdivisions 3 and 4; 473.164; 473.167, subdivision 1; 473.168, subdivision 2; 473.181, subdivision 3; 473.223; 473.404; 473.405; 473.409; 473.411; 473.416; 473.435; 473.436, by adding a subdivision; 473.445; 473.446, subdivision 2a, and by adding subdivisions; and 473.449; Minnesota Statutes 1983 Supplement, sections 3.3026, subdivision 1; 3.732, subdivision 1; 10A.01, subdivision 18; 15A.081, subdivisions 1, 6, and 7; 16A.125, subdivision 5; 16A.15, subdivision 6; 16A.36; 16A.672; 43A.04, subdivision 8; 85.40, subdivision 5; 85.41, subdivisions 3, 4, and 5; 116J.70, subdivision 2a; 135A.03, subdivisions 1, 3, and 4; 135A.07, subdivision 2; 136.144; 136A.121, subdivision 2; 161.43; 161.44, subdivision 6a; 174.24, subdivision 3; 180.03, subdivision 2; 214.06, subdivision 1; 214.13, subdivision 4; 221.041, by adding a subdivision; 221.071, subdivision 1; 256.01, subdivision 2; 256B.501, subdivision 10; 256D.111, subdivision 2; 256D.112; 268.673, subdivision 5; 268.675; 268.676, subdivisions 1 and 2; 268.677; 268.686; 268.80; 268.81; 298.296, subdivision 1; 357.021, subdivision 2a; 462A.07, subdivision 15; 473.436, subdivision 6; 517.08, subdivision 1c; Laws 1983, chapter 199, section 17, subdivision 2; chapter 258, section 2, subdivision 7; chapter 290, section 172; chapter 293, sections 1; 2, subdivisions 2, 8, and 9; 4, subdivisions 1 and 3; and 6; chapter 301, sections 38, 39, 40, 41, and 42; proposing new law coded in Minnesota Statutes, chapters 13, 16, 16A, 18, 48, 84, 136, 161, 190, 214, 246, 256B, 268, 349, and 473; proposing new law coded as Minnesota Statutes, chapters 16B, 40A, 119, and 494; repealing Minnesota Statutes 1982, sections 10.13; 16A.132; 16A.51; 16A.54; 16A.59; 16A.73; 84.82, subdivision 9; 120.83; 136.11, subdivision 6; 136A.133; 174.03, subdivision 5a; 174.24, subdivisions 3a and 4; 174.265; 174.31; 256E.07, subdivision 3; 473.401; 473.402; 473.403; 473.411, subdivision 1; 473.413, as amended; and 473.451; Minnesota Statutes 1983 Supplement, sections 120.801; 120.802; 120.803; 120.804; 120.805; 120.806; and 120.81; Laws 1983, chapter 289, section 102.

The House respectfully requests that a Conference Committee of five members be appointed thereon.

Rice; Wynia; Carlson, L.; Kahn and Anderson, R. have been appointed as such committee on the part of the House.

House File No. 2317 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 16, 1984

Mr. Willet moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2317, 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.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Wegscheid moved that S.F. No. 1750 be taken from the table. The motion prevailed.

S.F. No. 1750: A bill for an act relating to commerce; providing for the classification of crime reports of the department of commerce; including certain financial institutions within the definition of broker-dealer of securities; broadening the securities transaction exemption for corporate transactions; providing for the receipt of applications for renewal of real estate broker and salesperson licenses; establishing certain fees relating to the regulation of real estate brokers and salespersons; providing for real estate salesperson licensing requirements after examination; clarifying a certain definition relating to recovery from the real estate education, research, and recovery fund; limiting recovery to cases involving judgments against licensed individuals; providing for the depositing of funds under the unclaimed property statutes; regulating sales of unclaimed property; appropriating money; amending Minnesota Statutes 1982, sections 13.81, subdivision 1; 13.82, subdivision 1; 80A.14, subdivision 4; 80A.15, subdivision 2; 80A.30, subdivision 2; 82.17, subdivision 3; 82.20, subdivisions 8 and 9; 82.21, subdivision 1; 82.22, subdivisions 2 and 5; 345.32; 345.47, subdivision 1; 345.48; 345.49; Minnesota Statutes 1983 Supplement, sections 82.22, subdivisions 6 and 13; and 82.34, subdivision 7; proposing new law coded in Minnesota Statutes, chapter 345.

Mr. Wegscheid moved that the Senate do not concur in the amendments by the House to S.F. No. 1750, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Reports of Committees, Second Reading of Senate Bills and Second Reading of House Bills.

### REPORTS OF COMMITTEES

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

S.F. No. 2067: A bill for an act relating to Indians; providing for partial settlement of Indian land claims on the White Earth Reservation; appropriating money.

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

Delete everything after the enacting clause and insert:

“Section 1. [CLAIMS.]

*Subdivision 1. [PURPOSE.] The purpose of this act is to take an initial step toward resolving disputes over the ownership of land on the White Earth Indian Reservation by allowing the state to participate with the United States in an overall settlement, provided that the United States Congress passes a settlement statute that appropriately and meaningfully compensates both Indians and non-Indians for possible lost property interests.*

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

*Subd. 3. [CONDITIONS.] No agreement shall be entered into until the United States has approved legislation substantially resolving title problems currently identified by the Department of Interior on the White Earth Reservation, and until the attorney general is satisfied that the United States legislation appropriately and effectively settles Indian land claims on the White Earth Reservation and substantially removes the possibility of litigation with private landowners over the Indian land claims.*

#### Sec. 2. [REPORT.]

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

#### Sec. 3. [APPROPRIATION.]

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

- (1) \$500,000 is to be used to provide technical and computer assistance to the United States for implementing the settlement described in section 1; and*
- (2) \$100,000 is for necessary publication, administrative, and consulting costs in negotiating or implementing the agreement or settlement.*

#### Sec. 4. [ACT VOID.]

*If the United States Congress fails to pass appropriate legislation as described in section 1 by December 31, 1985, this act is null and void, and any unencumbered appropriations shall revert to the general fund."*

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "requiring a report to the legislature;"

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. 1461: A bill for an act relating to claims against the state; provid-



ing for claims arising out of the injury or death of an inmate conditionally released or a person performing work pursuant to a court order; amending Minnesota Statutes 1982, section 3.739, subdivisions 1, 2, and by adding a subdivision.

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

Page 2, line 35, delete "*appropriation*" and insert "*claims procedure*"

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. 1736: A bill for an act relating to education; creating the Minnesota educational computing corporation as a public corporation; transferring assets of the Minnesota educational computing consortium to the corporation; amending Minnesota Statutes 1983 Supplement, section 3.732, subdivision 1; 10A.01, subdivision 18; 15A.081, subdivision 1; 135A.07, subdivision 2; 352D.02, subdivision 1; and proposing new law coded as Minnesota Statutes, chapter 119; repealing Minnesota Statutes 1982, section 120.83; Minnesota Statutes 1983 Supplement, sections 120.801; 120.802; 120.803; 120.804; 120.805; 120.806; and 120.81.

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

Page 11, line 5, before "*The*" insert "*Subdivision 1. [INITIAL BOARD OF DIRECTORS.]*"

Page 11, after line 11, insert:

"*Subd. 2. [FISCAL YEAR 1985 APPROPRIATION.] The appropriation of \$280,000 for fiscal year 1985 for the MECC regional instructional computing coordinators included in Laws 1983, chapter 314, article 8, section 27, subdivision 2, to the Minnesota educational computing consortium shall be transferred to the corporation for the service specified in Laws 1983, chapter 314, article 8, section 15.*"

Page 11, after line 15, insert:

"*Sec. 16. [EFFECTIVE DATE.]*

*Sections 1 to 15 are 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 referred

H.F. No. 1853: A bill for an act relating to public welfare; providing for rulemaking authority for the Community Social Services Act; amending Minnesota Statutes 1982, section 256E.05, subdivision 1.

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. 1686: A bill for an act relating to vital statistics; providing for collection of statistical data concerning the dissolution or annulment of marriage; appropriating money; amending Minnesota Statutes 1982, section 144.224; proposing new law coded in Minnesota Statutes, chapter 518.

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

Page 2, line 24, after the dollar sign, insert ‘‘10,000’’

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

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

S.F. No. 1366: A bill for an act relating to voluntary nonjudicial resolution of disputes; establishing a community dispute resolution program; appropriating money; proposing new law coded in Minnesota Statutes, chapter 13; and proposing new law coded as Minnesota Statutes, chapter 494.

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. 1819: A bill for an act relating to public welfare; clarifying the calculation of rates paid to health maintenance organizations; requiring the use of certain presentation materials; amending Minnesota Statutes 1982, sections 256.966, subdivision 2; and 256B.05, by adding a subdivision.

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

Mr. Moe, R.D. moved the adoption of the foregoing committee reports. The motion prevailed.

## SECOND READING OF SENATE BILLS

S.F. Nos. 2067, 1461, 1736, 1686, 1366 and 1819 were read the second time.

## SECOND READING OF HOUSE BILLS

H.F. No. 1853 was read the second time.

## MOTIONS AND RESOLUTIONS - CONTINUED

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

Mr. Wegscheid introduced—

S.F. No. 2213: A bill for an act relating to health; providing for physical therapy evaluation and referral; prohibiting certain practices by physical therapists; amending Minnesota Statutes 1982, sections 148.65, subdivision 1; 148.75; and 148.76.

Referred to the Committee on Health and Human Services.

Remaining on the Order of Business of Motions and Resolutions, without objection the Senate reverted to the Order of Business of Messages From the House.

### MESSAGES FROM THE HOUSE

Mr. President:

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

S.F. No. 1511: A bill for an act relating to taxation; property; modifying the exemption for property held by political subdivisions; amending Minnesota Statutes 1982, section 272.02, subdivision 5.

Senate File No. 1511 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 16, 1984

Mr. Moe, R.D., for Mr. Petty, moved that the Senate do not concur in the amendments by the House to S.F. No. 1511, 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.

### 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. 2317: Messrs. Willet, Kroening, Samuelson, Luther and Frederickson.

S.F. No. 1750: Messrs. Wegscheid, Freeman and Sieloff.

S.F. No. 1511: Messrs. Petty, Freeman and Kamrath.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

### MEMBERS EXCUSED

Mr. Waldorf was excused from the Session of today from 12:00 noon to

12:30 p.m. Ms. Berglin was excused from the Session of today from 12:00 noon to 1:40 p.m. Mr. Pehler was excused from the Session of today from 12:45 to 2:30 p.m. and 3:00 to 4:20 p.m. Mr. Mehrkens was excused from the Session of today from 3:30 to 4:10 p.m. Mr. Dieterich was excused from the Session of today from 3:35 to 4:40 p.m. and 5:30 to 6:03 p.m. Mrs. Kronebusch was excused from the Session of today from 3:00 to 3:45 p.m. Mr. Nelson was excused from the Session of today from 12:00 noon to 5:00 p.m. Ms. Reichgott was excused from the Session of today from 5:00 to 5:45 p.m.

### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:30 a.m., Tuesday, April 17, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

**EIGHTIETH DAY**

St. Paul, Minnesota, Tuesday, April 17, 1984

The Senate met at 9:30 a.m. and was called to order by the President.

**CALL OF THE SENATE**

Mrs. Lantry 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. Roy D. Phillips.

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

Adkins	Diessner	Kroening	Olson	Sieloff
Anderson	Dieterich	Kronebusch	Pehler	Solon
Belanger	Frank	Laidig	Peterson, C.C.	Spear
Benson	Frederick	Langseth	Peterson, D.C.	Storm
Berg	Frederickson	Lantry	Peterson, D.L.	Stumpf
Berglin	Freeman	Lessard	Peterson, R.W.	Taylor
Bernhagen	Hughes	Luther	Petty	Ulland
Bertram	Isackson	McQuaid	Pogemiller	Vega
Brataas	Johnson, D.E.	Mehrkens	Purfeerst	Waldorf
Chmielewski	Johnson, D.J.	Merriam	Ramstad	Wegscheid
Dahl	Jude	Moe, D.M.	Reichgott	Willet
Davis	Kamrath	Moe, R.D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	
Dicklich	Knutson	Novak	Schmitz	

The President declared a quorum present.

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

**CONFERENCE COMMITTEE EXCUSED**

Pursuant to Rule 21, Mr. Johnson, D.J. moved that the following members be excused for a Conference Committee on H.F. No. 2016 at 9:30 a.m.:

Messrs. Johnson, D.J.; Peterson, C.C.; Ms. Berglin, Messrs. Novak and Bernhagen. The motion prevailed.

**MESSAGES FROM THE HOUSE**

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 1504, 1351 and 1642.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 16, 1984

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. 746: A bill for an act relating to counties; permitting counties to issue notes to finance purchase of necessary capital equipment; amending Minnesota Statutes 1982, section 373.01, by adding a subdivision.

Senate File No. 746 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 16, 1984

### CONCURRENCE AND REPASSAGE

Mr. Renneke moved that the Senate concur in the amendments by the House to S.F. No. 746 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 746 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Olson	Samuelson
Anderson	Dieterich	Kronebusch	Pehler	Schmitz
Belanger	Frank	Laidig	Peterson, D.C.	Sieloff
Benson	Freeman	Lantry	Peterson, D.L.	Solon
Berg	Hughes	Lessard	Peterson, R.W.	Spear
Bernhagen	Isackson	Luther	Petty	Storm
Bertram	Johnson, D.E.	McQuaid	Pogemiller	Stumpf
Brataas	Jude	Mehrkens	Purfeerst	Taylor
Chmielewski	Kamrath	Merriam	Ramstad	Ulland
Dahl	Knaak	Moe, D. M.	Reichgott	Willett
DeCramer	Knutson	Moe, R. D.	Renneke	

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

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 1473: A bill for an act relating to real property; allowing service of summons upon dissolved domestic corporations; amending provisions related to the abolition of dower and curtesy; amending Minnesota Statutes 1982, sections 508.16, subdivision 1; 519.09; and 519.101.

Senate File No. 1473 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 16, 1984

Ms. Reichgott moved that S.F. No. 1473 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. 1526: A bill for an act relating to energy; directing the legislative commission on energy to prepare a policy statement on the expenditure of federal money for energy programs; requiring review of state plans to spend federal energy money; amending Minnesota Statutes 1982, section 3.351, by adding subdivisions.

Senate File No. 1526 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 16, 1984

Mr. Vega moved that S.F. No. 1526 be laid on the table. The motion prevailed.

Ms. Reichgott moved that S.F. No. 1473 be taken from the table. The motion prevailed.

S.F. No. 1473: A bill for an act relating to real property; allowing service of summons upon dissolved domestic corporations; amending provisions related to the abolition of dower and curtesy; amending Minnesota Statutes 1982, sections 508.16, subdivision 1; 519.09; and 519.101.

### CONCURRENCE AND REPASSAGE

Ms. Reichgott moved that the Senate concur in the amendments by the House to S.F. No. 1473 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1473: A bill for an act relating to real property; providing that certain instruments may be recorded without an auditor's certificate; allowing service of summons upon dissolved domestic corporations; amending provisions related to the abolition of dower and curtesy; clarifying when the right of possession passes after a sale on execution or judgment or mortgage foreclosure; providing for a notice in certain cases; requiring storage of abstracts of title to be stored in Minnesota with certain exceptions; amending Minnesota Statutes 1982, sections 272.12; 508.16, subdivision 1; 519.09; 519.101; and 566.03, subdivision 1.

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:

Adkins	Dicklich	Knutson	Olson	Samuelson
Anderson	Diessner	Kroening	Pehler	Schmitz
Belanger	Dieterich	Kronebusch	Peterson, C.C.	Sieloff
Benson	Frank	Laidig	Peterson, D.C.	Solon
Berg	Frederickson	Langseth	Peterson, D.L.	Spear
Bernhagen	Freeman	Lantry	Peterson, R. W.	Storm
Bertram	Hughes	Lessard	Petty	Stumpf
Brataas	Isackson	Luther	Pogemiller	Taylor
Chmielewski	Johnson, D.E.	Mehrkens	Purfeerst	Ulland
Dahl	Jude	Merriam	Ramstad	Vega
Davis	Kamrath	Moe, D. M.	Reichgott	Willet
DeCramer	Knaak	Moe, R. D.	Renneke	

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

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 1760: A bill for an act relating to governmental operations; requesting the regents of the University of Minnesota to conduct a job evaluation study and report to the legislature.

Senate File No. 1760 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 16, 1984

### CONCURRENCE AND REPASSAGE

Ms. Reichgott moved that the Senate concur in the amendments by the House to S.F. No. 1760 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1760 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kronebusch	Pehler	Schmitz
Anderson	Frank	Laidig	Peterson, C.C.	Sieloff
Belanger	Frederickson	Langseth	Peterson, D.C.	Solon
Benson	Freeman	Lantry	Peterson, D.L.	Spear
Berg	Hughes	Lessard	Peterson, R. W.	Storm
Bernhagen	Isackson	Luther	Petty	Stumpf
Bertram	Johnson, D.E.	McQuaid	Pogemiller	Taylor
Brataas	Jude	Mehrkens	Purfeerst	Ulland
Chmielewski	Kamrath	Merriam	Ramstad	Vega
Dahl	Knaak	Moe, D. M.	Reichgott	Willet
Davis	Knutson	Moe, R. D.	Renneke	
DeCramer	Kroening	Olson	Samuelson	

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



**MESSAGES FROM THE HOUSE - CONTINUED**

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1453, 1376, 1588, 1920, 1769, 2188, 49, 100, 1237, 820, 1069, 1402, 1427, 1711, 2006, 1707, 1842, 1857, 966, 1524, 2051, 1678, 1689, 1966, 688 and 1264.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 16, 1984

**FIRST READING OF HOUSE BILLS**

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

H.F. No. 1453: A bill for an act relating to taxation; sales and use; providing for timely payment of sales and use taxes; amending Minnesota Statutes 1983 Supplement, section 297A.27, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 1376: A bill for an act establishing an agricultural resource loan guaranty program, board, and fund, and the terms of guaranties by the state of project loans in the program; appropriating money, taxes, tax increments, and other governmental charges; authorizing the issuance of state bonds; amending Minnesota Statutes 1982, sections 297A.44, subdivision 1; 362A.01, subdivision 1; and 362A.05; proposing new law coded as Minnesota Statutes, chapter 41A; proposing new law coded in Minnesota Statutes, chapter 362A.

Mr. Peterson, C.C. moved that H.F. No. 1376 be laid on the table. The motion prevailed.

H.F. No. 1588: A bill for an act relating to public welfare; clarifying eligibility requirements for the state general assistance program; reducing certain appropriations; amending Minnesota Statutes 1982, sections 256D.02, subdivisions 6 and 8, and by adding a subdivision; 256D.06, subdivision 3; and 256D.15; Minnesota Statutes 1983 Supplement, sections 256D.01, subdivision 1; and 256D.111, subdivisions 1, 2, and 5.

Referred to the Committee on Finance.

H.F. No. 1920: A bill for an act relating to public welfare; establishing payments for respite care of children who are mentally retarded, have epilepsy, or are emotionally handicapped; establishing a statewide fee schedule for parental cost of care; amending Minnesota Statutes 1982, sections 246.511; 252.27, subdivisions 1 and 2; and Minnesota Statutes 1983 Supplement, section 256B.14, subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1916.

H.F. No. 1769: A bill for an act relating to water pollution control; establishing an independent state grants program for the construction of municipal wastewater treatment facilities; appropriating money; amending

Minnesota Statutes 1982, sections 115.03, subdivision 1; 116.16, subdivisions 2, 4, 5, 9, and by adding a subdivision; 116.18, subdivisions 2 and 4, and by adding subdivisions; Minnesota Statutes 1983 Supplement, section 116.18, subdivision 1; repealing Minnesota Statutes 1982, section 116.16, subdivisions 6 and 7.

Referred to the Committee on Finance.

H.F. No. 2188: A bill for an act relating to Indians; providing for partial settlement of Indian land claims on the White Earth Reservation; appropriating money.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2067, now on Special Orders.

H.F. No. 49: A bill for an act relating to holidays; establishing Martin Luther King's birthday as a holiday; ending observation of Martin Luther King's birthday in public schools on January 15; prohibiting school districts and state colleges from conducting classes on Martin Luther King's birthday; amending Minnesota Statutes 1982, sections 126.10; 126.13; 136.22; and 645.44, subdivision 5.

Referred to the Committee on Finance.

H.F. No. 100: A bill for an act relating to health; changing eligibility requirements for catastrophic health expense protection; including insurance premiums; appropriating money; amending Minnesota Statutes 1982, sections 62E.52, subdivisions 2 and 3; 62E.53, subdivisions 1 and 2; and 62E.531, subdivision 2.

Referred to the Committee on Finance.

H.F. No. 1237: A bill for an act relating to agriculture; establishing a program to encourage milk consumption in schools; creating a special account in the treasury; appropriating money; proposing new law coded in Minnesota Statutes, chapter 121.

Referred to the Committee on Education. Mr. Merriam questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

H.F. No. 820: A bill for an act relating to recreational vehicles; requiring a three-year registration fee for three-wheel off-road vehicles; requiring safety certificates of youthful operators; prescribing penalties; appropriating funds; proposing new law coded in Minnesota Statutes, chapter 84.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 991.

H.F. No. 1069: A bill for an act relating to federal block grants; providing for annual legislative hearings on federal block grant implementation and effects; proposing new law coded in Minnesota Statutes, chapter 3.

Referred to the Committee on Governmental Operations.

H.F. No. 1402: A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

Referred to the Committee on Rules and Administration for comparison

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "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. 1916: A bill for an act relating to public welfare; establishing payments for respite care of children who are mentally retarded, have epilepsy, or are emotionally handicapped; establishing a statewide fee schedule for parental cost of care; amending Minnesota Statutes 1982, sections 246.511; 252.27, subdivisions 1 and 2; and Minnesota Statutes 1983 Supplement, section 256B.14, subdivision 2.

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

Page 2, line 36, delete everything after the period

Page 3, delete line 1

Page 3, line 2, delete "*the parent and child.*"

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. 991: A bill for an act relating to recreational vehicles; requiring a three-year registration fee for three-wheel off-road vehicles; requiring safety certificates of youthful operators; prescribing penalties; creating a three-wheel off-road vehicle safety account in the state treasury; appropriating funds; amending Minnesota Statutes 1982, section 84.87; proposing new law coded in Minnesota Statutes, chapter 84.

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

Page 8, line 14, delete everything after "*The*"

Page 8, delete lines 15 and 16

Page 9, line 7, delete "84.928" and insert "84.927" and delete "DISPOSITION OF RECEIPTS" and insert "REGISTRATION FEES; UNREFUNDED GASOLINE TAX; ALLOCATION"

Page 9, delete subdivision 2

Page 9, delete lines 19 and 20 and insert:

"*Subd. 2. [PURPOSES.] Subject to appropriation by the legislature, money in the three-wheel off-road vehicle account may only be spent for*"

Page 9, delete line 22 and insert:

"*(1) the education and*"

Page 9, line 24, delete "*for*" and after "*administration*" insert "*and implementation*" and delete "*this act*" and insert "*sections 1 to 10*"

Page 9, line 25, delete "for" and after "of" insert "vehicle"

Page 9, delete lines 26 to 32

Page 9, line 33, after the second period, insert "[84.929]"

Page 9, after line 35, insert:

"Sec. 9. [DETERMINATION OF TAX ALLOCATION.]

*The commissioners of natural resources, revenue, and transportation shall jointly determine the amount of unrefunded gasoline tax attributable to vehicle use in this state and shall report to the legislature by January 1, 1985, with a proposed revision of section 296.16 to reflect the results of this use.*

Sec. 10. [REPORT ON VEHICLE REGISTRATION, PROGRAMS, AND USE.]

*By January 1, 1986, the commissioner shall report to the standing committees of each house of the legislature with jurisdiction over natural resources and appropriation matters on the number of vehicles registered under section 3, the implementation of the vehicle information and safety education and training program, and the growth patterns of vehicle use in the state.*

Sec. 11. [APPROPRIATIONS.]

*Subdivision 1. [COMMISSIONER OF NATURAL RESOURCES.] The sum of \$135,000 is appropriated from the general fund to the commissioner of natural resources to be available for the fiscal year 1985 for administration and implementation of sections 1 to 10.*

*Subd. 2. [COMMISSIONER OF REVENUE.] The sum of \$10,000 is appropriated from the general fund to the commissioner of revenue to be available for the fiscal year 1985 for the gas tax study and report in section 9.*

*Subd. 3. [REIMBURSEMENT.] Any amounts spent by the commissioner of natural resources from the appropriation in subdivision 1 and by the commissioner of revenue from the appropriation in subdivision 2 shall be reimbursed to the general fund. The amount necessary to make the reimbursement is appropriated from the three-wheel off-road vehicle account to the commissioner of finance for transfer to the general fund."*

Page 10, delete lines 1 and 2 and insert "This act is effective July 1, 1984."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, after the second semicolon, insert "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

H.F. No. 950: A bill for an act relating to state government; governing compensation of members of boards, councils, and committees who are public employees; providing for per diem compensation for attendance of commissioners of the Northwest Minnesota Multi-County Housing and Re-

development Authority at meetings; amending Minnesota Statutes 1982, sections 15.059, subdivision 3; and 214.09, subdivision 3; proposing new law coded in Minnesota Statutes, chapter 121.

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. 2098: A bill for an act relating to commerce; regulating pipefitters and pipefitting; regulating pressure vessels; amending Minnesota Statutes 1982, sections 326.46; 326.47; 326.48; and 326.50; proposing new law coded in Minnesota Statutes, chapters 175 and 326; repealing Minnesota Statutes 1982, section 326.49.

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

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

Page 1, line 26, delete "*or chilled water for cooling*" and insert "*that exceed 30 psi gauge and 250 degrees Fahrenheit*"

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

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

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

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

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

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

Page 3, line 8, delete "*cities of the first class*" and insert "*municipalities*"

Page 3, line 12, delete "*If*"

Page 3, line 13, delete everything before the second "*the*"

Page 3, line 14, delete "*filing*" and delete "*or*" and insert "*but shall not be less than*"

Page 3, line 15, delete "*whichever is*" and insert "*nor*" and before the period, insert "*than \$2,000*"

Page 3, line 15, delete everything after the period

Page 3, delete lines 16 and 17

Page 4, line 12, reinstate the stricken language

Page 4, line 13, reinstate the stricken "*shall be required for*" and reinstate the stricken "*repairs on existing installations*"

Page 4, line 16, reinstate the stricken period

Page 5, line 29, reinstate the stricken "*and repair*"

Page 7, after line 1, insert:

“Sec. 7. [APPROPRIATION.]

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

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

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete “regulating pressure vessels” and insert “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. 1985: A bill for an act relating to public welfare; revising procedures for determining operating cost payment rates for nursing homes; amending Minnesota Statutes 1982, section 144.072; Minnesota Statutes 1983 Supplement, sections 144A.31, subdivision 4; 256B.421, subdivisions 2, 5, and 8; 256B.431, subdivisions 1, 2, 4, 5, and by adding a subdivision; and 256B.50; 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. Minnesota Statutes 1982, section 144.072, is amended to read:

144.072 [IMPLEMENTATION OF SOCIAL SECURITY AMENDMENTS OF 1972.]

*Subdivision 1. [RULES.] The state commissioner of health shall implement by rule, pursuant to the administrative procedures act, those provisions of the social security amendments of 1972 (P. L. 92-603) required of state health agencies, including rules which:*

(a) establish a plan, consistent with regulations prescribed by the secretary of health, education, and welfare, for the review by appropriate professional health personnel, of the appropriateness and quality of care and services furnished to recipients of medical assistance; and

(b) provide for the determination as to whether institutions and agencies meet the requirements for participation in the medical assistance program, and the certification that those requirements, including utilization review, are being met.

*Subd. 2. [EXISTING PROCEDURES.] The policies and procedures, including survey forms, reporting forms, and other documents developed by the commissioner of health for the purpose of conducting the inspections of*

*care required under Code of Federal Regulations, title 42, sections 456.600 to 456.614, in effect on March 1, 1984, have the force and effect of law and shall remain in effect and govern inspections of care until June 30, 1986, unless otherwise superseded by rules adopted by the commissioner of health.*

**Sec. 2. [144.0721] [ASSESSMENTS OF CARE AND SERVICES TO NURSING HOME RESIDENTS.]**

*Subdivision 1. The commissioner of health shall assess the appropriateness and quality of care and services furnished to private paying residents in nursing homes and boarding care homes that are certified for participation in the medical assistance program under United States Code, title 42, sections 1396-1396p. These assessments shall be conducted in accordance with section 144.072, with the exception of provisions requiring recommendations for changes in the level of care provided to the private paying residents.*

*Subd. 2. [ACCESS TO DATA.] With the exception of summary data, data on individuals that is collected, maintained, used, or disseminated by the commissioner of health under subdivision 1 is private data on individuals and shall not be disclosed to others except:*

*(1) under section 13.05;*

*(2) under a valid court order;*

*(3) to the nursing home or boarding care home in which the individual resided at the time the assessment was completed; or*

*(4) to the commissioner of public welfare.*

**Sec. 3. Minnesota Statutes 1983 Supplement, section 144A.31, subdivision 4, is amended to read:**

**Subd. 4. [ENFORCEMENT.]** The board shall develop and recommend for implementation effective methods of enforcing quality of care standards. When it deems necessary, and when all other methods of enforcement are not appropriate, the board shall recommend to the commissioner of health closure of all or part of a nursing home or certified boarding care home and revocation of the license. The board shall develop, and the commissioner of public welfare shall implement, a resident relocation plan that instructs the county in which the nursing home or certified boarding care home is located of procedures to ensure that the needs of residents in nursing homes or certified boarding care homes about to be closed are met. *The duties of a county under the relocation plan also apply when residents are to be discharged from a nursing home or certified boarding care home as a result of a change in certification, closure, or loss or termination of the facility's medical assistance provider agreement.* The county shall ensure placement in swing beds in hospitals, placement in unoccupied beds in other nursing homes, utilization of home health care on a temporary basis, foster care placement, or other appropriate alternative care. In preparing for relocation, the board shall ensure that residents and their families or guardians are involved in planning the relocation.

**Sec. 4. Minnesota Statutes 1982, section 256B.25, is amended to read:**

**256B.25 [PAYMENTS TO ~~LICENSED~~ CERTIFIED FACILITIES.]**

*Subdivision 1. Payments may not be made hereunder for care in any private*

or public institution, including but not limited to hospitals and nursing homes, unless licensed by an appropriate licensing authority of this state, any other state, or a Canadian province *and if applicable, certified by an appropriate authority under United States Code, title 42, sections 1396-1396p.*

*Subd. 2. The payment of state or county funds to nursing homes, boarding care homes, and supervised living facilities, except payments to state operated institutions, for the care of persons who are eligible for medical assistance, shall be made only through the medical assistance program, except as provided in subdivision 3.*

*Subd. 3. The limitation in subdivision 2 shall not apply to:*

*(a) payment of Minnesota supplemental assistance funds to recipients who reside in facilities which are involved in litigation contesting their designation as an institution for treatment of mental disease;*

*(b) payment or grants to a boarding care home or supervised living facility licensed by the department of public welfare under 12 MCAR 2.036, 12 MCAR 2.035, 12 MCAR 2.005, or 12 MCAR 2.008, or payment to recipients who reside in these facilities;*

*(c) payments or grants to a boarding care home or supervised living facility which are ineligible for certification under United States Code, title 42, sections 1396-1396p;*

*(d) payments or grants otherwise specifically authorized by statute or rule.*

Sec. 5. Minnesota Statutes 1983 Supplement, section 256B.421, subdivision 2, is amended to read:

Subd. 2. [ACTUAL ALLOWABLE HISTORICAL OPERATING COST PER DIEM.] "Actual allowable historical operating cost per diem" means the per diem ~~payment for actual operating costs; including operating costs;~~ allowed by the commissioner for the most recent reporting year.

Sec. 6. Minnesota Statutes 1983 Supplement, section 256B.421, subdivision 5, is amended to read:

Subd. 5. [GENERAL AND ADMINISTRATIVE COSTS.] "General and administrative costs" means all allowable costs for administering the facility, including but not limited to: salaries of administrators, assistant administrators, ~~medical directors;~~ accounting personnel, data processing personnel, and all clerical personnel; board of directors fees; business office functions and supplies; travel, *except as necessary for training programs for nursing personnel and dieticians required to maintain licensure, certification, or professional standards requirements;* telephone and telegraph; advertising; ~~licenses and permits;~~ membership dues and subscriptions; postage; insurance, except as included as a fringe benefit under subdivision 14; professional services such as legal, accounting and data processing services; central or home office costs; management fees; management consultants; employee training, for any top management personnel and for other than direct resident care related personnel; and business meetings and seminars. These costs shall be included in general and administrative costs in total, without direct or indirect allocation to other cost categories.

In a nursing home of 60 or fewer beds, part of an administrator's salary



may be allocated to other cost categories to the extent justified in records kept by the nursing home. Central or home office costs representing services of required consultants in areas including, but not limited to, dietary, pharmacy, social services, or activities may be allocated to the appropriate department, but only if those costs are directly identified by the nursing home.

Sec. 7. Minnesota Statutes 1983 Supplement, section 256B.421, subdivision 8, is amended to read:

Subd. 8. [OPERATING COSTS.] "Operating costs" means the day-to-day costs of operating the facility in compliance with licensure and certification standards. Operating cost categories are: nursing, including nurses and nursing assistants training; dietary; laundry and linen; housekeeping; plant operation and maintenance; other care-related services; general and administration; payroll taxes; real estate taxes and actual special assessments paid; and fringe benefits, including clerical training; *and travel necessary for training programs for nursing personnel and dieticians required to maintain licensure, certification, or professional standards requirements.*

Sec. 8. Minnesota Statutes 1983 Supplement, section 256B.431, subdivision 1, is amended to read:

Subdivision 1. [IN GENERAL.] The commissioner shall determine prospective payment rates for resident care costs. In determining the rates, the commissioner shall group nursing homes according to different levels of care and geographic location until July 1, 1985; ~~and after that date, mix of resident needs, and geographic location, as defined by the commissioner.~~ *For rates established on or after July 1, 1985, the commissioner shall develop procedures for determining operating cost payment rates that take into account the mix of resident needs, geographic location, and other factors as determined by the commissioner. The commissioner shall consider whether the fact that a facility is attached to a hospital or has an average length of stay of 180 days or less should be taken into account in determining rates.* The commissioner shall consider the use of the standard metropolitan statistical areas when developing groups by geographic location. ~~Until groups are established according to mix of resident needs the commissioner establishes procedures for determining operating cost payment rates,~~ the commissioner shall group all convalescent and nursing care units attached to hospitals into one group for purposes of determining reimbursement for operating costs. On or before June 15, 1983, the commissioner shall mail notices to each nursing home of the rates to be effective from July 1 of that year to June 30 of the following year. In subsequent years, the commissioner shall provide notice to each nursing home on or before May 1 of the rates effective for the following rate year. If a statute enacted after May 1 affects the rates, the commissioner shall provide a revised notice to each nursing home as soon as possible.

The commissioner shall establish, by rule, limitations on compensation recognized in the historical base for top management personnel. *Compensation for top management personnel shall continue to be categorized as a general and administrative cost and is subject to any limits imposed on that cost category.* The commissioner shall also establish, by rule, limitations on allowable nursing hours for each level of care for the rate years beginning July 1, 1983 and July 1, 1984. *For the rate year beginning July 1, 1984, nursing homes in which the nursing hours exceeded 2.9 hours per day for skilled*

*nursing care or 2.3 hours per day for intermediate care for the reporting year ending on September 30, 1983, shall be limited to a maximum of 3.2 hours per day for skilled nursing care and 2.6 hours per day for intermediate care.*

Sec. 9. Minnesota Statutes 1983 Supplement, section 256B.431, subdivision 2, is amended to read:

Subd. 2. [OPERATING COSTS, 1984-85.] (a) *For the rate year beginning July 1, 1984, the commissioner shall establish, by rule, procedures for determining per diem reimbursement for operating costs based on actual resident days. The commissioner shall disallow any portion of the general and administration cost category, exclusive of fringe benefits and payroll taxes, that exceeds:*

*10 percent (1) for nursing homes with more than 100 certified beds in total, the greater of ten percent or \$2.95 per day per resident for skilled level, \$2.54 per day per resident for intermediate care one level, or \$1.82 per day per resident for intermediate care two level;*

*12 percent (2) for nursing homes with fewer than 101 but more than 40 certified beds in total, the greater of 12 percent or \$3.06 per day per resident for skilled level, \$2.70 per day per resident for intermediate care one level, or \$1.82 per day per resident for intermediate care two level;*

*14 percent (3) for nursing homes with 40 or fewer certified beds in total, the greater of 14 percent or \$5.78 per day per resident for skilled level, \$3.72 per day per resident for intermediate care one level, or \$3.72 per day per resident for intermediate care two level; and*

*(4) 15 percent for convalescent and nursing care units attached to hospitals for the rate year beginning July 1, 1983 1984,*

*of the expenditures in all operating cost categories except fringe benefits, payroll taxes, and general and administration.*

*(b) Subd. 2a. [OPERATING COSTS, 1983-1984.] For the rate year beginning July 1, 1983, and ending June 30, 1984, the prospective operating cost payment rate for each nursing home shall be determined by the commissioner based on the allowed historical operating costs as reported in the most recent cost report received by December 31, 1982 and audited by March 1, 1983, and may be subsequently adjusted to reflect the costs allowed. To determine the allowed historical operating cost, the commissioner shall update the historical per diem shown in those cost reports to June 30, 1983, using a nine percent annual rate of increase after applying the general and administrative cost limitation described in paragraph (a) subdivision 2. The commissioner shall calculate the 60th percentile of actual allowable historical operating cost per diems for each group of nursing homes established under subdivision 1.*

*(1) (a) Within each group, each nursing home whose actual allowable historical operating cost per diem as determined under this paragraph (b) subdivision is above the 60th percentile shall receive the 60th percentile increased by six percent plus 80 percent of the difference between its actual allowable operating cost per diem and the 60th percentile.*

*(2) (b) Within each group, each nursing home whose actual allowable historical operating cost per diem is at or below the 60th percentile shall receive*

that actual allowable historical operating cost per diem increased by six percent.

For the rate year beginning July 1, 1984, and ending June 30, 1985, the prospective operating cost payment rate for each nursing home shall be determined by the commissioner based on actual allowable historical operating costs incurred during the reporting year preceding the rate year. The commissioner shall analyze and evaluate each nursing home's report of allowable operating costs incurred by the nursing home during the reporting year immediately preceding the rate year. The actual allowable historical operating costs, after the commissioner's analysis and evaluation, shall be added together and divided by the number of actual resident days to compute the actual allowable historical operating cost per diem. The commissioner shall calculate the 60th percentile of actual allowable historical operating cost per diem for each group of nursing homes established under subdivision 1.

(3) (c) Within each group, each nursing home whose actual allowable historical operating cost per diem is above the 60th percentile of payment rates shall receive the 60th percentile increased at an annual rate of six percent plus 75 percent of the difference between its actual allowable historical operating cost per diem and the 60th percentile.

(4) (d) Within each group, each nursing home whose actual allowable historical operating cost per diem is at or below the 60th percentile shall receive that actual allowable historical operating cost per diem increased at an annual rate of six percent.

(e) *Subd. 2b. [OPERATING COSTS, AFTER JULY 1, 1985.] (a) For subsequent years rate years beginning on or after July 1, 1985, the commissioner shall establish procedures for determining per diem reimbursement for operating costs.*

(4) (b) *The commissioner shall contract with an econometric firm with recognized expertise in and access to national economic change indices that can be applied to the appropriate cost categories when determining the operating cost payment rate.*

(2) *Establish the 60th percentile of actual allowable historical operating cost per diem for each group of nursing homes established under subdivision 1 based on cost reports of allowable operating costs in the previous reporting year. (c) The commissioner shall analyze and evaluate each nursing home's cost report of allowable operating costs incurred by the nursing home during the reporting year immediately preceding the rate year for which the payment rate becomes effective. The allowable historical operating costs, after the commissioner's analysis and evaluation, shall be added together and divided by the actual number of resident days in order to compute the actual allowable historical operating cost per diem;*

(d) *The commissioner shall establish limits on actual allowable historical operating cost per diem based on cost reports of allowable operating costs for the reporting year that begins October 1, 1983, taking into consideration relevant factors including resident needs, geographic location, age, size of the nursing home, and the costs that must be incurred for the care of residents in an efficiently and economically operated nursing home. The limits established by the commissioner shall not be less, in the aggregate, than the 60th*

percentile of total actual allowable historical operating cost per diems for each group of nursing homes established under subdivision 1 based on cost reports of allowable operating costs in the previous reporting year. The limits established under this paragraph remain in effect until the commissioner establishes a new base period. Until the new base period is established, the commissioner shall adjust the limits annually using the appropriate economic change indices established in paragraph (e). In determining allowable historical operating cost per diems for purposes of setting limits and nursing home payment rates, the commissioner shall divide the allowable historical operating costs by the actual number of resident days, except that where a nursing home is occupied at less than 90 percent of licensed capacity days, the commissioner may establish procedures to adjust the computation of the per diem to an imputed occupancy level at or below 90 percent. The commissioner shall establish efficiency incentives as appropriate. The commissioner may establish efficiency incentives for different operating cost categories. The commissioner shall consider establishing efficiency incentives in care related cost categories. The commissioner may combine one or more operating cost categories and may use different methods for calculating payment rates for each operating cost category or combination of operating cost categories.

(3) (e) The commissioner shall establish a composite index for each group or indices by determining the weighted average of all appropriate economic change indicators to be applied to the specific operating cost categories in that group; or combination of operating cost categories.

(4) Within each group, each nursing home shall receive the 60th percentile increased by the composite index calculated in paragraph (e)(3). The historical base for determining the prospective payment rate shall not exceed the operating cost payment rates during that reporting year.

(f) Each nursing home shall receive an operating cost payment rate equal to the sum of the nursing home's operating cost payment rates for each operating cost category. The operating cost payment rate for an operating cost category shall be the lesser of the nursing home's historical operating cost in the category increased by the appropriate index established in paragraph (e) for the operating cost category plus an efficiency incentive established pursuant to paragraph (d) or the limit for the operating cost category increased by the same index. If a nursing home's actual historic operating costs are greater than the prospective payment rate for that rate year, there shall be no retroactive cost settle-up. In establishing payment rates for one or more operating cost categories, the commissioner may establish separate rates for different classes of residents based on their relative care needs.

(g) The commissioner shall include the reported actual real estate tax liability of each proprietary nursing home as an operating cost of that nursing home. The commissioner shall include a reported actual special assessment for each nursing home as an operating cost of that nursing home. Total real estate tax liability and actual special assessments paid for each nursing home (i) shall be divided by actual resident days in order to compute the operating cost payment rate for this operating cost category, but (ii) shall not be used to compute the 60th percentile (2) shall not be used to compute the 60th percentile or other operating cost limits established by the commissioner, and (3) shall not be increased by the composite index or indices es-

ablished pursuant to paragraph (e).

*Subd. 2c. [OPERATING COSTS AFTER JULY 1, 1986.] For rate years beginning on or after July 1, 1986, the commissioner may allow a one time adjustment to historical operating costs of a nursing home that has been found by the commissioner of health to be significantly below care related minimum standards appropriate to the mix of resident needs in that nursing home when it is determined by the commissioners of health and public welfare that the nursing home is unable to meet minimum standards through reallocation of nursing home costs and efficiency incentives or allowances. In developing procedures to allow adjustments, the commissioner shall specify the terms and conditions governing any additional payments made to a nursing home as a result of the adjustment. The commissioner shall establish procedures to recover amounts paid under this subdivision, in whole or in part, and to adjust current and future rates, for nursing homes that fail to use the adjustment to satisfy care related minimum standards.*

*(d) The commissioner shall allow the nursing home to keep, as an efficiency incentive, the difference between the nursing home's operating cost payment rate established for that rate year and the actual historical operating costs incurred for that rate year, if the latter amount is smaller. If a nursing home's actual historic operating costs are greater than the prospective payment rate for that rate year, there shall be no retroactive cost settle-up.*

*Subd. 2d. If an annual cost report or field audit indicates that the expenditures for direct resident care have been reduced in amounts large enough to indicate a possible detrimental effect on the quality of care, the commissioner shall notify the commissioner of health and the interagency board for quality assurance. If a field audit reveals that unallowable expenditures have been included in the nursing home's historical operating costs, the commissioner shall disallow the expenditures and recover the entire overpayment. The commissioner shall establish, by rule, procedures for assessing an interest charge at the rate determined for unpaid taxes or penalties under section 270.75 on any outstanding balance resulting from an overpayment or underpayment.*

*(e) Subd. 2e. [NEGOTIATED RATES.] Until procedures for determining operating cost payment rates according to mix of resident needs are established, the commissioner may negotiate, with a nursing home that is eligible to receive medical assistance payments, a payment rate of up to 125 percent of the allowed payment rate to be paid for a period of up to three months for individuals who have been hospitalized for more than 100 days, or who have extensive care needs based on nursing hours actually provided or mental or physical disability, or who need for respite care for a specified and limited time period, and. The payment rate shall be based on an assessment of the nursing home's resident mix as determined by the commissioner of health. The payment rate negotiated and paid pursuant to this paragraph is specifically exempt from the definition of "rule" and the rule-making procedures required by chapter 14 and section 256B.502.*

*(f) Subd. 2f. [EXCLUSION.] Until groups are established according to mix of resident care needs procedures for determining operating cost payment rates according to mix of resident needs are established, nursing homes licensed on June 1, 1983 by the commissioner to provide residential services*

for the physically handicapped and nursing homes that have an average length of stay of less than 180 days shall not be included in the calculation of the 60th percentile of any group. For rate year beginning July 1, 1983 and July 1, 1984, each of these nursing homes shall receive their actual allowed historical operating cost per diem increased by six percent. The commissioner shall also apply to these nursing homes the percentage limitation on the general and administrative cost category as provided in subdivision 2, paragraph (a).

Sec. 10. Minnesota Statutes 1983 Supplement, section 256B.431, subdivision 4, is amended to read:

Subd. 4. [SPECIAL RATES.] (a) A newly constructed nursing home or one with a capacity increase of 50 percent or more may, upon written application to the commissioner, receive an interim payment rate for reimbursement for property-related costs calculated pursuant to the statutes and rules in effect on May 1, 1983 and for operating costs negotiated by the commissioner based upon the 60th percentile established for the appropriate group under subdivision 2, paragraph (b) to be effective from the first day a medical assistance recipient resides in the home or for the added beds. For newly constructed nursing homes which are not included in the calculation of the 60th percentile for any group, subdivision 2(f), the commissioner shall establish by rule procedures for determining interim operating cost payment rates and interim property-related cost payment rates. The interim payment rate shall not be in effect for more than 17 months. The commissioner shall establish, by temporary and permanent rules, procedures for determining the interim rate and for making a retroactive cost settle-up after the first year of operation; the cost settled operating cost per diem shall not exceed 110 percent of the 60th percentile established for the appropriate group. *Until procedures determining operating cost payment rates according to mix of resident needs are established*, the commissioner shall establish by rule procedures for determining payment rates for nursing homes which provide care under a lesser care level than the level for which the nursing home is certified.

*(b) For rate years beginning on or after July 1, 1983, the commissioner may exclude from a provision of 12 MCAR S 2.050 any facility that is licensed by the commissioner of health only as a boarding care home, is certified by the commissioner of health as an intermediate care facility, is licensed by the commissioner of public welfare under 12 MCAR S 2.036, and has less than five percent of its licensed boarding care capacity reimbursed by the medical assistance program. Until a permanent rule to establish the payment rates for facilities meeting these criteria is promulgated, the commissioner shall establish the medical assistance payment rate as follows:*

*(1) The desk audited payment rate in effect on June 30, 1983, remains in effect until the end of the facility's fiscal year. The commissioner shall not allow any amendments to the cost report on which this desk audited payment rate is based.*

*(2) For each fiscal year beginning between July 1, 1983, and June 30, 1985, the facility's payment rate shall be established by increasing the desk audited operating cost payment rate determined in clause (1) at an annual rate of five percent.*

(3) For fiscal years beginning on or after July 1, 1985, the facility's payment rate shall be established by increasing the facility's payment rate in the facility's prior fiscal year by the increase indicated by the consumer price index for Minneapolis and St. Paul.

(4) For the purpose of establishing payment rates under this paragraph, the facility's rate and reporting years coincide with the facility's fiscal year.

A facility that meets the criteria of this paragraph shall submit annual cost reports on forms prescribed by the commissioner.

Sec. 11. Minnesota Statutes 1983 Supplement, section 256B.431, subdivision 5, is amended to read:

Subd. 5. [ADJUSTMENTS.] When resolution of appeals or on-site field audits of the records of nursing homes within a group result in adjustments to the 60th percentile of the payment rates within the group in any the reporting year ending on September 30, 1983, the 60th percentile established for the following rate year for that group shall be increased or decreased by the adjustment amount.

Sec. 12. Minnesota Statutes 1983 Supplement, section 256B.50, is amended to read:

#### 256B.50 [APPEALS.]

A nursing home may appeal a decision arising from the application of standards or methods pursuant to sections 256B.41 and 256B.47 if the appeal, if successful, would result in a change to the nursing home's payment rate. The appeal procedures also apply to appeals of payment rates calculated under 12 MCAR S 2.049 filed with the commissioner on or after May 1, 1984. To appeal, the nursing home shall notify the commissioner in writing of its intent to appeal within 30 days and submit a written appeal request within 60 days of receiving notice of the payment rate determination or decision. The appeal request shall specify each disputed item, the reason for the dispute, an estimate of the dollar amount involved for each disputed item, the computation that the nursing home believes is correct, the authority in statute or rule upon which the nursing home relies for each disputed item, the name and address of the person or firm with whom contacts may be made regarding the appeal, and other information required by the commissioner. The appeal shall be heard by a hearing examiner according to sections 14.48 to 14.56, or upon agreement by both parties according to a modified appeals procedure established by the commissioner and the hearing examiner. In any proceeding under this section, the appealing party must demonstrate by a preponderance of the evidence that the commissioner's determination is incorrect. Regardless of any rate appeal, the rate established shall be the rate paid and shall remain in effect until final resolution of the appeal or subsequent desk or field audit adjustment, notwithstanding any provision of law or rule to the contrary. To challenge the validity of rules established by the commissioner pursuant to sections 256B.41, 256B.421, 256B.431, 256B.47, 256B.48, 256B.50, and 256B.502, a nursing home shall comply with section 14.44.

Sec. 13. Minnesota Statutes 1983 Supplement, section 256B.431, is amended by adding a subdivision to read:

Subd. 6. The commissioners of health and public welfare shall adopt tem-

*porary rules necessary for the implementation and enforcement of the reimbursement system established in sections 1 to 11. The commissioner of health may adopt temporary rules relating to the licensure requirements of boarding care homes and nursing homes promulgated under sections 144.56 and 144A.08 if appropriate due to the changes in the reimbursement system. Until June 30, 1986, any temporary rules adopted by the commissioner of health or the commissioner of public welfare under this section shall be adopted in accordance with the provisions contained in sections 14.29 to 14.36 in effect on March 1, 1984. Temporary rules adopted under this subdivision have the force and effect of law and remain in effect until June 30, 1986, unless otherwise superseded by rule. The procedures for the adoption of the temporary rules authorized by this subdivision shall prevail over any other act that amends chapter 14 regardless of the date of final enactment of those amendments. The rules shall be developed in consultation with the interagency board for quality assurance and the board shall conduct public hearings and consult with providers and consumers as appropriate. The commissioners of health and public welfare shall consider all comments received and shall not implement the temporary rules until a report on the proposed rules has been presented to the senate health and human services committee and the house of representatives health and welfare committee. The rules are effective five days after publication in the State Register.*

Sec. 14. Minnesota Statutes, 1983 Supplement, section 256B.48, subdivision 1, is amended to read:

Subdivision 1. [PROHIBITED PRACTICES.] A nursing home is not eligible to receive medical assistance payments unless it refrains from:

(a) Charging private paying residents rates for similar services which exceed those which are approved by the state agency for medical assistance recipients as determined by the prospective desk audit rate, except under the following circumstances: the nursing home may (1) charge private paying residents a higher rate for a private room, and (2) charge for special services which are not included in the daily rate if medical assistance residents are charged separately at the same rate for the same services in addition to the daily rate paid by the commissioner. *Services covered by the payment rate must be the same regardless of payment source. Special services, if offered, must be offered to all residents and charged separately at the same rate. Residents are free to select or decline special services. Special services must not include services which must be provided by the nursing home in order to comply with licensure standards and that if not provided would result in a deficiency or violation by the nursing home.* A nursing home that charges a private paying resident a rate in violation of this clause is subject to an action by the state of Minnesota or any of its subdivisions or agencies for civil damages. A private paying resident or the resident's legal representative has a cause of action for civil damages against a nursing home that charges the resident rates in violation of this clause. The damages awarded shall include three times the payments that result from the violation, together with costs and disbursements, including reasonable attorneys' fees or their equivalent. A private paying resident or the resident's legal representative, the state, subdivision or agency, or a nursing home may request a hearing to determine the allowed rate or rates at issue in the cause of action. Within 15 calendar days after receiving a request for such a hearing, the commissioner shall



request assignment of a hearing examiner under sections 14.48 to 14.56 to conduct the hearing as soon as possible or according to agreement by the parties. The hearing examiner shall issue a report within 15 calendar days following the close of the hearing. The prohibition set forth in this clause shall not apply to facilities licensed as boarding care facilities which are not certified as skilled or intermediate care facilities level I or II for reimbursement through medical assistance;

(b) Requiring an applicant for admission to the home, or the guardian or conservator of the applicant, as a condition of admission, to pay any fee or deposit in excess of \$100, loan any money to the nursing home, or promise to leave all or part of the applicant's estate to the home;

(c) Requiring any resident of the nursing home to utilize a vendor of health care services who is a licensed physician or pharmacist chosen by the nursing home;

~~(d) Requiring any applicant to the nursing home, or the applicant's guardian or conservator, as a condition of admission, to assure that the applicant is neither eligible for nor will seek public assistance for payment of nursing home care costs. Providing differential treatment on the basis of status with regard to public assistance;~~

*(e) Discriminating in admissions, services offered, or room assignment on the basis of status with regard to public assistance. Admissions discrimination shall include, but is not limited to:*

*(1) basing admissions decisions upon assurance by the applicant to the nursing home, or the applicant's guardian or conservator, that the applicant is neither eligible for nor will seek public assistance for payment of nursing home care costs;*

*(2) engaging in preferential selection from waiting lists based on an applicant's ability to pay privately.*

*The collection and use by a nursing home of financial information of any applicant pursuant to the pre-admission screening program established by section 256B.091 shall not raise an inference that the nursing home is utilizing that information for any purpose prohibited by this paragraph;*

~~(e)~~ (f) Requiring any vendor of medical care as defined by section 256B.02, subdivision 7, who is reimbursed by medical assistance under a separate fee schedule, to pay any portion of his fee to the nursing home except as payment for renting or leasing space or equipment of the nursing home or purchasing support services, if those agreements are disclosed to the commissioner; and

(f) (g) Refusing, for more than 24 hours, to accept a resident returning to his same bed or a bed certified for the same level of care, in accordance with a physician's order authorizing transfer, after receiving inpatient hospital services.

The prohibitions set forth in clause (b) shall not apply to a retirement home with more than 325 beds including at least 150 licensed nursing home beds and which:

(1) is owned and operated by an organization tax-exempt under section

290.05, subdivision 1, clause (i); and

(2) accounts for all of the applicant's assets which are required to be assigned to the home so that only expenses for the cost of care of the applicant may be charged against the account; and

(3) agrees in writing at the time of admission to the home to permit the applicant, or his guardian, or conservator, to examine the records relating to the applicant's account upon request, and to receive an audited statement of the expenditures charged against his individual account upon request; and

(4) agrees in writing at the time of admission to the home to permit the applicant to withdraw from the home at any time and to receive, upon withdrawal, the balance of his individual account.

*The commissioner may continue to make medical assistance payments to a nursing home or boarding care home which is in violation of this section if extreme hardship to the residents would result. In these cases the commissioner shall issue an order requiring the nursing home to correct the violation. The nursing home shall have 20 days from its receipt of the order to correct the violation. If the violation is not corrected within the 20 day period the commissioner may reduce the payment rate to the nursing home by up to 20 percent. The amount of the payment rate reduction shall be related to the severity of the violation, and shall remain in effect until the violation is corrected. The nursing home or boarding care home may appeal the commissioner's action pursuant to the provisions of chapter 14 pertaining to contested cases. An appeal shall be considered timely if written notice of appeal is received by the commissioner within 20 days of notice of the commissioner's proposed action.*

*In the event that the commissioner determines that a nursing home is not eligible for reimbursement for a resident who is eligible for medical assistance, the commissioner may authorize the nursing home to receive reimbursement on a temporary basis until the resident can be relocated to a participating nursing home.*

Sec. 15. Minnesota Statutes 1982, section 256D.06, is amended by adding a subdivision to read:

*Subd. 6. General assistance funds may be paid to cover the room and board needs of persons who are eligible for general assistance and who are placed by the county in a licensed facility for the purpose of receiving physical, mental health or rehabilitative care.*

Sec. 16. [OPERATING COST ADJUSTMENT ALLOWANCE.]

*For the rate year beginning July 1, 1984, and ending June 30, 1985, the commissioner shall add 24 cents per resident per day to the operating cost payment rate of each nursing home whose allowable historical operating cost per diem is below the 60th percentile of allowable historical operating costs per diems for its respective group and shall add 6 cents per resident per day to the operating cost payment rate of each nursing home whose allowable historical operating cost per diem is at or above the 60th percentile of allowable historical operating costs per diems for its respective group. The groups shall be the groups established under section 256B.431, subdivision 1, based on cost reports of allowable historical operating costs incurred in the previous*

reporting year. Any change in the ranking of nursing homes as a result of amendments, field audits or appeal settlements shall not affect the calculation in this clause.

Sec. 17. [APPROPRIATION.]

*The sum of \$698,000 is appropriated from the general fund to the commissioner of health for purposes of sections 1, 2, and 12 and is available until June 30, 1985. The approved complement of the department of health is increased by 22 positions for the purposes of sections 1, 2, and 12. Ten of these positions are temporary to continue only until June 30, 1985.*

Sec. 18. [EFFECTIVE DATE.]

*Sections 1 to 13 are effective the day following final enactment."*

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections"

Page 1, line 5, after the first semicolon, insert "256B.25; 256D.06, by adding a subdivision;"

Page 1, line 8, after the first semicolon, insert "256.48, subdivision 1;"

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

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

S.F. No. 433: A bill for an act relating to labor; requiring an employer to pay certain wage claims to the department of labor and industry; providing for a fine of \$500 for certain violations of the minimum wage law; removing a certain limitation on commencing civil actions for minimum wage law violations; requiring the commissioner of labor and industry to report to the legislature on recommendations to improve enforcement of the minimum wage law; appropriating money; amending Minnesota Statutes 1982, section 177.27, subdivisions 4 and 5; and Minnesota Statutes 1983 Supplement, section 177.32, 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 1982, section 177.28, subdivision 4, is amended to read:

Subd. 4. An employee who receives \$35 or more per month in gratuities is a tipped employee. An employer is entitled to a credit in an amount up to 20 percent of the minimum wage which a tipped employee receives; *except that effective January 1, 1985, the credit is reduced to 15 percent; effective January 1, 1986, the credit is reduced to 10 percent; effective January 1, 1987, the credit is reduced to 5 percent; and effective January 1, 1988, the credit is eliminated.* The credit against the wages due may not be taken unless at the time the credit is taken the employer has received a signed statement for that pay period from the tipped employee stating that he did receive and retain during that pay period all gratuities received by him in an amount equal to or

greater than the credit applied against the wages due by his employer. The statements shall be maintained by the employer as a part of his business records.”

Delete the title and insert:

“A bill for an act relating to labor; regulating the minimum wage by phasing out the tip credit; amending Minnesota Statutes 1982, section 177.28, subdivision 4.”

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. 1960: A bill for an act relating to energy and economic development; energy and economic development authority; adding definitions; clarifying duties and powers of the energy and economic development authority; correcting statutory references; amending Minnesota Statutes 1982, sections 116J.88, as amended; 116J.89, subdivision 4; 116J.90, by adding a subdivision; 116J.91, subdivisions 15, 17, 18, and by adding a subdivision; 474.01, subdivisions 7 and 7a; Minnesota Statutes 1983 Supplement, sections 116J.89, subdivisions 1, 1a, 1b, 1c, 2, 6, and 8; 116J.90, subdivisions 1, 2, 3, 5, and 6; 116J.91, subdivisions 1, 4, 11, 12, 16, 19, and 20; 116J.923, subdivision 7; 116J.924, subdivision 3; 116J.925, subdivisions 1 and 3; 275.125, subdivision 12a; Laws 1983, chapter 323, section 5, subdivision 2; proposing new law coded as Minnesota Statutes, chapter 116M; repealing Minnesota Statutes 1983 Supplement, sections 116J.922; 116J.923, subdivisions 2 and 12; and 116J.924, subdivision 1.

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

Page 13, line 5, strike “SMALL BUSINESS”

Page 13, line 21, after the period, insert “*The authority shall obtain the best available security for all loans.*”

Page 14, line 19, delete “*this act*” and insert “*the Minnesota Energy and Economic Development Authority Act*”

Page 15, line 25, delete “*two*” and insert “*three*”

Page 15, line 33, delete “*and*”

Page 15, line 36, before the period, insert “; *and*”

(5) *the business will maintain a significant level of productivity within Minnesota within the ensuing five-year period*”

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. 1687: A bill for an act relating to local government; requiring every political subdivision to establish equitable compensation relationships among its employees; requiring a report to the legislature; proposing new law

Page 35, line 31, delete "1985" and insert "1984" and delete "1986" and insert "1985"

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. 1865: A bill for an act relating to public welfare; limiting medical assistance and providing appeal rights for former recipients of public assistance; limiting medical assistance and general assistance reimbursements for chemical dependency treatment; extending temporary rulemaking authority for prospective payments for inpatient hospital services; expanding medical assistance eligibility for certain persons; eliminating the requirement that the commissioner seek a co-payment waiver for HMO enrollees under medical assistance; clarifying existing language; changing standards for the contribution of a non-institutionalized spouse; amending Minnesota Statutes 1982, sections 256.045, subdivisions 2, 4, 5, and 7; 256B.17, subdivisions 1 and 3; 256B.19, subdivision 1; Minnesota Statutes 1983 Supplement, sections 256.045, subdivision 3; 256.968; 256.969, subdivisions 2 and 6; 256B.06, subdivision 1; and 256B.17, subdivisions 4 and 5; repealing Minnesota Statutes 1983 Supplement, section 256B.17, subdivision 8.

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

Page 5, line 29, delete "216, article 1, section 39" and insert "312, article 5, section 9, subdivision 6"

Pages 12 and 13, delete section 15 and insert:

"Sec. 15. [CONTRIBUTION OF NON-INSTITUTIONALIZED SPOUSE.]

*The commissioner of public welfare shall adjust the schedule for determining the contribution required from the non-institutionalized spouse of a resident or patient of a nursing home or hospital to reflect an increase of at least 50 percent in the cost of living of the non-institutionalized spouse and shall provide for subsequent periodic adjustments to reflect future increases, using the RSD I cost of living change."*

Page 13, line 7, delete ", 14, and 15" and insert "and 14 to 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. 1419: A bill for an act relating to agriculture; establishing a grape research program funded by a portion of the wine excise tax; appropriating money; amending Minnesota Statutes 1983 Supplement, section 340.485, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 340.

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

Delete everything after the enacting clause and insert:

“Section 1. [GRAPE RESEARCH PROGRAM.]

*The sum of \$125,000 is appropriated from the general fund to the University of Minnesota for fiscal year 1985 for the Agricultural Experiment Station to conduct research concerning growing and processing grapes in Minnesota. These funds are to be used to create, expand, and facilitate grape research programs deemed valuable and appropriate to Minnesota-grown wine grapes, table grapes, grape juice products, and other grape products.*

*The Minnesota Grape Growers Association shall form a grape research and promotion council to advise the University of Minnesota about the research to be conducted. The grape research and promotion council shall be made up of seven members of the Minnesota Grape Growers Association. Four members, designated as grower members, must be active grape growers. Two members, designated as winery members, must be actively engaged in the production of Minnesota-regional commercial wines. One member, designated as the research member, must be actively engaged in either institutional or private grape culture research.”*

Delete the title and insert:

“A bill for an act relating to agriculture; appropriating money to conduct research concerning growing and processing grapes in Minnesota.”

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

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
756	2173				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 756 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 756 and insert the language after the enacting clause of S.F. No. 2173, the first engrossment; further, delete the title of H.F. No. 756 and insert the title of S.F. No. 2173, the first engrossment.

And when so amended H.F. No. 756 will be identical to S.F. No. 2173, and further recommends that H.F. No. 756 be given its second reading and substituted for S.F. No. 2173, 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. 1441, 1916, 991, 2098, 1985, 433, 1960, 1687, 1918, 1614,

1980, 1407, 1703, 1865 and 1419 were read the second time.

### SECOND READING OF HOUSE BILLS

H.F. Nos. 950 and 756 were read the second time.

### MOTIONS AND RESOLUTIONS

Ms. Olson moved that her name be stricken as a co-author to S.F. No. 2017. The motion prevailed.

Mr. Freeman moved that S.F. No. 1490, No. 10 on Special Orders, be stricken and returned to its author. The motion prevailed.

Mr. Luther moved that S.F. No. 292 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

S.F. No. 292: A bill for an act relating to public welfare; defining persons responsible for a child's care under the child abuse reporting law; amending Minnesota Statutes 1982, section 626.556, subdivisions 2, 7, and 10.

Mr. Luther moved that S.F. No. 292 and the recommendations and Conference Committee Report thereon be re-referred to the Conference Committee as formerly constituted for further consideration. The motion prevailed.

Mr. Pehler, for Mr. Bertram, moved that S.F. No. 2069, No. 46 on Special Orders, be stricken and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Willet moved that the following members be excused for a Conference Committee on H.F. No. 2317 at 10:30 a.m.:

Messrs. Willet, Kroening, Samuelson, Luther and Frederickson. The motion prevailed.

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Belanger moved that the following members be excused for a Conference Committee on H.F. No. 1405 at 12:00 noon:

Messrs. Belanger; Moe, D.M. and Merriam. The motion prevailed.

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Purfeerst moved that the following members be excused for a Conference Committee on H.F. No. 2314:

Messrs. Waldorf, Dicklich, Langseth, Taylor and Purfeerst. The motion prevailed.

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. 1826: A bill for an act relating to state government; specifying

authority of the governor; specifying powers and duties of the commissioner of the department of energy and economic development; providing services for small businesses; amending Minnesota Statutes 1982, sections 116J.67, subdivision 8; 116J.68; Minnesota Statutes 1983 Supplement, sections 116J.10; 116J.61; proposing new law coded in Minnesota Statutes, chapters 4 and 116J.

Mr. Freeman moved to amend S.F. No. 1826 as follows:

Page 1, reinstate lines 16 to 19

Page 1, line 20, reinstate the stricken "(b)"

Reletter the clauses in sequence

Page 9, after line 25, insert:

"Sec. 6. [EFFECTIVE DATE.]

*This act is effective the day following final enactment."*

The motion prevailed. So the amendment was adopted.

S.F. No. 1826 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 5, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Laidig	Pehler	Schmitz
Anderson	Frank	Langseth	Peterson, C.C.	Sieloff
Belanger	Frederickson	Lantry	Peterson, D.C.	Solon
Bertram	Freeman	Lessard	Peterson, D.L.	Spear
Brataas	Hughes	Luther	Peterson, R.W.	Storm
Chmielewski	Johnson, D.E.	McQuaid	Petty	Ulland
Dahl	Jude	Mehrkens	Ramstad	Vega
Davis	Knaak	Merriam	Reichgott	
DeCramer	Kroening	Moe, D. M.	Renneke	
Diessner	Kronebusch	Olson	Samuelson	

Those who voted in the negative were:

Benson	Berg	Frederick	Isackson	Kamrath
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So the bill, as amended, passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1421: A bill for an act relating to labor; authorizing certain payroll deductions; amending Minnesota Statutes 1982, section 181.06, subdivision 2.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 46 and nays 3, as follows:

Those who voted in the affirmative were:



Adkins	Frank	Kronebusch	Pehler	Sieloff
Belanger	Frederick	Laidig	Peterson, C.C.	Solon
Benson	Frederickson	Lantry	Peterson, D.C.	Spear
Bertram	Freeman	Lessard	Peterson, D.L.	Storm
Brataas	Hughes	Luther	Peterson, R.W.	Ulland
Chmielewski	Johnson, D.E.	McQuaid	Petty	Vega
Dahl	Jude	Mehrkens	Ramstad	
DeCramer	Knaak	Merriam	Renneke	
Diessner	Knutson	Moe, D. M.	Samuelson	
Dieterich	Kroening	Olson	Schmitz	

Messrs. Anderson, Isackson and Kamrath voted in the negative.

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

H.F. No. 1911: A bill for an act relating to state lands; authorizing the sale of a certain lakeshore property in Kandiyohi County.

Mr. Benson moved to amend H.F. No. 1911, as amended pursuant to Rule 49, adopted by the Senate April 10, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2128.)

Page 1, after line 19, insert:

“Sec. 2. [SALE OF CERTAIN FOREST LAND.]

*Notwithstanding Minnesota Statutes, section 94.09 to 94.16 or any other law to the contrary, the commissioner of natural resources may sell by private sale for a consideration not less than the commissioner's appraised value excluding improvements, to James Cady of Peterson, Minnesota, a certain 5.3 acres of state forest land in the east half of the northeast quarter of the southwest quarter, the northwest quarter of the northeast quarter of the southwest quarter, and the southeast quarter of the northwest quarter of section 32, township 104 north, range 8 west, Fillmore County, Minnesota, described in the department of natural resources survey, sheet 116, file FO-735.”*

Renumber the sections in sequence

Page 1, line 21, after the period, insert “Section 2 expires one year after enactment.”

Amend the title as follows:

Page 1, line 3, before the period, insert “, and certain forest land in Fillmore County”

The motion prevailed. So the amendment was adopted.

H.F. No. 1911 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 45 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Jude	Mehrkens	Ramstad
Anderson	Dieterich	Kamrath	Merriam	Renneke
Belanger	Frank	Knaak	Moe, D. M.	Samuelson
Benson	Frederick	Kroening	Olson	Schmitz
Berg	Frederickson	Kronebusch	Pehler	Sieloff
Bertram	Freeman	Lantry	Peterson, D.C.	Spear
Chmielewski	Hughes	Lessard	Peterson, D.L.	Storm
Dahl	Isackson	Luther	Peterson, R.W.	Ulland
Davis	Johnson, D.E.	McQuaid	Petty	Vega

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

### SPECIAL ORDER

S.F. No. 1469: A bill for an act relating to workers' compensation; providing coverage for certain employees of the University of Minnesota; amending Minnesota Statutes 1983 Supplement, section 176.011, subdivision 9.

Mr. Peterson, R.W. moved to amend S.F. No. 1469 as follows:

Page 4, line 30, delete "and"

Page 5, line 4, before the period, insert "; and"

*(18) a worker who performs volunteer ambulance driver or attendant services is an employee of the political subdivision, nonprofit hospital, nonprofit corporation, or other entity for which the worker performs the services. The daily wage of the worker for the purpose of calculating compensation payable under this chapter is the usual going wage paid at the time of injury or death for similar services if the services are performed by paid employees"*

Amend the title as follows:

Page 1, line 3, after "Minnesota" insert "and for ambulance drivers and attendants"

The motion prevailed. So the amendment was adopted.

S.F. No. 1469 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 46 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frank	Kroening	Pehler	Sieloff
Belanger	Frederick	Kronebusch	Peterson, D.C.	Solon
Berg	Frederickson	Laidig	Peterson, D.L.	Spear
Bertram	Freeman	Lantry	Peterson, R.W.	Storm
Brataas	Hughes	Lessard	Petty	Stumpf
Chmielewski	Isackson	Luther	Pogemiller	Ulland
Dahl	Jude	McQuaid	Ramstad	
Davis	Kamrath	Mehrkens	Reichgott	
DeCramer	Knaak	Merriam	Renneke	
Dieterich	Knutson	Olson	Schmitz	

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

### SPECIAL ORDER

H.F. No. 1663: A bill for an act relating to agriculture; making certain

changes in apiary law; amending Minnesota Statutes 1983 Supplement, sections 19.55; 19.56; 19.57; 19.58, subdivisions 1 and 2; 19.64, subdivision 1, and by adding a subdivision; repealing Minnesota Statutes 1983 Supplement, section 19.58, subdivision 6.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 46 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Pehler	Sieloff
Anderson	Dieterich	Kronebusch	Peterson, D.C.	Solon
Belanger	Frank	Laidig	Peterson, D.L.	Spear
Benson	Frederick	Lantry	Peterson, R.W.	Storm
Berg	Frederickson	Lessard	Petty	Stumpf
Bertram	Freeman	Luther	Pogemiller	Ulland
Chmielewski	Isackson	McQuaid	Ramstad	
Dahl	Jude	Mehrkens	Reichgott	
Davis	Kamrath	Merriam	Renneke	
DeCramer	Knaak	Olson	Schmitz	

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S.F. No. 1572: A bill for an act relating to probate; providing for antemortem probate of wills; proposing new law coded in Minnesota Statutes, chapter 525.

Mr. Sieloff moved to amend S. F. No. 1572 as follows:

Page 1, after line 6, insert:

“Section 1. Minnesota Statutes 1982, section 518.145, is amended to read:

518.145 [DECREE.]

A decree of dissolution of marriage or of legal separation is final when entered, subject to the right of appeal. When entered, the findings of fact and conclusions of law may constitute the judgment and decree. *When a stipulation has been filed with the court, the decree of dissolution may incorporate the stipulation by reference and the court may adopt the terms of the stipulation as its findings of fact, conclusions of law, and decree.* An appeal from the decree of dissolution that does not challenge the finding that the marriage is irretrievably broken does not delay the finality of that provision of the decree which dissolves the marriage beyond the time for appealing from that provision. A party may remarry before the time for appeal has run if it is not contested that the marriage is irretrievably broken or if a stipulation that the marriage is irretrievably broken is incorporated in the decree of dissolution.

#### INTESTATE SUCCESSION

Sec. 2. [524.2-101] [INTESTATE ESTATE.]

*Except as provided in sections 525.14 and 525.145, and subject to the allowances provided in section 525.15, and the payment of the expenses of*

*administration, funeral expenses, expenses of last illness, taxes, and debts, any part of the estate of a decedent not effectively disposed of by the decedent's will passes to the decedent's heirs as prescribed in sections 4 to 15.*

Sec. 3. [524.2-102] [SHARE OF THE SPOUSE.]

*The intestate share of the surviving spouse is:*

- (1) if there is no surviving issue of the decedent, the entire intestate estate;*
- (2) if there are surviving issue all of whom are issue of the surviving spouse also, the first \$70,000, plus one-half of the balance of the intestate estate;*
- (3) if there are surviving issue one or more of whom are not issue of the surviving spouse, one-half of the intestate estate.*

Sec. 4. [524.2-103] [SHARE OF HEIRS OTHER THAN SURVIVING SPOUSE.]

*The part of the intestate estate not passing to the surviving spouse under section 4, or the entire intestate estate if there is no surviving spouse, passes as follows:*

- (1) to the issue of the decedent; if they are all of the same degree of kinship to the decedent they take equally, but if of unequal degree, then those of more remote degree take by representation;*
- (2) if there is no surviving issue, to his parent or parents equally;*
- (3) if there is no surviving issue or parent, to the issue of the parents or either of them by representation;*
- (4) if there is no surviving issue, parent, or issue of a parent, to the next of kin in equal degree, except that when there are two or more collateral kindred in equal degree claiming through different ancestors, those who claim through the nearest ancestor shall take to the exclusion of those claiming through an ancestor more remote.*

Sec. 5. [524.2-104] [REQUIREMENT THAT HEIR SURVIVE DECEDENT FOR 120 HOURS.]

*A person who fails to survive the decedent by 120 hours is deemed to have predeceased the decedent for purposes of homestead allowance, exempt property and intestate succession, and the decedent's heirs are determined accordingly. If the time of death of the decedent or of the person who would otherwise be an heir, or the times of death of both, cannot be determined, and it cannot be established that the person who would otherwise be an heir has survived the decedent by 120 hours, it is deemed that the person failed to survive for the required period. This section is not to be applied where its application would result in a taking of intestate estate by the state under section 7.*

Sec. 6. [524.2-105] [NO TAKER.]

*If there is no taker under the provisions of sections 4 to 15, the intestate estate passes to the state.*

Sec. 7. [524.2-106] [REPRESENTATION.]

*If representation is called for by sections 4 to 15, the estate is divided into*

*as many shares as there are surviving heirs in the nearest degree of kinship and deceased persons in the same degree who left issue who survive the decedent, each surviving heir in the nearest degree receiving one share and the share of each deceased person in the same degree being divided among his or her issue in the same manner.*

Sec. 8. [524.2-107] [KINDRED OF HALF BLOOD.]

*Relatives of the half blood inherit the same share they would inherit if they were of the whole blood.*

Sec. 9. [524.2-108] [AFTERBORN HEIRS.]

*Relatives of the decedent conceived before his death but born thereafter inherit as if they had been born in the lifetime of the decedent.*

Sec. 10. [524.2-109] [MEANING OF CHILD AND RELATED TERMS.]

*If, for purposes of intestate succession, a relationship of parent and child must be established to determine succession by, through, or from a person:*

*(1) An adopted person is the child of an adopting parent and not of the natural parents except that adoption of a child by the spouse of a natural parent has no effect on the relationship between the child and that natural parent. If a parent dies and a child is subsequently adopted by a stepparent who is the spouse of a surviving parent, any rights of inheritance of the child or the child's issue from or through the deceased parent of the child which exist at the time of the death of that parent shall not be affected by the adoption.*

*(2) In cases not covered by (1), a person born out of wedlock is a child of the mother. That person is also a child of the father, if:*

*(i) the natural parents participated in a marriage ceremony before or after the birth of the child, even though the attempted marriage is void; or*

*(ii) the paternity is established by an adjudication or by acknowledgment, consent, or agreement pursuant to sections 257.51 to 257.74 before the death of the father or is established thereafter by clear and convincing proof, except that the paternity established under this clause is ineffective to qualify the father or his kindred to inherit from or through the child unless the father has openly treated the child as his, and has not refused to support the child.*

Sec. 11. [524.2-111] [DEBTS TO DECEDENT.]

*A debt owed to the decedent is not charged against the intestate share of any person except the debtor. If the debtor fails to survive the decedent, the debt is not taken into account in computing the intestate share of the debtor's issue.*

Sec. 12. [524.2-112] [ALIENAGE.]

*No person is disqualified to take as an heir because he or a person through whom he claims is or has been an alien.*

Sec. 13. [524.2-113] [PERSONS RELATED TO DECEDENT THROUGH TWO LINES.]

*A person who is related to the decedent through two lines of relationship is*

*entitled to only a single share based on the relationship which would entitle such person to the larger share.*

Sec. 14. [524.2-114] [INSTRUMENTS REFERENCING INTESTACY LAWS.]

*If a maker has executed a will or other instrument on or before December 31, 1985, which directs disposition of all or part of the estate pursuant to the intestacy laws of the state of Minnesota, the laws to be applied shall be in accordance with the laws of intestate succession in effect on or before December 31, 1985, unless the will or instrument directs otherwise.*

ELECTIVE SHARE OF SURVIVING SPOUSE

Sec. 15. [524.2-201] [RIGHT TO ELECTIVE SHARE.]

*(a) If a married person domiciled in this state dies, the surviving spouse has a right of election to take an elective share of one-third of the augmented estate under the limitations and conditions hereinafter stated.*

*(b) If a married person not domiciled in this state dies, the right, if any, of the surviving spouse to take an elective share in property in this state is governed by the law of the decedent's domicile at death.*

Sec. 16. [524.2-202] [AUGMENTED ESTATE.]

*The augmented estate means the estate reduced by funeral and administration expenses, homestead allowance, family allowances and exemptions, liens, mortgages, and enforceable claims, to which is added the sum of the following amounts:*

*(1) The value of property transferred by the decedent at any time during the marriage, to or for the benefit of any person other than the surviving spouse, to the extent that the decedent did not receive adequate and full consideration in money or money's worth for the transfer, if the transfer is of any of the following types:*

*(i) any transfer under which the decedent retained at the time of death the possession or enjoyment of, or right to income from, the property;*

*(ii) any transfer to the extent that the decedent retained at the time of death a power, either alone or in conjunction with any other person, to revoke or to consume, invade or dispose of the principal for his or her own benefit;*

*(iii) any transfer whereby property is held at the time of decedent's death by decedent and another with right of survivorship;*

*(iv) any transfer made within one year of death of the decedent to the extent that the aggregate transfers to any one donee in the year exceeds \$30,000.*

*Any transfer is excluded if made with the written consent or joinder of the surviving spouse. Property is valued as of the decedent's death except that property given irrevocably to a donee during lifetime of the decedent is valued as of the date the donee came into possession or enjoyment if that occurs first.*

*(2) The value of property owned by the surviving spouse at the decedent's death, plus the value of property transferred by the spouse at any time during marriage to any person other than the decedent which would have been in-*

cludible in the spouse's augmented estate if the surviving spouse had predeceased the decedent, to the extent the owned or transferred property is derived from the decedent by any means other than testate or intestate succession or as an obligation of support without a full consideration in money or money's worth. For purposes of this clause:

(i) Property derived from the decedent includes, but is not limited to, any beneficial interest of the surviving spouse in a trust created by the decedent during the decedent's lifetime, any property appointed to the spouse by the decedent's exercise of a general or special power of appointment also exercisable in favor of others than the spouse, any lump sum immediately payable and the commuted value of the proceeds of annuity contracts under which the decedent was the primary annuitant attributable to premiums paid by him, the commuted value of amounts payable after the decedent's death under any public or private pension, disability compensation, benefit, or retirement plan, exclusive of the Federal Social Security system, by reason of service performed or disabilities incurred by the decedent, any property held at the time of decedent's death by decedent and the surviving spouse with right of survivorship, any property held by decedent and transferred by contract to the surviving spouse by reason of the decedent's death, and the value of the share of the surviving spouse resulting from rights in community property in this or any other state formerly owned with the decedent. The augmented estate does not include the proceeds of life insurance payable upon the death of the decedent in lump sum or in the form of an annuity or as part of any pension or profit sharing plan, nor does it include premiums paid therefore by the decedent or any other person.

(ii) Property owned by the spouse at the decedent's death is valued as of the date of death. Property transferred by the spouse is valued at the time the transfer became irrevocable, or at the decedent's death, whichever occurred first. Income earned by included property prior to the decedent's death is not treated as property derived from the decedent.

(iii) Property owned by the surviving spouse as of the decedent's death, or previously transferred by the surviving spouse, is presumed to have been derived from the decedent except to the extent that the surviving spouse establishes that it was derived from another source.

(3) The value of property paid to or for the benefit of any person other than the surviving spouse as a result of the decedent's death if the property is any of the following types:

(i) any lump sum immediately payable and the commuted value of the proceeds of annuity contracts under which the decedent was the primary annuitant attributable to premiums paid by the decedent during the marriage, or

(ii) the commuted value of amounts payable after the decedent's death under any public or private pension, disability compensation, benefit or retirement plan, exclusive of the Federal Social Security system, by reason of service performed or disabilities incurred by the decedent, attributable to premiums or contributions paid by the decedent during the marriage.

Unless the payer of any such property has received written notice of intention to file a petition for the elective share, the property may be paid, upon

*request and satisfactory proof of the decedent's death, to the designated beneficiary of the property. Payment made discharges the payer from all claims for the amounts paid. The protection here given does not extend to payments made after the payer has received written notice of intention to file a petition for the elective share. Unless the notice is withdrawn by the surviving spouse, the surviving spouse must concur in any demand for withdrawal if the payer is to be protected under this provision.*

*Upon petition to the probate court by the designated beneficiary, the court may order that all or part of the property may be paid to the designated beneficiary in such amount and subject to such conditions as are consistent with this section.*

**Sec. 17. [524.2-203] [RIGHT OF ELECTION PERSONAL TO SURVIVING SPOUSE.]**

*The right of election of the surviving spouse may be exercised only during his lifetime by him. In the case of a protected person, the right of election may be exercised only by order of the court in which protective proceedings as to his property are pending, after finding (1) that exercise is necessary to provide adequate support for the protected person during his probable life expectancy and (2) that the election will be consistent with the best interests of the natural bounty of the protected person's affection.*

**Sec. 18. [524.2-204] [WAIVER OF RIGHT TO ELECT AND OF OTHER RIGHTS.]**

*The right of election of a surviving spouse and the rights of the surviving spouse to homestead allowance, exempt property and family allowance, or any of them, may be waived, wholly or partially, after marriage, by a written contract, agreement or waiver signed by the party waiving after fair disclosure. Unless it provides to the contrary, a waiver of "all rights", or equivalent language, in the property or estate of a spouse is a waiver only of the right to elective share. Any waiver prior to marriage must be made pursuant to section 519.11.*

**Sec. 19. [524.2-205] [PROCEEDING FOR ELECTIVE SHARE; TIME LIMIT.]**

*(a) The surviving spouse may elect to take an elective share in the augmented net estate by filing in the court and mailing or delivering to the personal representative, if any, a petition for the elective share within nine months after the date of death, or within six months after the probate of the decedent's will, whichever limitation last expires. However, non-probate transfers, described in section 17, clause (1), shall not be included within the augmented estate for the purpose of computing the elective share, if the petition is filed later than nine months after death. The court may extend the time for election as it sees fit for cause shown by the surviving spouse before the time for election has expired.*

*(b) The surviving spouse shall give notice of the time and place set for hearing to persons interested in the estate and to the distributees and recipients of portions of the augmented net estate whose interests will be affected by the taking of the elective share.*

*(c) The surviving spouse may withdraw his demand for an elective share at*



any time before entry of a final determination by the court.

(d) After notice and hearing, the court shall determine the amount of the elective share and shall order its payment from the assets of the augmented net estate or by contribution as appears appropriate under section 22. If it appears that a fund or property included in the augmented net estate has not come into the possession of the personal representative, or has been distributed by the personal representative, the court nevertheless shall fix the liability of any person who has any interest in the fund or property or who has possession thereof, whether as trustee or otherwise. The proceeding may be maintained against fewer than all persons against whom relief could be sought, but no person is subject to contribution in any greater amount than he would have been if relief had been secured against all persons subject to contribution.

(e) The order or judgment of the court may be enforced as necessary in suit for contribution or payment in other courts of this state or other jurisdictions.

**Sec. 20. [524.2-206] [EFFECT OF ELECTION ON BENEFITS BY WILL OR STATUTE.]**

A surviving spouse is entitled to the allowances provided in section 525.15 whether or not he or she elects to take an elective share.

**Sec. 21. [524.2-207] [CHARGING SPOUSE WITH GIFTS RECEIVED; LIABILITY OF OTHERS FOR BALANCE OF ELECTIVE SHARE.]**

(a) In the proceeding for an elective share, values included in the augmented estate which pass or have passed to the surviving spouse, or which would have passed to the surviving spouse but were renounced, are applied first to satisfy the elective share and to reduce any contributions due from other recipients of transfers included in the augmented estate. For purposes of this paragraph, the electing spouse's beneficial interest in any life estate or in any trust shall be computed as if worth one-half of the total value of the property subject to the life estate, or of the trust estate, unless higher or lower values for these interests are established by proof.

(b) Remaining property of the augmented estate is so applied that liability for the balance of the elective share of the surviving spouse is equitably apportioned among the recipients of the augmented estate in proportion to the value of their interests therein.

(c) Only original transferees from, or appointees of, the decedent and their donees, to the extent the donees have the property or its proceeds, are subject to the contribution to make up the elective share of the surviving spouse. A person liable to contribution may choose to give up the property transferred to him or to pay its value as of the time it is considered in computing the augmented estate.

**SPOUSE AND CHILDREN UNPROVIDED FOR IN WILLS**

**Sec. 22. [524.2-301] [OMITTED SPOUSE.]**

(a) If a testator fails to provide by will for his surviving spouse who married the testator after the execution of the will, the omitted spouse shall receive the same share of the estate he would have received if the decedent left no will unless it appears from the will that the omission was intentional or the

*testator provided for the spouse by transfer outside the will and the intent that the transfer be in lieu of a testamentary provision is shown by statements of the testator or from the amount of the transfer or other evidence.*

*(b) In satisfying a share provided by this section, the devises made by the will abate as provided in Minnesota Statutes, section 524.3-902.*

**Sec. 23. [524.2-302] [PRETERMITTED CHILDREN.]**

*(a) If a testator fails to provide in his will for any of his children born or adopted after the execution of his will, the omitted child receives a share in the estate equal in value to that which he would have received if the testator had died intestate unless:*

*(1) it appears from the will that the omission was intentional;*

*(2) when the will was executed the testator had one or more children and devised substantially all his estate to the other parent of the omitted child; or*

*(3) the testator provided for the child by transfer outside the will and the intent that the transfer be in lieu of a testamentary provision is shown by statements of the testator or from the amount of the transfer or other evidence.*

*(b) If at the time of execution of the will the testator fails to provide in his will for a living child solely because he believes the child to be dead, the child receives a share in the estate equal in value to that which he would have received if the testator had died intestate.*

*(c) In satisfying a share provided by this section, the devises made by the will abate as provided in Minnesota Statutes, section 524.3-902.*

**ANTI-MORTEM PROBATE''**

Page 2, after line 27, insert:

''Sec. 25. [REPEALER.]

*Minnesota Statutes 1982, sections 525.16; 525.17; 525.171; 525.20; 525.201; 525.202; 525.212; 525.213; 525.214; 525.215; 525.216; and Minnesota Statutes 1983 Supplement, sections 525.172; and 525.173 are repealed.*

**Sec. 26. [EFFECTIVE DATE.]**

*Sections 1 and 2 are effective for decrees of dissolution made on or after August 1, 1984. Sections 3 to 24 and 26 are effective for estates of decedents dying after December 31, 1985.''*

ReNUMBER the sections in sequence

Amend the title as follows:

Page 1, line 2, delete ''probate'' and insert ''court proceedings''

Page 1, line 2, after the semicolon, insert ''adopting provisions of the uniform probate code and clarifying laws relating to intestate succession, spouse's elective share, and omitted spouses and children;''

Page 1, line 4, delete ''chapter'' and insert ''chapters 524; and'' and before the period, insert: ''; repealing Minnesota Statutes 1982, sections 525.16;

525.17; 525.171; 525.20; 525.201; 525.202; 525.212 to 525.216; Minnesota Statutes 1983 Supplement, sections 525.172; and 525.173”

The motion prevailed. So the amendment was adopted.

S.F. No. 1572 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Olson	Sieloff
Anderson	Diessner	Knutson	Pehler	Spear
Belanger	Dieterich	Kronebusch	Peterson, D.C.	Storm
Benson	Frank	Langseth	Peterson, D.L.	Stumpf
Berg	Frederick	Lantry	Peterson, R.W.	Ulland
Bertram	Frederickson	Lessard	Petty	Vega
Brataas	Freeman	Luther	Pogemiller	Willet
Chmielewski	Hughes	McQuaid	Ramstad	
Dahl	Isackson	Mehrkens	Reichgott	
Davis	Jude	Merriam	Renneke	
DeCramer	Kamrath	Nelson	Schmitz	

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

### SPECIAL ORDER

S.F. No. 1561: A bill for an act relating to crimes; providing for forfeitures of conveyances, containers, weapons used, and contraband property when utilized in the commission of designated offenses; proposing new law coded in Minnesota Statutes, chapter 609.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Kroening	Olson	Schmitz
Anderson	Frederick	Kronebusch	Pehler	Sieloff
Belanger	Frederickson	Laidig	Peterson, D.C.	Spear
Benson	Freeman	Langseth	Peterson, D.L.	Storm
Berg	Hughes	Lantry	Petty	Stumpf
Bertram	Isackson	Lessard	Pogemiller	Taylor
Chmielewski	Johnson, D.E.	Luther	Purfeerst	Ulland
Dahl	Jude	McQuaid	Ramstad	Vega
Davis	Kamrath	Mehrkens	Reichgott	Waldorf
DeCramer	Knaak	Merriam	Renneke	Wegscheid
Dieterich	Knutson	Nelson	Samuelson	Willet

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 1560: A bill for an act relating to crimes; subjecting certain property to forfeiture if exchanged for or associated with controlled substances; conforming definitions with other statutes; amending Minnesota Statutes

1982, section 152.19, subdivisions 1, 2, 4, 5, and 8.

Mr. Waldorf moved to amend S. F. No. 1560 as follows:

Page 4, line 13, delete "*that handled the forfeiture*"

Page 4, line 14, after "*agency*" insert "*that handled the forfeiture*"

The motion prevailed. So the amendment was adopted.

S.F. No. 1560 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 49 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Moe, D. M.	Sieloff
Anderson	Diessner	Kronebusch	Pehler	Spear
Belanger	Dieterich	Laidig	Peterson, D.L.	Storm
Benson	Frank	Langseth	Petty	Stumpf
Berg	Frederick	Lantry	Pogemiller	Taylor
Bertram	Frederickson	Lessard	Purfeerst	Ulland
Chmielewski	Isackson	Luther	Ramstad	Vega
Dahl	Johnson, D.E.	McQuaid	Reichgott	Waldorf
Davis	Jude	Mehrkens	Renneke	Willer
DeCramer	Kamrath	Merriam	Samuelson	

Messrs. Freeman and Schmitz voted in the negative.

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

### SPECIAL ORDER

H.F. No. 1915: A bill for an act relating to commerce; providing for the licensing of transient merchants by local units of governments; amending Minnesota Statutes 1982, sections 329.15; and 329.16.

Mr. Purfeerst moved that the amendment made to H.F. No. 1915 by the Committee on Rules and Administration in the report adopted April 9, 1984, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Purfeerst then moved to amend H.F. No. 1915 as follows:

Page 1, lines 19 to 21, delete the new language and insert "*A city, or with respect to the area outside the corporate limits of a city, a county, may enact a transient merchant licensing requirement excluding certain classes of transient merchant events, or determine by resolution of its governing body that certain classes of transient merchant events need not comply with section 329.11.*"

The motion prevailed. So the amendment was adopted.

H.F. No. 1915 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Laidig	Peterson, D.C.	Spear
Anderson	Frederick	Lantry	Peterson, D.L.	Storm
Belanger	Frederickson	Lessard	Peterson, R.W.	Stumpf
Benson	Freeman	Luther	Petty	Taylor
Berg	Hughes	McQuaid	Pogemiller	Ulland
Bertram	Isackson	Mehrkens	Purfeerst	Vega
Chmielewski	Johnson, D.E.	Merriam	Ramstad	Wegscheid
Dahl	Jude	Moe, D. M.	Reichgott	Willet
Davis	Kamrath	Moe, R. D.	Renneke	
Dicklich	Knaak	Nelson	Schmitz	
Diessner	Kroening	Olson	Sieloff	
Dieterich	Kronebusch	Pehler	Solon	

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

### SPECIAL ORDER

S.F. No. 1842: A bill for an act relating to local government; setting authority to regulate firearms and related matters; amending Minnesota Statutes 1982, sections 624.7132, subdivision 16; and 624.717; proposing new law coded in Minnesota Statutes, chapter 471; repealing Minnesota Statutes 1982, section 624.718.

Was read the third time 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 15, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Pehler	Sieloff
Anderson	Diessner	Knutson	Peterson, C.C.	Solon
Belanger	Frederick	Kronebusch	Peterson, D.L.	Storm
Benson	Frederickson	Laidig	Peterson, R.W.	Stumpf
Berg	Freeman	Langseth	Purfeerst	Taylor
Bertram	Isackson	Lessard	Ramstad	Ulland
Chmielewski	Johnson, D.E.	McQuaid	Reichgott	Wegscheid
Dahl	Johnson, D.J.	Mehrkens	Renneke	Willet
Davis	Jude	Moe, R. D.	Samuelson	
DeCramer	Kamrath	Olson	Schmitz	

Those who voted in the negative were:

Berglin	Kroening	Merriam	Peterson, D.C.	Spear
Dieterich	Lantry	Moe, D. M.	Petty	Vega
Frank	Luther	Nelson	Pogemiller	Waldorf

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

Remaining on the Order of Business of Motions and Resolutions, without

objection, the Senate reverted to the Order of Business of Messages From the House.

### MESSAGES FROM THE HOUSE

Mr. President:

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

S.F. No. 1511: A bill for an act relating to taxation; property; modifying the exemption for property held by political subdivisions; amending Minnesota Statutes 1982, section 272.02, subdivision 5.

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

Scheid, Kelly and Osthoff.

Senate File No. 1511 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 17, 1984

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. 1750: A bill for an act relating to commerce; providing for the classification of crime reports of the department of commerce; including certain financial institutions within the definition of broker-dealer of securities; broadening the securities transaction exemption for corporate transactions; providing for the receipt of applications for renewal of real estate broker and salesperson licenses; establishing certain fees relating to the regulation of real estate brokers and salespersons; providing for real estate salesperson licensing requirements after examination; clarifying a certain definition relating to recovery from the real estate education, research, and recovery fund; limiting recovery to cases involving judgments against licensed individuals; providing for the depositing of funds under the unclaimed property statutes; regulating sales of unclaimed property; appropriating money; amending Minnesota Statutes 1982, sections 13.81, subdivision 1; 13.82, subdivision 1; 80A.14, subdivision 4; 80A.15, subdivision 2; 80A.30, subdivision 2; 82.17, subdivision 3; 82.20, subdivisions 8 and 9; 82.21, subdivision 1; 82.22, subdivisions 2 and 5; 345.32; 345.47, subdivision 1; 345.48; 345.49; Minnesota Statutes 1983 Supplement, sections 82.22, subdivisions 6 and 13; and 82.34, subdivision 7; proposing new law coded in Minnesota Statutes, chapter 345.

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

Segal, Metzen and Sarna.

Senate File No. 1750 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 17, 1984

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1939:

H.F. No. 1939: A bill for an act relating to commerce; removing preference for Minnesota made materials in state purchasing; clarifying definition of public contract for resident preference; amending Minnesota Statutes 1982, section 16.365; Minnesota Statutes 1983 Supplement, section 16.0721; repealing Minnesota Statutes 1982, section 16.073; Minnesota Statutes 1983 Supplement, section 16.072; and Laws 1983, chapter 336, section 3.

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

Beard, Bishop and Johnson have been appointed as such committee on the part of the House.

House File No. 1939 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 17, 1984

Mr. Chmielewski moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1939, 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.

### MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Reports of Committees and Second Reading of Senate Bills.

### REPORTS OF COMMITTEES

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

S.F. No. 1605: A bill for an act relating to taxation; imposing a tax on the transfer of motor vehicles; dedicating the proceeds of the tax for the screening or removal of salvage yards adjacent to trunk highways; appropriating money; amending Minnesota Statutes 1982, section 161.242, subdivisions 3 and 4; proposing new law coded in Minnesota Statutes, chapter 161.

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

Page 2, lines 20 and 21, delete "*and credited to the salvage yard account*"

Page 3, delete lines 32 to 34

Page 3, line 35, delete "(4)" and insert "(3)"

Page 4, delete lines 3 to 13 and insert "*The tax collected shall be deposited in the state treasury and credited to the general fund.*"

*Subd. 2. [TAX REPEALED.] This section is repealed July 1, 1988.*

*Sec. 4. [APPROPRIATION.]*

*The sum of \$650,000 is appropriated from the general fund to the commissioner of transportation (1) to pay the costs incurred under section 161.242, subdivisions 3 and 4, and (2) to make reimbursements to counties, on application by them, for the reasonable costs incurred by them in the enforcement of county ordinances regulating junkyards."*

Page 4, delete line 16 and insert "*on and after September 1, 1984.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "dedicating the proceeds of the tax" and insert "providing"

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. 1514: A bill for an act relating to solid and hazardous waste management; defining resource recovery facility; amending various provisions of the waste management act; prescribing various powers and duties of the waste management board and the pollution control agency relating to solid and hazardous waste management planning and the development of hazardous waste facilities; establishing programs for public education, technical, financial, and research assistance to generators; development of hazardous waste reduction, processing, and collection facilities; requiring a report on the need and feasibility of hazardous waste facilities; authorizing volunteer candidate sites; requiring requests for proposals for hazardous waste processing facilities; prescribing procedures for the designation of resource recovery facilities by counties and waste management districts; amending various provisions relating to county and metropolitan solid waste management; imposing a solid waste landfill fee in the metropolitan area; providing an income tax credit and sales tax exemption to encourage processing of waste at resource recovery facilities; appropriating money; amending Minnesota Statutes 1982, sections 115A.03, subdivisions 1 and 28; 115A.06, by adding a subdivision; 115A.08, by adding a subdivision; 115A.18; 115A.21, by adding a subdivision; 115A.42; 115A.46, subdivisions 1 and 2; 115A.57, subdivision 1; 115A.59; 115A.70, by adding a subdivision; 116J.88, by adding a subdivision; 116J.90, by adding a subdivision; 290.06, by adding subdivisions; 400.04, subdivision 3, and by adding a subdivision; 400.162; 473.181, subdivision 4; 473.811, subdivision 10; 473.833, subdivision 4; Minnesota Statutes 1983 Supplement, sections 115A.08, subdivision 5; 115A.11; 115A.21, subdivision 1; 115A.22, subdivisions 1 and 4; 115A.24; 115A.241; 115A.25, subdivisions 1, 1a, and 1b; 115A.26; 115A.27, subdivision 2; 115A.28, subdivision 1; 115A.291; 115B.22, subdivision 1; 297A.25, subdivision 1; 473.823, subdivision 6; and 473.831; proposing new law coded in Minnesota Statutes, chapters



115A; 116E; and 473; repealing Minnesota Statutes 1982, sections 115A.071; 115A.46, subdivision 3; 115A.70, subdivisions 1, 2, 4, 5, and 6; 473.827; and Minnesota Statutes 1983 Supplement, section 115A.70, subdivisions 3 and 7.

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

Page 18, line 12, before "*economic*" insert "*energy and*"

Page 41, line 36, after "*purposes*" insert "*except as otherwise provided in section 46, subdivision 6, and in section 78, subdivision 6*"

Page 42, after line 3, insert:

"(2) up to ten percent for water supply monitoring under subdivision 6;"

Page 42, line 4, delete "(2)" and insert "(3)"

Page 42, line 5, delete "and"

Page 42, after line 5, insert:

"(4) for landfill abatement cost recovery payments under subdivision 5; and"

Page 42, line 6, delete "(3)" and insert "(5)" and delete "and (2)" and insert ", (2), (3) and (4)"

Page 43, after line 7, insert:

"*Subd. 5. [LANDFILL ABATEMENT COST RECOVERY.] By January 31, 1986, and each January 31 afterwards, the director of the agency shall pay each city in the metropolitan area an amount not to exceed \$1.80 per household, as defined in section 477A.011, subdivision 3a, for qualifying landfill abatement and resource recovery expenses incurred in the previous calendar year. To qualify under this subdivision, the landfill abatement and resource recovery must be included in the applicable county master plan or approved by the metropolitan council and the city must certify expenses for the landfill abatement and resource recovery. The amounts necessary to make these payments are appropriated from the metropolitan landfill abatement fund to the director of the agency.*

*Subd. 6. [PUBLIC WATER SUPPLY MONITORING.] The commissioner of health shall monitor the quality of water in public water supply wells in the metropolitan area that may be affected by their location in relation to a facility for mixed municipal solid waste. Testing under this subdivision shall be made for substances not funded under the Federal Safe Drinking Water Act."*

Page 43, line 8, delete "5" and insert "7"

Page 46, line 19, after the period, insert "*The fee in the metropolitan area may not exceed 30 cents per cubic yard.*"

Page 47, line 1, after "*land*" insert "*or incinerated*"

Page 47, line 2, after "*waste*" insert "*and to operators that incinerate mixed municipal solid waste.*"

Page 47, delete section 56

Page 69, lines 15, 24, and 26, before "wastes" insert "hazardous"

Page 69, lines 15 and 19, before "waste" insert "hazardous"

Page 70, lines 3 and 4, before "waste" insert "hazardous"

Page 71, line 24, delete "68" and insert "67"

Pages 71 to 73, delete sections 77 and 78 and insert:

"Sec. 76. [APPROPRIATIONS.]

*Subdivision 1. The sum of \$1,085,000 is appropriated from the general fund to the agencies and for the purposes indicated, to be available for the fiscal year ending June 30 in the years indicated. The unencumbered balance remaining in the first year does not cancel but is available for the second year.*

	1984	1985
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*Subd. 2. WASTE MANAGEMENT BOARD.*

*Approved Complement - 4*

<i>(a) For technical and research assistance to generators of hazardous waste</i>	\$30,000	\$120,000
<i>(b) For waste reduction grants to generators of hazardous waste</i>		150,000
<i>(c) For development of collection and transportation services for hazardous wastes as follows:</i>		
<i>(1) Grants related to collection services</i>	10,000	190,000
<i>(2) Grants related to processing development</i>	50,000	150,000
<i>(d) For feasibility study of insurance for liability of mixed municipal solid waste disposal facilities</i>	10,000	20,000
<i>(e) For administration and rules</i>	20,000	80,000

*Subd. 3. POLLUTION CONTROL AGENCY.*

*Approved Complement - 2*

<i>(a) For adoption and enforcement of rules</i>	30,000	60,000
<i>(b) For payment to the metropolitan council, to be spent for the organized collection of mixed municipal solid waste</i>	20,000	30,000

*Subd. 4. COMMISSIONER OF REVENUE.*

*Approved Complement - 1*

<i>For administering the metropolitan landfill fee collection and rules</i>	5,000	35,000
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*Subd. 5. COMMISSIONER OF HEALTH.*

<i>For public water supply monitoring</i>		75,000
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*Subd. 6. [REIMBURSEMENT.] Any amounts expended by the waste*

*management board for the insurance feasibility study from the appropriation in subdivision 2, by the agency from the appropriations in subdivision 3, by the commissioner of health for water supply monitoring from the appropriation in subdivision 5, and by the commissioner of revenue from the appropriation in subdivision 4, shall be reimbursed to the general fund, and the amount necessary to make the reimbursement is appropriated from the metropolitan landfill abatement fund to the commissioner of finance for transfer to the general fund."*

Page 74, line 7, delete "58" and insert "57" and delete "63 to 79" and insert "62 to 77"

Page 74, line 17, delete "59" and insert "58"

Page 74, line 18, delete "62" and insert "61"

Page 74, line 19, delete "60" and insert "59" and delete "61" and insert "60"

ReNUMBER the sections in sequence

Amend the title as follows:

Page 1, line 9, delete "public education,"

Page 1, line 42, delete "116E;"

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. 497: A bill for an act relating to energy; establishing a residential rental property weatherization disclosure program; requiring the filing of a certificate of compliance with minimum energy efficiency standards for renter-occupied residences; providing for the abatement of certain court actions; allowing a penalty in certain cases; providing for a tenant remedy of noncompliance with energy efficiency standards; amending Minnesota Statutes 1982, section 116J.27, by adding subdivisions; proposing new law coded in Minnesota Statutes, chapter 116J.

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 1982, section 116J.27, subdivision 4, is amended to read:

Subd. 4. [INSPECTIONS.] The commissioner shall conduct inspections on a random basis for compliance with the provisions of subdivision 3. The commissioner of energy, planning and development may authorize a municipality, with its consent, to conduct the inspections within the municipality's jurisdiction, or to otherwise enforce the provisions of subdivision 3. Any municipality which conducts an inspections or other enforcement program in conjunction with existing city inspection programs shall have authority under all subdivisions of section 116J.30 to enforce the provisions of subdivision 3; provided that 50 100 percent of the penalties to be paid to the state treasury for

violation of subdivision 3 shall be paid to the municipality.

Sec. 2. Minnesota Statutes 1982, section 116J.27, is amended by adding a subdivision to read:

*Subd. 4a. [ENFORCEMENT AFTER INSPECTION.] If the commissioner determines, after an inspection conducted by or on behalf of the department, that a renter-occupied residence is not in compliance with the standards prescribed pursuant to subdivision 1, the commissioner may issue to the owner of the renter-occupied residence or the owner's agent a determination of noncompliance and may commence a contested case proceeding under sections 14.57 to 14.62. The determination shall (1) specify the reasons for the determination, (2) include a copy of the inspection report, (3) state the actions that must be taken to bring the residence into compliance with the standards, (4) state that if the residence is not brought into compliance with the standards within 90 days following the date of the determination, a contested case proceeding will be commenced, and (5) specify a fine that will be assessed upon the conclusion of the contested case proceeding in the absence of a showing of good cause in that proceeding. The contested case proceeding hearing shall be held in the county in which the renter-occupied residence is located. Notwithstanding the provisions of sections 14.50 and 14.61, the hearing examiner in the contested case proceeding shall make findings of fact and conclusions of law and issue a decision, and if the hearing examiner decides that the residence is not in compliance with the standards, the hearing examiner shall enter an order directing the owner to take such affirmative action as in the judgment of the hearing examiner will effectuate the purposes of section 116J.27.*

Sec. 3. Minnesota Statutes 1982, section 116J.27, is amended by adding a subdivision to read:

*Subd. 4b. [FINES FOR NONCOMPLIANCE; EXCEPTION.] If the hearing examiner issues a decision, following a contested case proceeding commenced pursuant to subdivision 4a, that a renter-occupied residence is not in compliance with the standards prescribed pursuant to subdivision 1 and that the owner of the renter-occupied residence has not proven a good cause, as defined by rule or temporary rule adopted by the commissioner, for his failure to comply with the standards prescribed pursuant to subdivision 1, the hearing examiner shall assess a fine against the owner in accordance with a schedule of fines adopted by the commissioner by rule or temporary rule. This subdivision shall not apply in the case of low-rent housing owned by a public housing authority or a housing and redevelopment authority as defined in section 462.421, subdivision 2.*

Sec. 4. Minnesota Statutes 1983 Supplement, section 116J.27, subdivision 6, is amended to read:

*Subd. 6. [BUILDING EVALUATORS.] The commissioner shall certify evaluators in each county of the state who are qualified to determine the compliance of a residence with applicable energy efficiency standards. The commissioner shall, by rule pursuant to chapter 14, adopt standards for the certification and performance of evaluators and set a fee for the certification of evaluators which is sufficient to cover the ongoing costs of the program once it is established. The commissioner shall encourage the certification of existing groups of trained municipal personnel and qualified individuals from*

community-based organizations and public service organizations. Each certified evaluator shall, on request of the owner, inspect any residence and report the degree to which it complies with applicable energy efficiency standards established pursuant to subdivision 1. The inspections shall be made within 30 days of the request. ~~Evaluators shall be certified only if they also meet all requirements for conducting residential energy audits pursuant to 42 U.S.C. 8211 et seq.~~ The commissioner shall enter into an agreement with the department of education for the provision of evaluator training through the area vocational technical institutes. The commissioner may contract with the area vocational technical institutes to reduce the training costs to the students. The commissioner may eliminate the examination fee for persons seeking upgraded certificates. The commissioner may also establish requirements for continuing education, periodic recertification, and revocation of certification for evaluators.

Sec. 5. Minnesota Statutes 1982, section 116J.30, is amended by adding a subdivision to read:

*Subd. 5. For purposes of sections 504.18 and 566.18 to 566.33, the weatherstripping, caulking, storm window, and storm door energy efficiency standards for renter-occupied residences prescribed by section 116J.27, subdivisions 1 and 3, are health and safety standards, and the penalties and remedies provided in this section are in addition to and do not limit remedies otherwise available to tenants of renter-occupied residences.*

Sec. 6. Minnesota Statutes 1983 Supplement, section 290A.19, is amended to read:

**290A.19 [OWNER OR MANAGING AGENT TO FURNISH RENT CERTIFICATE; PENALTY.]**

(a) The owner or managing agent of any property for which rent is paid for occupancy as a homestead shall furnish a certificate of rent constituting property tax to each person who is a renter on December 31, in the form prescribed by the commissioner. If the renter moves prior to December 31, the owner or managing agent shall at his option either provide the certificate to the renter at the time he moves, or mail the certificate to the forwarding address if an address has been provided by the renter. The certificate shall be made available to the renter not later than January 31 of the year following the year in which the rent was paid. Any owner or managing agent who willfully fails to furnish a certificate as provided herein shall be liable to the commissioner for a penalty of \$20 for each act or failure to act. The penalty shall be assessed and collected in the manner provided in chapter 290 for the assessment and collection of income tax.

(b) If the owner or managing agent elects to provide the renter with the certificate at the time he moves, rather than after December 31, the amount of rent constituting property taxes shall be computed as follows:

(i) The net tax shall be reduced by 1/12th for each month remaining in the calendar year.

(ii) In calculating the denominator of the fraction pursuant to section 290A.03, subdivision 11, the gross rent paid through the last month of claimant's occupancy shall be substituted for "the gross rent paid for the calendar year for the property in which the unit is located."

(c) The certificate of rent constituting property taxes shall include the address of the property, including the county, and the property tax parcel identification number and any additional information which the commissioner determines is appropriate.

(d) If the owner or managing agent fails to provide the renter with a certificate of rent constituting property taxes, the commissioner shall allocate the net tax on the building to the unit on a square footage basis or other appropriate basis as the commissioner determines. The renter shall supply the commissioner with a statement from the county treasurer which gives the amount of property tax on the parcel, the address and property tax parcel identification number of the property, and the number of units in the building.

*(e) Effective January 1, 1986, the commissioner shall provide to the commissioner of the department of energy and economic development a copy of all certificates of rent constituting property taxes that have been filed with the department. The copies of the certificates shall be provided by June 1 of each year.*

Sec. 7. [EFFECTIVE DATE.]

*This act is effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to energy; providing remedies for noncompliance with the minimum energy efficiency standards for renter-occupied residences; making other changes; amending Minnesota Statutes 1982, sections 116J.27, subdivision 4, and by adding subdivisions; and 116J.30, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 116J.27, subdivision 6; and 290A.19."

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 re-referred

S.F. No. 2178: A resolution memorializing the United States Environmental Protection Agency to adopt rules for a ban on leaded gasoline, and memorializing the Congress of the United States to enact legislation either prohibiting leaded gasoline or allowing the states to prohibit it.

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

Page 2, line 2, after "for" insert "trucks and"

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

S.F. No. 1739: A resolution memorializing Congress and the President to continue their efforts to halt the persecution of the Baha'i minority in Iran.

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 re-referred

S.F. No. 1532: A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 10; allowing public lands of the state to be exchanged for any other public land; amending Minnesota Statutes 1982, sections 94.343, subdivision 1; and 94.349, subdivision 3.

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

Page 2, line 2, delete "*and the federal government*"

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 re-referred

S.F. No. 1243: A resolution memorializing the President and Congress to establish a National Academy of Peace and Conflict Resolution.

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 re-referred

S.F. No. 1240: A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 8; removing the constitutional restrictions on permanent school fund investments; establishing statutory restrictions; amending Minnesota Statutes 1982, section 11A.16, subdivision 4.

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

Mr. Moe, R.D. moved the adoption of the foregoing committee reports. The motion prevailed.

## SECOND READING OF SENATE BILLS

S.F. Nos. 1605, 1514, 497, 2178, 1739, 1532, 1243 and 1240 were read the second time.

## SPECIAL ORDER

S.F. No. 1668: A bill for an act relating to eminent domain; providing for relocation benefits for persons displaced by acquisitions when federal funding is not provided; amending Minnesota Statutes 1982, section 117.52.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	DeCramer	Knutson	Nelson	Schmitz
Anderson	Diessner	Kroening	Olson	Sieloff
Belanger	Dieterich	Kronebusch	Peterson, C. C.	Solon
Benson	Frank	Laidig	Peterson, D. C.	Storm
Berg	Frederick	Lantry	Peterson, D. L.	Stumpf
Berglin	Hughes	Luther	Peterson, R. W.	Taylor
Bertram	Isackson	McQuaid	Petty	Ulland
Brataas	Johnson, D. E.	Mehrkens	Pogemiller	Vega
Chmielewski	Jude	Merriam	Ramstad	Wegscheid
Dahl	Kamrath	Moe, D. M.	Reichgott	
Davis	Knaak	Moe, R. D.	Renneke	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 1337: A bill for an act relating to landlords and tenants; increasing the interest rate paid by landlords on rental deposits; amending Minnesota Statutes 1982, section 504.20, subdivision 2.

Ms. Berglin moved to amend S.F. No. 1337 as follows:

Page 1, line 14, delete "5-1/4" and insert "5-1/2"

Page 1, line 21, delete the new language and reinstate the stricken language

The motion prevailed. So the amendment was adopted.

S.F. No. 1337 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 53 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Moe, R. D.	Renneke
Anderson	DeCramer	Knutson	Nelson	Schmitz
Belanger	Diessner	Kroening	Novak	Sieloff
Benson	Dieterich	Kronebusch	Olson	Solon
Berg	Frank	Laidig	Peterson, C. C.	Spear
Berglin	Frederick	Lantry	Peterson, D. C.	Storm
Bernhagen	Freeman	Luther	Peterson, R. W.	Stumpf
Bertram	Hughes	McQuaid	Petty	Ulland
Brataas	Isackson	Mehrkens	Pogemiller	Vega
Chmielewski	Johnson, D. E.	Merriam	Ramstad	
Dahl	Jude	Moe, D. M.	Reichgott	

Messrs. Kamrath and Peterson, D.L. voted in the negative.

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

### SPECIAL ORDER

H.F. No. 1801: A bill for an act relating to transportation; defining terms; regulating carriers; providing for the classification of explosives; amending Minnesota Statutes 1982, sections 221.011, subdivision 13; 221.296, subdivision 6; 299F.19, subdivisions 1 and 2; Minnesota Statutes 1983 Supplement, sections 221.011, subdivisions 3 and 21; 221.021; 221.025; 221.031, subdivisions 1, 2, 3, and 6; 221.121, subdivision 5; 221.131, subdivision 1; 221.185, subdivisions 1, 2, 3, 4, 5, and by adding subdivisions; 221.221,



subdivision 4; 221.81, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1982, section 169.76; Minnesota Statutes 1983 Supplement, sections 221.031, subdivision 4; and 221.185, subdivisions 6, 7, and 8.

Was read the third time 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:

Adkins	DeCramer	Knutson	Novak	Sieloff
Anderson	Diessner	Kroening	Olson	Solon
Belanger	Dieterich	Kronebusch	Peterson, C. C.	Storm
Benson	Frank	Laidig	Peterson, D. C.	Stumpf
Berg	Frederick	Lantry	Peterson, D. L.	Taylor
Berglin	Freeman	Luther	Peterson, R. W.	Ulland
Bernhagen	Hughes	McQuaid	Petty	Vega
Bertram	Isackson	Mehrkens	Pogemiller	Wegscheid
Brataas	Johnson, D. E.	Merriam	Ramstad	
Chmielewski	Jude	Moe, D. M.	Reichgott	
Dahl	Kamrath	Moe, R. D.	Renneke	
Davis	Knaak	Nelson	Schmitz	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1347: A bill for an act relating to crimes; prohibiting a person from depriving another of parental, custodial, or visitation rights; imposing penalties; providing for notification in custody or visitation orders of the deprivation of parental rights laws; requiring violations of the parental rights law to be reported under the child abuse reporting law; imposing a penalty; amending Minnesota Statutes 1982, sections 609.26; and 626.556, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 518.

Mr. Sieloff, moved to amend H. F. No. 1347, as amended pursuant to Rule 49, adopted by the Senate April 10, 1984, as follows:

(The text of the amended House File is identical to S. F. No. 1318.)

Page 1, line 17, delete "*whether temporary or final,*" and insert "*and judgment and decree*"

Page 1, line 18, before "*child*" insert "*minor*" and delete everything after "*child*"

Page 1, line 19, delete "*of 18*" and delete everything after "*shall*" and insert "*restate*"

Page 1, line 20, delete "*stepparents, or guardians of*"

Page 1, line 28, strike "*his own*" and insert "*a minor*" and delete "*or stepchild*" and strike "*under the age of 18*"

Page 1, line 29, strike "*years*"

Page 2, line 2, delete "*other*" and insert "*the child's*"

Page 2, line 2, delete "*stepparent, or a legal*" and insert "*or other person*"

having the right to visitation or custody”

Page 2, line 3, delete “custodian”

Page 2, line 4, delete “, stepparent, or custodian” and insert “or other person”

Page 2, lines 5, 16, and 23, delete “the child” and insert “visitation or custody”

Page 2, lines 6, 11, and 17, delete “his own” and insert “a minor”

Page 2, lines 7, 12, and 18, delete “or stepchild under the age of 18”

Page 2, line 12, delete the comma and insert “or other person having the right to visitation or custody”

Page 2, delete line 13

Page 2, line 15, delete “, stepparent, or legal” and insert “or other person having the right to visitation or custody”

Page 2, line 16, delete “custodian”

Page 2, line 19, delete “stepparent” and insert “other person having the right to visitation or custody”

Page 2, line 19, delete “being served with process in” and insert “commencement of”

Page 2, line 20, delete “affecting marriage” and insert “relating to child visitation or custody” and delete “a temporary or” and insert “an”

Page 2, line 21, delete “final”

Page 2, line 23, delete “stepparent” and insert “other person having the right to visitation or custody”

Page 2, lines 31 and 32, delete “stepparent, or legal custodian” and insert “or person having the right to visitation or custody”

The motion prevailed. So the amendment was adopted.

Ms. Reichgott moved to amend H.F. No. 1347, as amended pursuant to Rule 49, adopted by the Senate April 10, 1984, as follows:

(The text of the amended House File is identical to S. F. No. 1318.)

Page 1, line 26, delete “is guilty of” and insert “may be charged with”

Page 3, line 16, reinstate the stricken language

Page 3, line 18, after the second stricken comma, insert “(a)” and reinstate the stricken “if he voluntarily”

Page 3, reinstate line 19

Page 3, line 20, reinstate everything before the stricken semicolon and after the stricken “or” insert “, he may be sentenced to imprisonment for not more than 90 days or to payment of a fine of not more than \$700, or both, and the conviction will be deemed a misdemeanor pursuant to section 609.13.”

Page 3, line 21, before “to” insert “(b) If he fails to voluntarily return the child within 14 days after he takes, detains, or fails to return the child in

*violation of this section, he may be sentenced"*

The motion prevailed. So the amendment was adopted.

Mr. Sieloff moved to amend the Sieloff amendment to H.F. No. 1347, adopted by the Senate April 16, 1984, as follows:

Page 1, line 13, before "proceeding" insert "motion or" and after "518" insert ", 518A, 518B, or 518C"

Page 1, line 16, before "action" insert "motion or"

Page 1, line 17, before "518A" insert "518,"

The motion prevailed. So the amendment was adopted.

H.F. No. 1347 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:

Adkins	Diessner	Kronebusch	Olson	Schmitz
Anderson	Dieterich	Laidig	Pehler	Sieloff
Belanger	Frank	Langseth	Peterson, C.C.	Solon
Benson	Freeman	Lantry	Peterson, D.C.	Spear
Berg	Isackson	Lessard	Peterson, D.L.	Storm
Berglin	Johnson, D.E.	Luther	Peterson, R.W.	Taylor
Bernhagen	Johnson, D.J.	McQuaid	Petty	Ulland
Bertram	Jude	Mehrkens	Pogemiller	Vega
Brataas	Kamrath	Merriam	Purfeerst	Wegscheid
Chmielewski	Knaak	Moe, D. M.	Ramstad	
Davis	Knutson	Moe, R. D.	Reichgott	
DeCramer	Kroening	Novak	Renneke	

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

### SPECIAL ORDER

S.F. No. 1007: A bill for an act relating to courts; permitting the establishment of compulsory nonbinding arbitration programs for use in civil proceedings; proposing new law coded in Minnesota Statutes, chapter 484.

Was read the third time 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 3, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kamrath	Moe, R. D.	Reichgott
Anderson	Diessner	Knutson	Novak	Renneke
Belanger	Dieterich	Kroening	Olson	Schmitz
Benson	Frank	Kronebusch	Pehler	Sieloff
Berg	Frederick	Laidig	Peterson, C.C.	Solon
Berglin	Freeman	Langseth	Peterson, D.C.	Spear
Bernhagen	Hughes	Lantry	Peterson, R.W.	Storm
Bertram	Isackson	Luther	Petty	Stumpf
Brataas	Johnson, D.E.	McQuaid	Pogemiller	Vega
Chmielewski	Johnson, D.J.	Mehrkens	Purfeerst	
Davis	Jude	Moe, D. M.	Ramstad	

Messrs. Knaak, Merriam and Peterson, D.L. voted in the negative.

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1633: A bill for an act relating to metropolitan government; allowing the mosquito control district to take certain actions; amending Minnesota Statutes 1982, section 473.704, subdivision 17.

Was read the third time 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:

Adkins	Diessner	Knutson	Olson	Schmitz
Anderson	Dieterich	Kroening	Pehler	Sieloff
Belanger	Frank	Kronebusch	Peterson, C.C.	Solon
Benson	Frederick	Laidig	Peterson, D.C.	Spear
Berg	Freeman	Langseth	Peterson, D.L.	Storm
Berglin	Hughes	Lantry	Peterson, R.W.	Stumpf
Bernhagen	Isackson	Luther	Petty	Ulland
Bertram	Johnson, D.E.	McQuaid	Pogemiller	Vega
Brataas	Johnson, D.J.	Mehrkens	Purfeerst	Wegscheid
Chmielewski	Jude	Merriam	Ramstad	
Davis	Kamrath	Moe, R. D.	Reichgott	
DeCramer	Knaak	Novak	Renneke	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1655: A bill for an act relating to financial institutions; providing an expedited procedure for certain bank applications; providing a uniform examination cycle for all supervised institutions; providing a time period within which notices of the filing of applications for detached facilities must be published; providing prior notice to the commissioner of a change in the ownership of a state bank; bringing state law into conformity with federal law regarding limitations on loans to bank directors, officers, or employees; providing prior notification to the commissioner of the termination or cancellation of a fidelity bond to a bank; authorizing the commissioner, after notification, to order the bank to take action; clarifying the exclusion of bankers' acceptances from the restrictions upon total liabilities to a bank; extending the time period imposed on a bank for the filing of proof of publication of its quarterly report; modifying the definition of "demand deposits" in light of federal deregulation of interest rates; removing the photo identification requirement from the provisions regulating the opening of checking accounts; extending the temporary removal of mortgage usury limits; clarifying service charges on dishonored checks; making various technical changes; amending Minnesota Statutes 1982, sections 45.071, by adding a subdivision; 46.04, subdivision 1; 47.204, subdivision 1; 48.03, subdivision 4; 48.08; 48.13; 48.14; 48.24, subdivision 6; 48.48, subdivisions 1 and 2; 48.51; 51A.50; 52.06, subdivision 1; 53.03, subdivision 4; 53.09, subdivision 1; 56.12; Minnesota Statutes 1983 Supplement, sections 45.04; 47.54, subdivision 1; 48.512, subdivision 2; 52.203; 53.01; 53.03, subdivisions 1 and 5; 53.04, subdivision 3a; 168.67; and 332.50, subdivision 2; repealing Minnesota

Statutes 1982, sections 47.75, subdivision 2; and 51A.44, subdivision 3.

Mr. Wegscheid moved to amend H.F. No. 1655, as amended pursuant to Rule 49, adopted by the Senate April 10, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1758.)

Page 26, after line 14, insert:

“Sec. 27. [TOWN OF CANNON FALLS; DETACHED BANKING FACILITIES.]

*With the prior approval of the commissioner of commerce, any bank doing business within 25 miles of the city of Cannon Falls may establish and maintain not more than one detached facility in the town of Cannon Falls outside of the corporate limits of the city of Cannon Falls. Any bank desiring to establish a detached facility must follow the approval procedure prescribed in Minnesota Statutes, section 47.54. The establishment of a detached facility pursuant to this section is subject to Minnesota Statutes, sections 47.51 to 47.57, except as inconsistent with this section.”*

Page 26, line 20, after the period, insert “Section 27 is effective the day after compliance with Minnesota Statutes, section 645.021 by the town board of the town of Cannon Falls.”

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 26, before “amending” insert “authorizing the establishment of certain detached banking facilities;”

The motion prevailed. So the amendment was adopted.

Mr. Storm moved to amend H.F. No. 1655, as amended pursuant to Rule 49, adopted by the Senate April 10, 1984, as follows:

(The text of the amended House File is identical to S. F. No. 1758.)

Page 26, after line 14, insert:

“Sec. 27. [CITY OF SAVAGE; DETACHED FACILITIES.]

*Notwithstanding the limitations of Minnesota Statutes, section 47.52, and upon the approval of the commissioner of commerce, any state-chartered bank and its existing detached facility operating in the city of Savage as of July 1, 1983 which were acquired by merger with a national bank prior to January 1, 1984, may be operated as detached facilities of the acquiring bank.”*

Page 26, line 20, after the period, insert “Section 27 is effective the day after approval by the Savage city council and compliance with Minnesota Statutes, section 645.021, subdivision 3, by the chief clerical officer of the city of Savage.”

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Frederick moved to amend H.F. No. 1655, as amended pursuant to Rule 49, adopted by the Senate April 10, 1984, as follows:

(The text of the amended House File is identical to S. F. No. 1758.)

Page 26, after line 14, insert:

“Sec. 27. Minnesota Statutes 1983 Supplement, section 609.535, subdivision 5, is amended to read:

Subd. 5. [EXCEPTIONS.] This section does not apply to a postdated check or to a check given for a past consideration, except a payroll check or a check issued to a fund for employee benefits.”

Page 26, line 19, delete “26” and insert “27”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 26, before “amending” insert “removing an exception for dishonored checks;”

Page 1, line 36, delete “and”

Page 1, line 36, after the semicolon, insert “and 609.535, subdivision 5;”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 21 and nays 28, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Kronebusch	Petty	Wegscheid
Belanger	Isackson	McQuaid	Ramstad	
Benson	Johnson, D.E.	Mehrkens	Sieloff	
Berg	Jude	Olson	Taylor	
Brataas	Kamrath	Peterson, R.W.	Ulland	

Those who voted in the negative were:

Adkins	Diessner	Langseth	Nelson	Solon
Berglin	Dieterich	Lantry	Pehler	Spear
Bertram	Frank	Lessard	Peterson, D.C.	Stumpf
Chmielewski	Freeman	Merriam	Peterson, D.L.	Vega
Davis	Hughes	Moe, D. M.	Pogemiller	
DeCramer	Kroening	Moe, R. D.	Reichgott	

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

H.F. No. 1655 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 4, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kroening	Olson	Solon
Anderson	Frank	Kronebusch	Peterson, D.C.	Spear
Belanger	Frederick	Langseth	Peterson, D.L.	Stumpf
Benson	Freeman	Lantry	Peterson, R.W.	Taylor
Berg	Isackson	Luther	Petty	Ulland
Bertram	Johnson, D.E.	McQuaid	Pogemiller	Vega
Brataas	Jude	Merriam	Ramstad	Wegscheid
Chmielewski	Kamrath	Moe, D. M.	Reichgott	
DeCramer	Knaak	Moe, R. D.	Schmitz	
Diessner	Knutson	Nelson	Sieloff	

Messrs. Davis, Lessard, Mehrkens and Pehler voted in the negative.

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

### CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate for the proceedings on H.F. No. 1420. The Sergeant at Arms was instructed to bring in the absent members.

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Wegscheid moved that the following members be excused for a Conference Committee on S.F. No. 1750 at 3:00 p.m.:

Messrs. Wegscheid, Freeman and Sieloff. The motion prevailed.

### SPECIAL ORDER

H.F. No. 1420: A bill for an act relating to public employment; regulating grievances of disciplinary actions; amending Minnesota Statutes 1983 Supplement, section 179.70, subdivision 1.

Mr. Chmielewski moved to amend H. F. No. 1420, as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 268.04, subdivision 2, is amended to read:

Subd. 2. “Base period” means the period of 52 calendar weeks immediately preceding the first day of an individual’s benefit year. However, if a claimant received weekly worker’s compensation for temporary total disability under the provisions of chapter 176 or under a similar law of the United States for more than seven weeks within the base period, or if a claimant, whose own serious illness caused a loss of credit weeks within the base period, received compensation due to the illness from some other source or under a law of this state other than chapter 176 or under a similar law of the United States for more than seven weeks within the base period, the claimant’s base period shall be lengthened by the same number of weeks, but not to exceed 52 weeks, for which the claimant received the payments. No extended base period shall include wage credits upon which benefits were established and paid with respect to a prior valid claim first four of the last five completed calendar quarters immediately preceding the first day of an individual’s benefit year. However, if during the last base period an individual received workers’ compensation for temporary disability under chapter 176 or under similar law of the United States, or if an individual, whose own serious illness caused a loss of work for which the individual received compensation due to the illness from some other source or under a law of this state, other than chapter 176 or under a similar law of the United States, the individual’s base period shall be lengthened to the extent stated as follows:

(a) If an individual was compensated, as described above, for a loss of work of 7 through 19 weeks, the original base period shall be extended to include the first calendar quarter preceding the original base period; or

(b) If an individual was compensated, as described above, for a loss of work of 20 through 32 weeks, the original base period shall be extended to

*include two calendar quarters preceding the base period; or*

*(c) If an individual was compensated, as described above, for a loss of work from 33 through 45 weeks, the original base period shall be extended to include the first three calendar quarters preceding the base period; or*

*(d) If an individual was compensated, as described above, for a loss of work from 46 through 52 weeks, the original base period shall be extended to include the first four quarters preceding the base period.*

*In no instance shall the base period be extended to include more than four additional calendar quarters.*

*No extended base period shall include wage credits upon which a claim was established and benefits were paid with respect to that valid claim.*

Sec. 2. Minnesota Statutes 1982, section 268.04, subdivision 24, is amended to read:

Subd. 24. "Valid claim" with respect to any individual means a claim filed by an individual who has registered for work and who has earned wage credits ~~and established credit weeks~~ during his base period sufficient to entitle him to benefits under section 268.07, subdivision 2.

Sec. 3. Minnesota Statutes 1983 Supplement, section 268.04, subdivision 25, is amended to read:

Subd. 25. [WAGES.] "Wages" means all remuneration for services, including commissions and bonuses, back pay as of the date of payment, and tips and gratuities paid to an employee by a customer of an employer and accounted for by the employee to the employer, and the cash value of all remuneration in any medium other than cash, except that such term shall not include:

(a) For the purpose of determining contributions payable under section 268.06, subdivision 2, that part of the remuneration which exceeds, for each calendar year, ~~the greater of 7,000 or that part of the remuneration which exceeds 60 percent of the average annual wage rounded to the nearest \$100 computed in accordance with the provisions of clause (f)~~ \$10,400 for the calendar year 1985; \$10,700 for the calendar year 1986; \$11,000 for the calendar year 1987; and for each subsequent calendar year the amount of the previous year increased to the nearest \$100 by the percentage, rounded to the nearest tenth of one percent, by which the average annual wage computed under clause (f) exceeds the average annual wage for the immediately preceding calendar year, paid to an individual by an employer with respect to covered employment in this state, or with respect to employment under the unemployment compensation law of any other state during any calendar year paid to such individual by such covered employer or his predecessor during such calendar year; provided, that if the term "wages" as contained in the Federal Unemployment Tax Act is amended to include remuneration in excess of the amount required to be paid hereunder to an individual by an employer under the federal act for any calendar year, wages for the purposes of sections 268.03 to 268.24 shall include remuneration paid in a calendar year up to an amount equal to the dollar limitation specified in the Federal Unemployment Tax Act. For the purposes of this clause, the term "employment" shall include service constituting employment under any employment



security law of another state or of the federal government;

(b) The amount of any payment made to, or on behalf of, an employee under a plan or system established by an employer which makes provision for his employees generally or for a class or classes of his employees (including any amount paid by an employer for insurance or annuities, or into a fund, to provide for any such payment), on account of (1) retirement or (2) sickness or accident disability or (3) medical and hospitalization expenses in connection with sickness or accident disability, or (4) death, provided the employee has not the option to receive, instead of provision for such death benefit, any part of such payment, or if such death benefit is insured, any part of the premium (or contributions to premiums) paid by his employer and has not the right, under the provisions of the plan or system or policy of insurance providing for such death benefit, to assign such benefit, or to receive a cash consideration in lieu of such benefit either upon his withdrawal from the plan or system providing for such benefit or upon termination of such plan or system or policy of insurance or of his employment with such employer;

(c) The payment by an employer (without deduction from the remuneration of the employee) (1) of the tax imposed upon an employee under section 3101 of the federal Internal Revenue Code, or (2) of any payment required from an employee under a state unemployment compensation law, with respect to remuneration paid to an employee for domestic service in a private home of the employer or for agricultural labor;

(d) Any payments made to a former employee during the period of active military service in the armed forces of the United States by such employer, whether legally required or not;

(e) Any payment made to, or on behalf of, an employee or his beneficiary (1) from or to a trust described in section 401(a) of the federal Internal Revenue Code which is exempt from tax under section 501(a) of such code at the time of such payment unless such payment is made to an employee of the trust as remuneration for services rendered as an employee and not as a beneficiary of the trust, or (2) under or to an annuity plan which, at the time of such payment is a plan described in section 403(a) of the federal Internal Revenue Code, or (c) under or to a bond purchase plan which, at the time of such payment, is a qualified bond purchase plan described in section 405(a) of the federal Internal Revenue Code;

(f) On or before July 1 of each year the commissioner shall determine the average annual wage paid by employers subject to sections 268.03 to 268.24 in the following manner:

(1) The sum of the total monthly employment reported for the previous calendar year shall be divided by 12 to determine the average monthly employment;

(2) The sum of the total wages reported for the previous calendar year shall be divided by the average monthly employment to determine the average annual wage.

The average annual wage determined shall be effective for the calendar year next succeeding the determination.

Sec. 4. Minnesota Statutes 1983 Supplement, section 268.04, subdivision

29, is amended as follows:

Subd. 29. "Credit week" is any week for which wages or back pay, actually or constructively paid, wages overdue and delayed beyond the usual time of payment, and back pay by or from one or more employers to an employee for insured work equal or exceed 30 percent of the average weekly wage computed to the nearest whole dollar. On or before June 30 of each year the commissioner shall determine the average weekly wage paid by employers subject to sections 268.03 to 268.24 in the following manner:

(a) The sum of the total monthly employment reported for the previous calendar year shall be divided by 12 to determine the average monthly employment;

(b) The sum of the total wages reported for the previous calendar year shall be divided by the average monthly employment to determine the average annual wage; and

(c) The average annual wage shall be divided by 52 to determine the average weekly wage.

The average weekly wage as so determined computed to the nearest whole dollar shall apply to claims for benefits which establish a benefit year which begins subsequent to December 31 of the year of the computation §94.

Sec. 5. Minnesota Statutes 1982, section 268.04, is amended by adding a subdivision to read:

*Subd. 34. [CONTRIBUTION REPORT.] "Contribution report" means the summary report of wages and employment used to determine the amount of contributions due by employers on a calendar quarter basis. An auxiliary report of wages and employment broken down by business locations, when required, is part of the contribution report.*

Sec. 6. Minnesota Statutes 1982, section 268.04, is amended by adding a subdivision to read:

*Subd. 35. [WAGE DETAIL REPORT.] "Wage detail report" means the itemized report used to record the information required by section 268.121.*

Sec. 7. Minnesota Statutes 1982, section 268.04, is amended by adding a subdivision to read:

*Subd. 36. [HIGH QUARTER.] "High quarter" means the calendar quarter in an individual's base period for which the total wage credits paid to the individual during that quarter are equal to or greater than the total wage credits paid to the individual during any other calendar quarter in the individual's base period.*

Sec. 8. Minnesota Statutes 1983 Supplement, section 268.06, subdivision 2, is amended to read:

Subd. 2. [RATES.] Each employer shall pay contributions equal to two and seven-tenths percent for each calendar year prior to 1985 and 5-4/10 percent for 1985 and each subsequent calendar year of wages paid and wages overdue and delayed beyond the usual time of payment from him with respect to employment occurring during each calendar year, except as may be otherwise prescribed in subdivisions 3a and 4. ~~Each employer who has an experi-~~

ence ratio of less than one-tenth of one percent shall pay contributions on only the first \$8,000 in wages paid and wages overdue and delayed beyond the usual time of payment to each employee with respect to employment occurring during each calendar year.

Sec. 9. Minnesota Statutes 1983 Supplement, section 268.06, subdivision 3a, is amended to read:

Subd. 3a. [RATE FOR NEW EMPLOYERS.] Notwithstanding the provisions of subdivision 2, each employer, who becomes subject to this law, shall pay contributions at a rate:

(a) Not exceeding 2-7/10 percent, that is the higher of (1) one percent and (2) the state's three-year benefit cost rate for the 36 consecutive month period immediately preceding July 1 of each year for each employer who becomes subject to this law prior to January 1, 1984. For purposes of this clause, the state's three-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of benefits paid to claimants under this law during the 36 consecutive calendar months immediately preceding July 1 of each year by the total dollar amount of wages subject to contributions under this law during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.

(b) Not exceeding 2-7/10 percent, that is the higher of (1) one percent and (2) the state's four-year benefit cost rate for the 48 consecutive month period immediately preceding July 1 of each year for each employer, except employers in the construction industry, as determined by the commissioner, who becomes subject to this law subsequent to December 31, 1983 and prior to January 1, 1985. For purposes of this clause, the state's four-year benefit cost rate shall be computed and derived by dividing the total dollar amount of benefits paid to claimants under this law during the 48 consecutive calendar months immediately preceding July 1, 1983 by the total dollar amount of wages subject to contributions under this law during the same period. The rate so determined shall be applicable for the calendar year 1984.

Each construction employer described above who becomes subject to chapter 268 shall pay contributions at a rate, not exceeding ~~7-5 percent~~ *the maximum rate specified in subdivision 8*, that is the higher of (1) one percent, or (2) the state's four-year benefit cost rate for construction employers for the 48 consecutive month period immediately preceding July 1, 1983. For purposes of this clause, the state's four-year benefit cost rate shall be computed and derived by dividing the total dollar amount of benefits paid to claimants of construction employers, as determined by the commissioner, during the 48 consecutive calendar months immediately preceding July 1, 1983 by the total dollar amount of wages of construction employers subject to contributions during the same period. The rate so determined shall be applicable for the calendar year 1984.

(c) Not exceeding 5-4/10 percent, that is the higher of (1) one percent and (2) the state's five-year benefit cost rate for the 60 consecutive month period immediately preceding July 1, 1984 and each year thereafter for each employer, except employers in the construction industry, as determined by the commissioner who becomes subject to this law on January 1, 1985 and thereafter. For purposes of this clause, the state's five-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar

amount of benefits paid to claimants under this law during the 60 consecutive calendar months immediately preceding July 1, 1984 and each year thereafter by the total dollar amount of wages subject to contributions under this law during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.

Each construction employer described above who becomes subject to this chapter shall pay contributions at a rate, not exceeding ~~7.5 percent~~ *the maximum rate specified in subdivision 8*, that is the higher of (1) one percent, or (2) the state's five-year benefit cost rate for construction employers for the 60 consecutive month period immediately preceding July 1, 1984 and each year thereafter. For purposes of this clause, the state's five-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of benefits paid to claimants of construction employers, as determined by the commissioner, during the 60 consecutive calendar months immediately preceding July 1, 1984 and each year thereafter by the total dollar amount of wages of construction employers subject to contributions during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.

Sec. 10. Minnesota Statutes 1982, section 268.06, subdivision 6, is amended to read:

Subd. 6. [COMPUTATION OF EACH EMPLOYER'S EXPERIENCE RATIO.] The commissioner shall, for the calendar year 1966, and for each calendar year thereafter, compute an experience ratio for each employer whose account has been chargeable with benefits;

(a) During the 36 consecutive calendar months immediately preceding July 1 of the preceding calendar year for calendar years up to December 31, 1983; except that, for any employer who has not been subject to the Minnesota employment services law for a period of time sufficient to meet the 36 consecutive months requirement, the commissioner shall compute an experience ratio if his account has been chargeable with benefits during at least the 12 consecutive calendar months immediately preceding July 1 of the preceding calendar year. Such experience ratio shall be the quotient obtained by dividing  $1\frac{1}{4}$  times the total benefits charged to the employer's account during the period his account has been chargeable but not less than the 12 or more than the 36 consecutive calendar months ending on June 30 of the preceding calendar year, by his total taxable payroll for the same period on which all contributions due have been paid to the department of economic security on or before July 31 of the preceding calendar year. Such experience ratio shall be computed to the nearest one-tenth of a percent.

(b) During the 48 consecutive calendar months immediately preceding July 1, 1983 for the calendar year for 1984; except that, for any employer who has not been subject to the Minnesota employment services law for a period of time sufficient to meet the 48 consecutive months requirement, the commissioner shall compute an experience ratio if his account has been chargeable with benefits during at least the 12 consecutive calendar months immediately preceding July 1, 1983. Such experience ratio shall be the quotient obtained by dividing  $1\frac{1}{4}$  times the total benefits charged to the employer's account during the period his account has been chargeable but not less than the 12 or more than the 48 consecutive calendar months ending on June 30, 1983, by

(3) Payments due under this subdivision are subject to the collection provisions of sections 268.16 and 268.161. The surcharges paid under this subdivision are not contributions for the purposes of section 268.06, subdivision 6. ~~The commissioner may temporarily reduce the amount of surcharge imposed by this section when there are sufficient funds raised by the surcharge to make the interest payment required on federal funds advanced to the state under section 1202 of the Social Security Act.~~

(4) *For the purposes of this section the unemployment compensation fund shall not include any moneys advanced from the Federal Unemployment Account in the unemployment trust fund in accordance with Title XII of the Social Security Act.*

Subd. 2. [EMERGENCY INTEREST REPAYMENT FUND, CREATION.] A special fund to be known as the emergency interest repayment fund is created in the state treasury. The special fund is separate and distinct from any fund or account created for any other purposes of sections 268.03 to 268.24. All collections from the surcharge shall be deposited in the special fund. All money in the special fund is appropriated to the commissioner to *repay advances and to pay interest or principal* accruing on funds advanced from the federal government pursuant to section 1202 of the Social Security Act, and shall not be used for any other obligation of the state. All money in this fund shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as are provided by law for the other special funds in the state treasury, except that all interest or net income resulting from the investment or deposit of money in the fund shall accrue to the emergency fund for the purposes of the fund.

Subd. 3. [REPORT TO LEGISLATURE.] ~~On January 1, 1984, and on January 1, 1985,~~ The commissioner shall report to the legislature *annually* on the status of the outstanding funds advanced pursuant to section 1202 of the Social Security Act, including the interest charged on those funds. When all advanced funds and the interest charged on those funds have been repaid to the federal government, the commissioner shall recommend appropriate action by the legislature relating to the termination of the emergency interest repayment fund and the disposition of any money still in the fund.

Sec. 13. Minnesota Statutes 1983 Supplement, section 268.07, subdivision 2, is amended to read:

Subd. 2. [WEEKLY BENEFIT AMOUNT AND DURATION.] ~~If the commissioner finds that an individual has earned 15, or more, credit weeks within the base period of employment in insured work with one or more employers, benefits shall be payable to such individual during his benefit year as follows:~~

~~(1) Weekly benefit amount shall be equal to 60 percent of the first \$85, 40 percent of the next \$85 and 50 percent of the remainder of the average weekly wage of such individual. The amount so computed if not a whole dollar shall be rounded down to the next lower dollar amount. (1) To establish a valid claim for unemployment insurance benefits, an individual must have:~~

~~(a) wage credits in two or more calendar quarters of their base period;~~

~~(b) minimum total base period wage credits equal to the high quarter wages multiplied by 1.25 for claims effective prior to July 1, 1986, by 1.3 for claims~~

effective subsequent to July 1, 1986, and prior to July 1, 1987, by 1.4 for claims effective subsequent to July 1, 1987, and prior to July 1, 1988, and by 1.5 for claims effective after July 1, 1988; and

(c) for claims effective prior to July 1, 1986, high quarter wage credits of not less than \$1,222, and for claims effective subsequent to July 1, 1986, high quarter wage credits equivalent to 13 times 30 percent of the average weekly wage, rounded to the next lower dollar. The average weekly wage shall be determined in accordance with paragraph (3).

(2) Effective July 1, 1986, an individual who is unable to establish a valid claim under paragraph (1) may establish a valid claim if the individual has:

(a) wage credits in 30 or more weeks, with employment in each week equaling at least 20 hours; and

(b) high quarter wage credits of not less than \$871 or more than the amount determined in paragraph (1), clause (c).

(3) If the commissioner finds that an individual has sufficient wages within the base period to establish a valid claim, the weekly benefit amount payable to the individual during his benefit year shall equal 1/26 of the individual's high quarter wage credits, rounded to the next lower whole dollar; except that, the maximum weekly benefit amount of claims for benefits which establish a benefit year subsequent to July 1, 1979 shall be 66-2/3 percent of the average weekly wage, ~~except as provided in clause (d)~~ as determined under this paragraph. On or before June 30 of each year the commissioner shall determine the average weekly wage paid by employers subject to sections 268.03 to 268.24 in the following manner:

(a) The sum of the total monthly employment reported for the previous calendar year shall be divided by 12 to determine the average monthly employment.

(b) The sum of the total wages reported for the previous calendar year shall be divided by the average monthly employment to determine the average annual wage.

(c) The average annual wage shall be divided by 52 to determine the average weekly wage.

The maximum weekly benefit amount as so determined computed to the nearest whole dollar shall apply to claims for benefits which establish a benefit year which begins subsequent to June 30 of each year.

(4) Notwithstanding the provisions of paragraph (3), the maximum weekly benefit for claims for benefits which establish a benefit year subsequent to June 30, 1982, and prior to July 1, 1988, shall be as follows:

~~(a)~~ (a) The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1982, and prior to July 1, 1983, shall be \$184.

(b) The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1983, and prior to July 1, 1984, shall be \$191.

(c) The maximum weekly benefit amount for claims for benefits which

establish a benefit year subsequent to June 30, 1984, and prior to July 1, 1985, shall be \$198.

(d) *The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1985, and prior to July 1, 1986, shall be \$208.*

(e) *The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1986, and prior to July 1, 1987, shall be \$228.*

(f) *The maximum benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1987, and prior to July 1, 1988, shall be \$258.*

(2) ~~An individual's maximum amount of regular benefits payable in a benefit year shall not exceed the lesser of (a) 26 times his weekly benefit amount or (b) 70 percent of the number of credit weeks earned by such an individual computed to the nearest whole week times his weekly benefit amount.~~

(5) *Any otherwise eligible individual shall be entitled during any benefit year to a total amount of benefits equal to one-third of his total base period wage credits rounded to the next lower dollar not to exceed 26 times his weekly benefit amount.*

(3) (6) Each eligible individual who is unemployed in any week shall be paid with respect to such week a benefit in an amount equal to his weekly benefit amount less that part of his earnings, ~~including~~ *excluding* holiday pay, payable to him with respect to such week which is in excess of \$25 or \$200 for earnings from service in the national guard or a United States military reserve unit. Jury duty pay is not considered as earnings and shall not be deducted from benefits paid. Such benefit, if not a whole dollar amount shall be rounded down to the next lower dollar amount.

(4) ~~The provisions of clauses (1) and (2) shall apply to claims for benefits which establish a benefit year subsequent to June 30, 1983.~~

Sec. 14. Minnesota Statutes 1982, section 268.07, subdivision 2a, is amended to read:

Subd. 2a. [EXCEPTION.] Notwithstanding the provisions of subdivision 2, if the commissioner finds that an individual has earned ~~credit weeks wage credits~~ in seasonal employment, benefits shall be payable only if the commissioner finds that the individual has earned ~~15 credit weeks wage credits equal to or in excess of 30 times the individual's weekly benefit amount~~ in employment which is not seasonal, in addition to any ~~credit weeks wage credits~~ in seasonal employment. For the purposes of this subdivision, "seasonal employment" means employment with a single employer in the recreation or tourist industry which is available with the employer for 15 consecutive weeks or less each calendar year.

Sec. 15. Minnesota Statutes 1983 Supplement, section 268.07, subdivision 3, is amended to read:

Subd. 3. [WHEN WAGE CREDITS ARE NOT AVAILABLE.] (1) ~~No individual may receive benefits in a benefit year unless, subsequent to the beginning of the next preceding benefit year during which benefits were re-~~

ceived, the individual performed service in insured work as defined in section 268.04, subdivision 17, and earned remuneration for the service in an amount equal to not less than the minimum wage credits required to qualify for benefits. To establish a second benefit year following the expiration of an immediately preceding benefit year, an individual must have sufficient wage credits to establish a claim under the provisions of this section and must have performed services after the establishment of the expired benefit year. The services performed must have been in insured work and the wage credits from the services must equal not less than ten times the weekly benefit amount of the second benefit year.

(2) No employer who provided 90 percent or more of the wage credits in a claimant's base period shall be charged for benefits based upon earnings of the claimant during a subsequent base period unless the employer has employed the claimant in any part of the subsequent base period.

(3) Wages paid by an employing unit may not be used for benefit purposes by any individual who (a) individually or jointly with a spouse, parent or child owns or controls directly or indirectly 25 percent or more interest in the employing unit; or (b) is the spouse, parent or minor child of any individual who owns or controls directly or indirectly 25 percent or more interest in the employing unit; and (c) is not permanently separated from employment.

This clause is effective when the individual has been paid four times the individual's weekly benefit amount in the current benefit year.

(4) Wages paid in seasonal employment, as defined in subdivision 2a, are not available for benefit purposes during weeks in which there is no seasonal employment available with the employer.

Sec. 16. Minnesota Statutes 1983 Supplement, section 268.08, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY CONDITIONS.] An individual shall be eligible to receive benefits with respect to any week of unemployment only if the commissioner finds that the individual:

(1) has registered for work at and thereafter has continued to report to an employment office, or agent of the office, in accordance with rules the commissioner may adopt; except that the commissioner may by rule waive or alter either or both of the requirements of this clause as to types of cases or situations with respect to which the commissioner finds that compliance with the requirements would be oppressive or would be inconsistent with the purposes of sections 268.03 to 268.24;

(2) has made a claim for benefits in accordance with rules as the commissioner may adopt; and

(3) was able to work and was available for work, and was actively seeking work. The individual's weekly benefit amount shall be reduced one-fifth for each day the individual is unable to work or is unavailable for work. Benefits shall not be denied by application of this clause to an individual who is in training with the approval of the commissioner or in training approved pursuant to section 236 of the Trade Act of 1974, as amended;

An individual is deemed unavailable for work with respect to any week which occurs in a period when the individual is a full-time student in atten-



dance at, or on vacation from an established school, college or university unless a majority of the ~~credit weeks~~ *wage credits* earned in the base period were for services performed during weeks in which the student was attending school as a full-time student. *If the individual's claim for benefits is valid by application of section 268.07, subdivision 2, paragraph (2), the individual shall be considered unavailable for work with respect to any week which occurs when the individual is a full-time student.*

An individual serving as a juror shall be considered as available for work and actively seeking work on each day the individual is on jury duty.

(4) has been unemployed for a waiting period of one week during which the individual is otherwise eligible for benefits under sections 268.03 to 268.24. However, payment for the waiting week shall be made to the individual after the individual has qualified for and been paid benefits for four weeks of unemployment in a benefit year which period of unemployment is terminated because of the individual's return to employment. No individual is required to serve a waiting period of more than one week within the one year period subsequent to filing a valid claim and commencing with the week within which the valid claim was filed.

Sec. 17. Minnesota Statutes 1983 Supplement, section 268.09, is amended by adding a subdivision to read:

*Subd. 2a. An individual whose claim for benefits is valid by application of section 268.07, subdivision 2, paragraph (2), and is disqualified for benefits under subdivisions 1 and 2 of this section, other than for gross misconduct, shall be disqualified for waiting week credit and benefits. The disqualification shall continue until four weeks have elapsed following the separation or refusal of suitable work or reemployment and until the individual has worked for a minimum of 20 hours in each of four weeks.*

Sec. 18. Minnesota Statutes 1982, section 268.10, subdivision 1, is amended to read:

Subdivision 1. [FILING.] Claims for benefits shall be made in accordance with such regulations as the commissioner may prescribe. Each employer shall post and maintain printed statements of such regulations in places readily accessible to individuals in his service and shall make available to each such individual at the time he becomes unemployed, a printed statement of such regulations. Such printed statements shall be supplied by the commissioner to each employer without cost to him.

(1) Any employer upon separation of an employee from his employment for any reason which may result in disqualification for benefits under section 268.09, shall furnish to such employee a separation notice which shall provide the employer's name, address, and employer account number as registered with the department, the employee's name and social security account number, the inclusive dates of his employment, and the reason for the separation. A copy of such separation notice shall be filed with the commissioner within seven days of such separation. The commissioner shall require each individual filing a claim for benefits to establish a benefit year to furnish the reason for separation from all employers in his base period.

(2) ~~Upon the filing, by an individual, of a claim for benefits, the commissioner shall give notice to all such base period employers of the filing of such~~

claim and request each such base period employer, within seven days after the mailing of such notice; to furnish the following information:

- (a) The total wage credits earned in the base period;
- (b) The number of credit weeks which end within the base period;
- (c) The week ending dates for each calendar week within the base period in which the individual earned less than the amount required to make a credit week and the amount of earnings in each such week;
- (d) The reason for the separation or separations of such individual from the employ of the employer in the base period; and
- (e) Such employer's protest, if any, relating to the ineligibility or disqualification of such individual. Upon establishment of a benefit year, the commissioner shall give notice to the last employer for whom the individual worked and all base period employers. The employer so notified shall have seven days after the mailing of the notice to file a protest to charges or raise an issue of ineligibility or disqualification.

(3) If any base period employer, after the notice of filing of a claim and the request for wage and separation information has been duly mailed to his last known address, fails to file information as provided by items (a) through (e) of clause 2 of this subdivision within seven days, the commissioner shall:

(a) Determine the validity of an individual's claim based on the claimant's statements or any other available information. An employer shall be liable for a late filing fee of not less than \$5 nor more than \$25, as the commissioner may determine, to be paid to the department of economic security and credited to the contingent fund if he has failed without good cause to submit the wage and separation information as required in clause 2 of this subdivision within seven days after the request has been duly mailed to his last known address. If, upon review of the wage information on file with the department it is found that an employer failed to provide wage information for the claimant, the commissioner shall accept a claimant certification as to the wages earned, based upon the claimant's records, and issue a monetary determination of validity based upon the certification. The employer who failed to report the individual's wages or filed an erroneous report shall be penalized in accordance with section 268.16 or 268.18. In the absence of fraud, if a redetermination of validity of claim based on an employer's late or erroneous report subsequently cancels or reduces the amount of benefits to which a claimant was entitled under the initial determination, the claimant shall not be required to make repayment to the fund of any benefits paid to him prior to such redetermination; and.

(b) (4) The commissioner shall determine any issue of disqualification raised by clause (1) or by an employer's late report. If an employer fails to file a separation notice within the time limits prescribed in clause (1), any relief from benefit charges provided by section 268.09, subdivision 1, clause (4), shall apply to weeks of unemployment beginning after the filing of the late report.

Sec. 19. Minnesota Statutes 1983 Supplement, section 268.10, subdivision 2, is amended to read:

Subd. 2. [EXAMINATION OF CLAIMS; DETERMINATION; AP-

transcripts, or reproductions thereof, or other papers in his custody, which are more than two years old, the preservation of which is no longer necessary for the establishment of contribution liability or benefit rights or for any purpose necessary to the proper administration of sections 268.03 to 268.24, including any required audit thereof, provided, that the commissioner may provide for the destruction or disposition of any record, report, or transcript, or other paper in his custody which has been photographed, duplicated, or reproduced in the manner provided in clause (2).

(4) Notwithstanding the provisions of the Minnesota State Archives Act the commissioner shall with the approval of the legislative auditor destroy all benefit checks and benefit check authorization cards that are more than two years old and no person shall make any demand, bring any suit or other proceeding to recover from the state of Minnesota any sum alleged to be due him on any claim for benefits after the expiration of two years from the date of filing such claim.

Sec. 21. Minnesota Statutes 1982, section 268.121, is amended to read:

268.121 [WAGE REPORTING.]

Beginning on April 1, 1984, each employer subject to this chapter shall provide the commissioner with a quarterly report of *the wages, as defined in section 268.04, subdivision 25,* paid to each employee of that employer covered by this chapter. ~~The commissioner shall provide the legislature with his recommendations for statutory changes to fully implement this section no later than January 1, 1983~~ *The report must include the employee's name, social security number, and total wages paid to the employee.*

Sec. 22. Minnesota Statutes 1982, section 268.15, subdivision 3, is amended to read:

Subd. 3. [CONTINGENT ACCOUNT.] There is hereby created in the state treasury a special account, to be known as the employment services contingent account, which shall not lapse nor revert to any other fund. Such account shall consist of all moneys appropriated therefor by the legislature, all moneys in the form of interest and penalties collected pursuant to ~~section sections~~ 268.16 and 268.18, and all moneys received in the form of voluntary contributions to this account and interest thereon. All moneys in such account shall be supplemental to all federal moneys that would be available to the commissioner but for the existence of this account. Moneys in this account are hereby appropriated to the commissioner and shall be expended in accordance with the provisions of section 3.30, in connection with the administration of sections 268.03 to 268.24. *Commencing with the fiscal year beginning July 1, 1984, the commissioner is authorized to expend annually, in addition to any federal moneys and without reference to section 3.30, the sum of \$500,000, from available moneys in this fund which are derived from interest and penalties collected pursuant to sections 268.16 and 268.18 and moneys received in the form of voluntary payments and interest thereon, for the purpose of providing for: (a) the investigation of fraud on the part of any person in claiming or obtaining benefits under sections 268.03 to 268.24 or fraud on the part of any employer in attempting to avoid or reduce any contribution or other payment required from an employing unit under those sections; (b) determination of benefit overpayments and contribution underpayments for reasons other than fraud; and (c) recovery of moneys due to the*

*department as a result of clauses (a) and (b).* Whenever the commissioner expends moneys from said contingent account for the proper and efficient administration of the Minnesota employment services law for which funds have not yet been made available by the federal government, such moneys so withdrawn from the contingent account shall be replaced as hereinafter provided. Upon the deposit in the employment services administration fund of moneys which are received in reimbursement of payments made as above provided for said contingent account, the commissioner shall certify to the state treasurer the amount of such reimbursement and thereupon the state treasurer shall transfer such amount from the employment services administration fund to said contingent account. All moneys in this account shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as is provided by law for the other special accounts in the state treasury. The state treasurer shall be liable on his official bond for the faithful performance of his duties in connection with the employment services contingent account provided for herein. Notwithstanding anything to the contrary contained herein, on June 30 of each year, except 1982, all amounts in excess of \$300,000 in this account shall be paid over to the unemployment compensation fund established under section 268.05 and administered in accordance with the provisions set forth therein.

Sec. 23. Minnesota Statutes 1983 Supplement, section 268.16, subdivision 2, is amended to read:

Subd. 2. [REPORTS; DELINQUENCIES; PENALTIES.] (1) Any employer who knowingly fails to make and submit to the department of economic security any *contribution report of wages paid by or due from him for insured work in the manner and at the time such the report is required by regulations rules* prescribed by the commissioner shall pay to the department of economic security for the contingent account a penalty in the amount of one and one-half percent of contributions accrued during the period for which *such the report is required, for each month from and after such the due date until such the report is properly made and submitted to the department of economic security.* In no case shall the amount of the penalty imposed hereby be less than \$5 per month. The maximum penalty imposed hereby shall be \$25 or the amount determined at the rate of 1-1/2 percent per month, whichever is greater. ~~Any employing unit which fails to make and submit to the commissioner any report, other than one of wages paid or payable for insured work, as and when required by the regulations of the commissioner, shall be subject to a penalty in the sum of \$10 payable to the department of economic security for the contingent account. All such penalties shall be in addition to interest and any other penalties provided for by sections 268.03 to 268.24 and shall be collected as provided by section 268.161.~~

(2) If any employing unit required by sections 268.03 to 268.24 to make and submit contribution reports shall fail to do so within the time prescribed by these sections or by regulations under the authority thereof, or shall make, willfully or otherwise, an incorrect, false or fraudulent contribution report, he shall, on the written demand of the commissioner, make such contribution report, or corrected report, within ten days after the mailing of such written demand and at the same time pay the whole contribution, or additional contribution, due on the basis thereof. If such employer shall fail within that time to make such report, or corrected report, the commissioner shall make for

him a report, or corrected report, from his own knowledge and from such information as he can obtain through testimony, or otherwise, and assess a contribution on the basis thereof, which contribution, plus penalties and interest which thereafter accrued (less any payments theretofore made) shall be paid within ten days after the commissioner has mailed to such employer a written notice of the amount thereof and demand for its payment. Any such contribution report or assessment made by the commissioner on account of the failure of the employer to make a report or corrected report shall be prima facie correct and valid, and the employer shall have the burden of establishing its incorrectness or invalidity in any action or proceeding in respect thereto. Whenever such delinquent employer shall file a report or corrected report, the commissioner may, if he finds it substantially correct, substitute it for the commissioner's report.

(3) Any employer who fails to file the wage detail report required by section 268.121 shall pay to the department of economic security for the contingent account a penalty of one-tenth of one percent of total wages paid and wages due but not paid during the period for each month the report is delinquent. The penalty shall not be assessed if the wage detail report is properly made and filed within 30 days after a demand for the report is mailed to the employer's address of record. In no case shall the amount of the penalty, if assessed, be more than \$500 or less than \$25. Penalties due under this subdivision may be waived where good cause for late filing is found by the commissioner. Any employer who files the wage detail report required by section 268.121 but knowingly fails to include any of the required information or knowingly enters erroneous information shall be subject to a penalty of \$25 for each individual for whom the information is missing or erroneous.

(4) Any employing unit which fails to make and submit to the commissioner any report, other than a contribution report or wage detail report, as and when required by rule, shall be subject to a penalty in the sum of \$25 payable to the department of economic security for the contingent account.

(5) Penalties provided for in paragraphs (1), (3), and (4) shall be in addition to interest and any other penalties imposed by sections 268.03 to 268.24 and shall be collected as provided by section 268.161.

#### Sec. 24. [BENEFIT AND WAGE STUDY.]

The commissioner shall conduct a study of benefit claims and wage data reported under section 268.121. The study shall include, but not be limited to, determining and examining cyclical patterns of unemployment, reemployment and benefit duration. The commissioner shall report the results of the study to the 1986 regular session of the legislature.

#### Sec. 25. [REPEALER.]

Minnesota Statutes 1982, section 268.04, subdivision 30, is repealed. Minnesota Statutes 1983 Supplement, sections 268.04, subdivision 29, and 268.08, subdivision 9, are repealed.

#### Sec. 26. [EFFECTIVE DATES.]

Section 8 is effective retroactively to January 1, 1984.

Sections 4, 5, 6, 12, 20, 21, 22, 23 and 24 are effective the day following final enactment.

*Sections 3, 9, and 10 are effective January 1, 1985.*

*Sections 1, 2, 7, 13, 14, 15, 16, 17, 18 and 19 are effective July 1, 1985, for benefit years subsequent to June 30, 1985.*

*That part of section 11 which strikes the 1.5 percent and 2.5 percent limitations on tax rate changes is effective retroactively to January 1, 1984, with the remainder of section 11 being effective January 1, 1985.*

*That part of section 25 which repeals Minnesota Statutes 1983 Supplement, section 268.08, subdivision 9, is effective the day after final enactment, with the remainder of section 25 being effective July 1, 1985, for benefit years subsequent to June 30, 1985."*

Delete the title and insert:

"A bill for an act relating to employment; regulating the payment, amount, and eligibility for benefits; setting employer contribution rates; making administrative changes; providing a penalty; amending Minnesota Statutes 1982, sections 268.04, subdivision 24, and by adding subdivisions; 268.06, subdivisions 6 and 8; 268.07, subdivision 2a; 268.10, subdivision 1; 268.121; 268.15, subdivision 3; Minnesota Statutes 1983 Supplement, sections 268.04, subdivisions 2, 25 and 29; 268.06, subdivisions 2 and 3a; 268.061; 268.07, subdivisions 2 and 3; 268.08, subdivision 1; 268.09, by adding a subdivision; 268.10, subdivision 2; 268.12, subdivision 8; and 268.16, subdivision 2; repealing Minnesota Statutes 1982, section 268.04, subdivision 30; Minnesota Statutes 1983 Supplement, sections 268.04, subdivision 29; and 268.08, subdivision 9."

The motion prevailed. So the amendment was adopted.

Mr. Taylor moved to amend H.F. No. 1420 as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 268.04, subdivision 2, is amended to read:

Subd. 2. "Base period" means the period of 52 calendar weeks immediately preceding the first day of an individual's benefit year. However, if a claimant received weekly worker's compensation for temporary total disability under the provisions of chapter 176 or under a similar law of the United States for more than seven weeks within the base period; or if a claimant, whose own serious illness caused a loss of credit weeks within the base period; received compensation due to the illness from some other source or under a law of this state other than chapter 176 or under a similar law of the United States for more than seven weeks within the base period, the claimant's base period shall be lengthened by the same number of weeks, but not to exceed 52 weeks, for which the claimant received the payments. No extended base period shall include wage credits upon which benefits were established and paid with respect to a prior valid claim first four of the last five completed calendar quarters immediately preceding the first day of an individual's benefit year. However, if during the last base period an individual received workers' compensation for temporary disability under chapter 176 or under similar law of the United States, or if an individual, whose own serious illness caused a loss of work for which the individual received compensation due to the illness from some other source or under a law of this state, other than chapter 176 or under a similar law of

annual wage.

The average annual wage determined shall be effective for the calendar year next succeeding the determination.

Sec. 4. Minnesota Statutes 1983 Supplement, section 268.04, subdivision 29, is amended to read:

Subd. 29. "Credit week" is any week for which wages or back pay, actually or constructively paid, wages overdue and delayed beyond the usual time of payment, and back pay by or from one or more employers to an employee for insured work equal or exceed 30 percent of the average weekly wage computed to the nearest whole dollar. On or before June 30 of each year the commissioner shall determine the average weekly wage paid by employers subject to sections 268.03 to 268.24 in the following manner:

(a) The sum of the total monthly employment reported for the previous calendar year shall be divided by 12 to determine the average monthly employment;

(b) The sum of the total wages reported for the previous calendar year shall be divided by the average monthly employment to determine the average annual wage; and

(c) The average annual wage shall be divided by 52 to determine the average weekly wage.

The average weekly wage as so determined computed to the nearest whole dollar shall apply to claims for benefits which establish a benefit year which begins subsequent to December 31 of the year of the computation §94.

Sec. 5. Minnesota Statutes 1982, section 268.04, is amended by adding a subdivision to read:

Subd. 34. [CONTRIBUTION REPORT.] "Contribution report" means the summary report of wages and employment used to determine the amount of contributions due by employers on a calendar quarter basis. An auxiliary report of wages and employment broken down by business locations, when required, is part of the contribution report.

Sec. 6. Minnesota Statutes 1982, section 268.04, is amended by adding a subdivision to read:

Subd. 35. [WAGE DETAIL REPORT.] "Wage detail report" means the itemized report used to record the information required by section 268.121.

Sec. 7. Minnesota Statutes 1982, section 268.04, is amended by adding a subdivision to read:

Subd. 36. [HIGH QUARTER.] "High quarter" means the calendar quarter in an individual's base period for which the total wage credits paid to the individual during that quarter are equal to or greater than the total wage credits paid to the individual during any other calendar quarter in the individual's base period.

Sec. 8. Minnesota Statutes 1983 Supplement, section 268.06, subdivision 2, is amended to read:

Subd. 2. [RATES.] Each employer shall pay contributions equal to two and

seven-tenths percent for each calendar year prior to 1985 and 5-4/10 percent for 1985 and each subsequent calendar year of wages paid and wages overdue and delayed beyond the usual time of payment from him with respect to employment occurring during each calendar year, except as may be otherwise prescribed in subdivisions 3a and 4. ~~Each employer who has an experience ratio of less than one-tenth of one percent shall pay contributions on only the first \$8,000 in wages paid and wages overdue and delayed beyond the usual time of payment to each employee with respect to employment occurring during each calendar year.~~

Sec. 9. Minnesota Statutes 1983 Supplement, section 268.06, subdivision 3a, is amended to read:

Subd. 3a. [RATE FOR NEW EMPLOYERS.] Notwithstanding the provisions of subdivision 2, each employer, who becomes subject to this law, shall pay contributions at a rate:

(a) Not exceeding 2-7/10 percent, that is the higher of (1) one percent and (2) the state's three-year benefit cost rate for the 36 consecutive month period immediately preceding July 1 of each year for each employer who becomes subject to this law prior to January 1, 1984. For purposes of this clause, the state's three-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of benefits paid to claimants under this law during the 36 consecutive calendar months immediately preceding July 1 of each year by the total dollar amount of wages subject to contributions under this law during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.

(b) Not exceeding 2-7/10 percent, that is the higher of (1) one percent and (2) the state's four-year benefit cost rate for the 48 consecutive month period immediately preceding July 1 of each year for each employer, except employers in the construction industry, as determined by the commissioner, who becomes subject to this law subsequent to December 31, 1983 and prior to January 1, 1985. For purposes of this clause, the state's four-year benefit cost rate shall be computed and derived by dividing the total dollar amount of benefits paid to claimants under this law during the 48 consecutive calendar months immediately preceding July 1, 1983 by the total dollar amount of wages subject to contributions under this law during the same period. The rate so determined shall be applicable for the calendar year 1984.

Each construction employer described above who becomes subject to chapter 268 shall pay contributions at a rate, not exceeding ~~7-5 percent the maximum rate specified in subdivision 8~~, that is the higher of (1) one percent, or (2) the state's four-year benefit cost rate for construction employers for the 48 consecutive month period immediately preceding July 1, 1983. For purposes of this clause, the state's four-year benefit cost rate shall be computed and derived by dividing the total dollar amount of benefits paid to claimants of construction employers, as determined by the commissioner, during the 48 consecutive calendar months immediately preceding July 1, 1983 by the total dollar amount of wages of construction employers subject to contributions during the same period. The rate so determined shall be applicable for the calendar year 1984.

(c) Not exceeding 5-4/10 percent, that is the higher of (1) one percent and (2) the state's five-year benefit cost rate for the 60 consecutive month period



immediately preceding July 1, 1984 and each year thereafter for each employer, except employers in the construction industry, as determined by the commissioner who becomes subject to this law on January 1, 1985 and thereafter. For purposes of this clause, the state's five-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of benefits paid to claimants under this law during the 60 consecutive calendar months immediately preceding July 1, 1984 and each year thereafter by the total dollar amount of wages subject to contributions under this law during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.

Each construction employer described above who becomes subject to this chapter shall pay contributions at a rate, not exceeding ~~7.5 percent~~ *the maximum rate specified in subdivision 8*, that is the higher of (1) one percent, or (2) the state's five-year benefit cost rate for construction employers for the 60 consecutive month period immediately preceding July 1, 1984 and each year thereafter. For purposes of this clause, the state's five-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of benefits paid to claimants of construction employers, as determined by the commissioner, during the 60 consecutive calendar months immediately preceding July 1, 1984 and each year thereafter by the total dollar amount of wages of construction employers subject to contributions during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.

Sec. 10. Minnesota Statutes 1982, section 268.06, subdivision 8, is amended to read:

Subd. 8. [DETERMINATION OF CONTRIBUTION RATES.] (1) For each calendar year the commissioner shall determine the contribution rate of each employer by adding the minimum rate to the *employer's* experience ratio; ~~except that if the ratio for the current calendar year increases or decreases the experience ratio for the preceding calendar year by more than one and one-half percentage points for 1982; and 2-1/2 percentage points for 1983 and each year thereafter, the increase or decrease for the current year shall be limited to one and one-half percentage points for 1982; and 2-1/2 percentage points for 1983 and each year thereafter, provided that a small business employer shall be eligible, upon application, for a reduction in the limitation to 1-1/2 percentage points for 1983 and each year thereafter.~~ "Small business employer" for the purpose of this subdivision means an employer with an annual covered payroll of \$250,000 or less, or fewer than 20 employees in three of the four quarters ending June 30, of the previous calendar year. The minimum rate for all employers shall be one percent *for calendar year 1985*; ~~if the amount in the unemployment compensation fund is less than \$80,000,000 on June 30 of the preceding calendar year; or nine-tenths of one percent for calendar year 1986; if the fund is more than \$80,000,000 but less than \$90,000,000; or eight-tenths of one percent for calendar 1987; and if the fund is more than \$90,000,000 but less than \$110,000,000; or seven-tenths of one percent for calendar year 1988 and subsequent years if the fund is more than \$110,000,000 but less than \$130,000,000; or six-tenths of one percent if the fund is more than \$130,000,000 but less than \$150,000,000; or five-tenths of one percent if the fund is more than \$150,000,000 but less than \$170,000,000; or three-tenths of one percent if the fund is more than~~

~~\$170,000,000 but less than \$200,000,000; or one-tenth of one percent if the fund is \$200,000,000 or more; provided that no employer shall have a contribution rate of more than 7.5 percent. The maximum contribution rate shall be eight percent for calendar years 1985 and 1986, and seven and one-half percent for calendar year 1987 and subsequent years.~~

(2) For the purposes of this section the unemployment compensation fund shall not include any moneys advanced from the Federal Unemployment Account in the unemployment trust fund in accordance with Title XII of the Social Security Act, as amended. ~~No employer first assigned an experience ratio in accordance with subdivision 6, shall have his contribution rate increased or decreased by more than one and one-half percentage points for 1982; and 2-1/2 percentage points for 1983 and each year thereafter over the contribution rate assigned for the preceding calendar year in accordance with subdivision 3a; provided that a small business employer shall be eligible, upon application, for a reduction in the limitation to 1-1/2 percentage points for 1983 and each year thereafter.~~

Sec. 11. Minnesota Statutes 1983 Supplement, section 268.061, is amended to read:

268.061 [SURCHARGE; EMERGENCY INTEREST REPAYMENT FUND.]

Subdivision 1. [AMOUNT.] (1) Each employer, except those making payments in lieu of contributions pursuant to section 268.06, subdivisions 25, 26, 27 and 28, shall pay an annual surcharge of ten percent of contributions paid or due and payable for the calendar years 1982 ~~and 1983 through 1986.~~

(2) The commissioner shall notify employers of the contributions upon which the surcharge is based and the amount of surcharge payable no later than August 1, ~~1983, and August 1, 1984 following each taxable year.~~ The surcharge ~~for taxable year 1982 shall be paid no later than August 31, 1983, and the surcharge for taxable year 1983 shall be paid no later than August 31, 1984 following each taxable year.~~

(3) Payments due under this subdivision are subject to the collection provisions of sections 268.16 and 268.161. The surcharges paid under this subdivision are not contributions for the purposes of section 268.06, subdivision 6. The commissioner may temporarily reduce the amount of surcharge imposed by this section when there are sufficient funds raised by the surcharge to make the interest payment required on federal funds advanced to the state under section 1202 of the Social Security Act.

Subd. 2. [EMERGENCY INTEREST REPAYMENT FUND, CREATION.] A special fund to be known as the emergency interest repayment fund is created in the state treasury. The special fund is separate and distinct from any fund or account created for any other purposes of sections 268.03 to 268.24. All collections from the surcharge shall be deposited in the special fund. All money in the special fund is appropriated to the commissioner to *repay advances and to pay interest or principal* accruing on funds advanced from the federal government pursuant to section 1202 of the Social Security Act, and shall not be used for any other obligation of the state. All money in this fund shall be deposited, administered, and disbursed in the same manner

and under the same conditions and requirements as are provided by law for the other special funds in the state treasury, except that all interest or net income resulting from the investment or deposit of money in the fund shall accrue to the emergency fund for the purposes of the fund.

Subd. 3. [REPORT TO LEGISLATURE.] On ~~January 1, 1984, and on~~ January 1, 1985, ~~January 1, 1986, and January 1, 1987,~~ the commissioner shall report to the legislature on the status of the outstanding funds advanced pursuant to section 1202 of the Social Security Act, including the interest charged on those funds. When all advanced funds and the interest charged on those funds have been repaid to the federal government, the commissioner shall recommend appropriate action by the legislature relating to the termination of the emergency interest repayment fund and the disposition of any money still in the fund.

Sec. 12. Minnesota Statutes 1983 Supplement, section 268.07, subdivision 2, is amended to read:

Subd. 2. [WEEKLY BENEFIT AMOUNT AND DURATION.] ~~If the commissioner finds that an individual has earned 15, or more, credit weeks within the base period of employment in insured work with one or more employers, benefits shall be payable to such individual during his benefit year as follows:~~

~~(1) Weekly benefit amount shall be equal to 60 percent of the first \$85, 40 percent of the next \$85 and 50 percent of the remainder of the average weekly wage of such individual. The amount so computed if not a whole dollar shall be rounded down to the next lower dollar amount. The maximum weekly benefit amount of claims for benefits which establish a benefit year subsequent to July 1, 1979 shall be 66-2/3 percent of the average weekly wage, except as provided in clause (d). (1) To establish a valid claim for unemployment insurance benefits, an individual must have:~~

~~(a) wage credits in two or more calendar quarters of their base period;~~

~~(b) minimum total base period wage credits equal to the high quarter wages multiplied by 1.5; and~~

~~(c) for claims effective prior to July 1, 1986, high quarter wage credits of not less than \$1,222, and for claims effective subsequent to July 1, 1986, high quarter wage credits equivalent to 13 times 30 percent of the average weekly wage, rounded to the next lower dollar. The average weekly wage shall be determined in accordance with paragraph (2).~~

~~(2) On or before June 30 of each year the commissioner shall determine the average weekly wage paid by employers subject to sections 268.03 to 268.24 in the following manner:~~

~~(a) The sum of the total monthly employment reported for the previous calendar year shall be divided by 12 to determine the average monthly employment.~~

~~(b) The sum of the total wages reported for the previous calendar year shall be divided by the average monthly employment to determine the average annual wage.~~

~~(c) The average annual wage shall be divided by 52 to determine the~~

average weekly wage.

The maximum weekly benefit amount as so determined computed to the nearest whole dollar shall apply to claims for benefits which establish a benefit year which begins subsequent to June 30 of each year.

(3) If the commissioner finds that an individual has sufficient wages within the base period to establish a valid claim, the weekly benefit amount payable to the individual during his benefit year shall equal 1/26 of the individual's high quarter wage credits, rounded to the next lower whole dollar.

(4) Notwithstanding the provisions of paragraph (3), the maximum weekly benefit for claims for benefits which establish a benefit year subsequent to June 30, 1982, and prior to July 1, 1988, shall be as follows:

(a) The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1982, and prior to July 1, 1983, shall be \$184.

(b) The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1983, and prior to July 1, 1984, shall be \$191.

(c) The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1984, and prior to July 1, 1985, shall be \$198.

(d) The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1985, and prior to July 1, 1986, shall be \$205.

(e) The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1986, and prior to July 1, 1987, shall be \$212.

(f) The maximum benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1987, and each subsequent year shall be \$219.

(2) An individual's maximum amount of regular benefits payable in a benefit year shall not exceed the lesser of (a) 26 times his weekly benefit amount or (b) 70 percent of the number of credit weeks earned by such an individual computed to the nearest whole week times his weekly benefit amount.

(5) Any otherwise eligible individual shall be entitled during any benefit year to a total amount of benefits equal to one-third of his total base period wage credits rounded to the next lower dollar not to exceed 26 times his weekly benefit amount.

(3) (6) Each eligible individual who is unemployed in any week shall be paid with respect to such week a benefit in an amount equal to his weekly benefit amount less that part of his earnings, including holiday pay, payable to him with respect to such week which is in excess of \$25 or \$200 for earnings from service in the national guard or a United States military reserve unit. Jury duty pay is not considered as earnings and shall not be deducted from benefits paid. Such benefit, if not a whole dollar amount shall be rounded down to the next lower dollar amount.

(4) The provisions of clauses (1) and (2) shall apply to claims for benefits

which establish a benefit year subsequent to June 30, 1983.

Sec. 13. Minnesota Statutes 1982, section 268.07, subdivision 2a, is amended to read:

Subd. 2a. [EXCEPTION.] Notwithstanding the provisions of subdivision 2, if the commissioner finds that an individual has earned ~~credit weeks wage credits~~ in seasonal employment, benefits shall be payable only if the commissioner finds that the individual has earned ~~45 credit weeks wage credits equal to or in excess of 30 times the individual's weekly benefit amount~~ in employment which is not seasonal, in addition to any ~~credit weeks wage credits~~ in seasonal employment. For the purposes of this subdivision, "seasonal employment" means employment with a single employer in the recreation or tourist industry which is available with the employer for 15 consecutive weeks or less each calendar year.

Sec. 14. Minnesota Statutes 1983 Supplement, section 268.07, subdivision 3, is amended to read:

Subd. 3. [WHEN WAGE CREDITS ARE NOT AVAILABLE.] (1) ~~No individual may receive benefits in a benefit year unless, subsequent to the beginning of the next preceding benefit year during which benefits were received, the individual performed service in insured work as defined in section 268.04, subdivision 17, and earned remuneration for the service in an amount equal to not less than the minimum wage credits required to qualify for benefits~~ *To establish a second benefit year following the expiration of an immediately preceding benefit year, an individual must have sufficient wage credits to establish a claim under the provisions of this section and must have performed services after the establishment of the expired benefit year. The services performed must have been in insured work and the wage credits from the services must equal not less than ten times the weekly benefit amount of the second benefit year.*

(2) No employer who provided 90 percent or more of the wage credits in a claimant's base period shall be charged for benefits based upon earnings of the claimant during a subsequent base period unless the employer has employed the claimant in any part of the subsequent base period.

(3) Wages paid by an employing unit may not be used for benefit purposes by any individual who (a) individually or jointly with a spouse, parent or child owns or controls directly or indirectly 25 percent or more interest in the employing unit; or (b) is the spouse, parent or minor child of any individual who owns or controls directly or indirectly 25 percent or more interest in the employing unit; and (c) is not permanently separated from employment.

This clause is effective when the individual has been paid four times the individual's weekly benefit amount in the current benefit year.

(4) Wages paid in seasonal employment, as defined in subdivision 2a, are not available for benefit purposes during weeks in which there is no seasonal employment available with the employer.

Sec. 15. Minnesota Statutes 1983 Supplement, section 268.08, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY CONDITIONS.] An individual shall be eligible to receive benefits with respect to any week of unemployment only if

the commissioner finds that the individual:

(1) has registered for work at and thereafter has continued to report to an employment office, or agent of the office, in accordance with rules the commissioner may adopt; except that the commissioner may by rule waive or alter either or both of the requirements of this clause as to types of cases or situations with respect to which the commissioner finds that compliance with the requirements would be oppressive or would be inconsistent with the purposes of sections 268.03 to 268.24;

(2) has made a claim for benefits in accordance with rules as the commissioner may adopt; and

(3) was able to work and was available for work, and was actively seeking work. The individual's weekly benefit amount shall be reduced one-fifth for each day the individual is unable to work or is unavailable for work. Benefits shall not be denied by application of this clause to an individual who is in training with the approval of the commissioner or in training approved pursuant to section 236 of the Trade Act of 1974, as amended;

An individual is deemed unavailable for work with respect to any week which occurs in a period when the individual is a full-time student in attendance at, or on vacation from an established school, college or university unless a majority of the ~~credit weeks~~ *wage credits* earned in the base period were for services performed during weeks in which the student was attending school as a full-time student.

An individual serving as a juror shall be considered as available for work and actively seeking work on each day the individual is on jury duty.

(4) has been unemployed for a waiting period of one week during which the individual is otherwise eligible for benefits under sections 268.03 to 268.24. However, payment for the waiting week shall be made to the individual after the individual has qualified for and been paid benefits for four weeks of unemployment in a benefit year which period of unemployment is terminated because of the individual's return to employment. No individual is required to serve a waiting period of more than one week within the one year period subsequent to filing a valid claim and commencing with the week within which the valid claim was filed.

Sec. 16. Minnesota Statutes 1983 Supplement, section 268.09, subdivision 1, is amended to read:

Subdivision 1. [DISQUALIFYING CONDITIONS.] An individual separated from employment under clauses (1), (2), or (3) shall be disqualified for waiting week credit and benefits. For separations under clauses (1) and (2), the disqualification shall continue until ~~four~~ *eight* calendar weeks have elapsed following his separation and the individual has earned ~~four~~ *eight* times his weekly benefit amount in insured work.

(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 or based solely on a provision in a collective bargaining agreement by which an

individual has vested discretionary authority in another to act in behalf of the individual 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;

(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;

(g) The individual voluntarily leaves part-time employment with a base period employer while continuing full-time employment if the individual attempted to return to part-time employment after being separated from the full-time employment, and if substantially the same part-time employment with the base period employer was not available for the individual.

(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. For a separation under this clause, the commissioner shall impose a total disqualification for the benefit year and cancel 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" is defined as misconduct involving assault and battery or the malicious destruction of property or arson or sabotage or embezzlement or any other act, including theft, the commission of which amounts to a felony or gross misdemeanor. For an employee of a health care facility, gross misconduct also includes misconduct involving an act of patient or resident abuse as defined in section 626.557, subdivision 2, clause (d).

If an individual is convicted of a felony or gross misdemeanor for the same act or acts of misconduct for which the individual was discharged, the misconduct is conclusively presumed to be gross misconduct if it was connected with his work.

(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.

(6) [DISCIPLINARY SUSPENSIONS.] An individual shall be disqualified for waiting week credit and benefits for the duration of any disciplinary suspension of 30 days or less resulting from his own misconduct. Disciplinary suspensions of more than 30 days shall constitute a discharge from employment.

Sec. 17. Minnesota Statutes 1983 Supplement, section 268.09, subdivision 2, is amended to read:

Subd. 2. [FAILURE TO APPLY FOR OR ACCEPT SUITABLE WORK



OR RE-EMPLOYMENT.] An individual shall be disqualified for waiting week credit and benefits during the week of occurrence and until ~~four~~ eight calendar weeks have elapsed following his refusal or failure and he has earned ~~four~~ eight times his weekly benefit amount in insured work if the commissioner finds that he has failed, without good cause, either to apply for available, suitable work of which he was advised by the employment office, or the commissioner or to accept suitable work when offered him, or to return to his customary self-employment (if any) when so directed by the commissioner, or to accept a base period employer's offer of re-employment offering substantially the same or better hourly wages and conditions of work as were previously provided by that employer in his base period.

(a) In determining whether or not any work is suitable for an individual, the commissioner shall consider the degree of risk involved to his health, safety, and morals, his physical fitness and prior training, his experience, his length of unemployment and prospects of securing local work in his customary occupation, and the distance of the available work from his residence.

(b) Notwithstanding any other provisions of sections 268.03 to 268.24, no work shall be deemed suitable, and benefits shall not be denied thereunder to any otherwise eligible individual for refusing to accept new work under any of the following conditions:

(1) if the position offered is vacant due directly to a strike, lockout, or other labor dispute;

(2) if the wages, hours, or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality;

(3) if as a condition of being employed the individual would be required to join a union or to resign from or refrain from joining any bona fide labor organization;

(4) if the individual is in training with the approval of the commissioner.

Sec. 18. Minnesota Statutes 1982, section 268.10, subdivision 1, is amended to read:

Subdivision 1. [FILING.] Claims for benefits shall be made in accordance with such regulations as the commissioner may prescribe. Each employer shall post and maintain printed statements of such regulations in places readily accessible to individuals in his service and shall make available to each such individual at the time he becomes unemployed, a printed statement of such regulations. Such printed statements shall be supplied by the commissioner to each employer without cost to him.

(1) Any employer upon separation of an employee from his employment for any reason which may result in disqualification for benefits under section 268.09, shall furnish to such employee a separation notice which shall provide the employer's name, address, and employer account number as registered with the department, the employee's name and social security account number, the inclusive dates of his employment, and the reason for the separation. A copy of such separation notice shall be filed with the commissioner within seven days of such separation. The commissioner shall require each individual filing a claim for benefits to establish a benefit year to furnish the

reason for separation from all employers in his base period.

(2) Upon the filing, by an individual, of a claim for benefits, the commissioner shall give notice to all such base period employers of the filing of such claim and request each such base period employer, within seven days after the mailing of such notice, to furnish the following information:

(a) The total wage credits earned in the base period;

(b) The number of credit weeks which end within the base period;

(c) The week ending dates for each calendar week within the base period in which the individual earned less than the amount required to make a credit week and the amount of earnings in each such week;

(d) The reason for the separation or separations of such individual from the employ of the employer in the base period; and

(e) Such employer's protest, if any, relating to the ineligibility or disqualification of such individual. Upon establishment of a benefit year, the commissioner shall give notice to the last employer for whom the individual worked and all base period employers. The employer so notified shall have seven days after the mailing of the notice to file a protest to charges or raise an issue of ineligibility or disqualification.

(3) If any base period employer, after the notice of filing of a claim and the request for wage and separation information has been duly mailed to his last known address, fails to file information as provided by items (a) through (e) of clause 2 of this subdivision within seven days, the commissioner shall:

(a) Determine the validity of an individual's claim based on the claimant's statements or any other available information. An employer shall be liable for a late filing fee of not less than \$5 nor more than \$25, as the commissioner may determine, to be paid to the department of economic security and credited to the contingent fund if he has failed without good cause to submit the wage and separation information as required in clause 2 of this subdivision within seven days after the request has been duly mailed to his last known address. If, upon review of the wage information on file with the department it is found that an employer failed to provide wage information for the claimant, the commissioner shall accept a claimant certification as to the wages earned, based upon the claimant's records, and issue a monetary determination of validity based upon the certification. The employer who failed to report the individual's wages or filed an erroneous report shall be penalized in accordance with section 268.16 or 268.18. In the absence of fraud, if a redetermination of validity of claim based on an employer's late or erroneous report subsequently cancels or reduces the amount of benefits to which a claimant was entitled under the initial determination, the claimant shall not be required to make repayment to the fund of any benefits paid to him prior to such redetermination; and.

(b) (4) The commissioner shall determine any issue of disqualification raised by clause (1) or by an employer's late report. If an employer fails to file a separation notice within the time limits prescribed in clause (1), any relief from benefit charges provided by section 268.09, subdivision 1, clause (4), shall apply to weeks of unemployment beginning after the filing of the late report.

Sec. 19. Minnesota Statutes 1983 Supplement, section 268.10, subdivision 2, is amended to read:

Subd. 2. [EXAMINATION OF CLAIMS; DETERMINATION; APPEAL.] (1) An official, designated by the commissioner, shall promptly examine each claim for benefits filed to establish a benefit year pursuant to this section, and, on the basis of the facts found, shall determine whether or not such claims are valid, and if valid, the weekly benefit amount payable, the maximum benefit amount payable during the benefit year, and the date the benefit year terminates, and this determination shall be known as the determination of validity. Notice of the determination of validity or any redetermination as provided for in clause (4) shall be promptly given the claimant and all other interested parties. ~~If within the time limits for filing a protest an employer notifies the department that an individual's weekly benefit amount as determined under section 268.07 exceeds the individual's weekly wages earned with the employer, the individual's weekly benefit amount shall be the lesser of (1) the weekly benefit amount as determined under section 268.07, or (2) the weekly benefit amount which is 50 percent of the quotient derived by dividing the total wage credits earned in the individual's base period credit weeks from all employers in insured work by the number of base period credit weeks.~~ If within the time specified for the filing of ~~wage and separation information a protest~~ as provided in subdivision 1, clause (2), the employer makes an allegation of disqualification or raises an issue of the chargeability to his account of benefits that may be paid on such claim, if the claim is valid, the issue thereby raised shall be promptly determined by said official and a notification of the determination delivered or mailed to the claimant and the employer. If an initial determination or an appeal tribunal decision or the commissioner's decision awards benefits, the benefits shall be paid promptly regardless of the pendency of any appeal period or any appeal or other proceeding which may thereafter be taken. Except as provided in clause (6), if an appeal tribunal decision modifies or reverses an initial determination awarding benefits, or if a commissioner's decision modifies or reverses an appeal decision awarding benefits, any benefits paid under the award of such initial determination or appeal tribunal decision shall be deemed erroneous payments.

(2) At any time within 24 months from the date of the filing of a valid claim for benefits by an individual, an official of the department or any interested party or parties raises an issue of claimant's eligibility for benefits for any week or weeks in accordance with the requirements of the provisions of sections 268.03 to 268.24 or any official of the department or any interested party or parties or benefit year employer raises an issue of disqualification in accordance with the regulations of the commissioner, a determination shall be made thereon and a written notice thereof shall be given to the claimant and such other interested party or parties or benefit year employer. A determination issued under this clause which denies benefits for weeks for which the claimant has previously been paid benefits is an overpayment of those benefits subject to section 268.18.

(3) A determination issued pursuant to clauses (1) and (2) shall be final unless an appeal therefrom is filed by a claimant or employer within 15 days after the mailing of the notice of the determination to his last known address or personal delivery of the notice. Every notice of determination shall contain a prominent statement indicating in clear language the method of appealing

the determination, the time within which such an appeal must be made, and the consequences of not appealing the determination. A timely appeal from a determination of validity in which the issue is whether an employing unit is an employer within the meaning of this chapter or whether services performed for an employer constitute employment within the meaning of this chapter shall be subject to the provisions of section 268.12, subdivision 13.

(4) At any time within 24 months from the date of the filing of a valid claim for benefits by an individual, the commissioner on his own motion may reconsider a determination of validity made thereon and make a redetermination thereof if he finds that an error in computation or identity or the crediting of wage credits has occurred in connection therewith or if the determination was made as a result of a nondisclosure or misrepresentation of a material fact. A determination or redetermination issued under this clause which denies benefits for weeks for which the claimant has previously been paid benefits is an overpayment of those benefits subject to section 268.18.

(5) However, the commissioner may in his discretion refer any disputed claims directly to a referee for hearing and determination in accordance with the procedure outlined in subdivision 3 and the effect and status of such determination in such a case shall be the same as though the matter had been determined upon an appeal to the tribunal from an initial determination.

(6) If a referee's decision affirms an initial determination awarding benefits or the commissioner affirms an appeal tribunal decision awarding benefits, the decision, if finally reversed, shall not result in a disqualification and benefits paid shall neither be deemed overpaid nor shall they be considered in determining any individual employer's future contribution rate under section 268.06.

Sec. 20. Minnesota Statutes 1983 Supplement, section 268.12, subdivision 8, is amended to read:

Subd. 8. [RECORDS; REPORTS.] (1) Each employing unit shall keep true and accurate work records for such periods of time and containing such information as the commissioner may prescribe. Such records shall be open to inspection, audit, and verification, and be subject to being copied by any authorized representative of the commissioner at any reasonable time and as often as may be necessary. The commissioner, appeal referee, or any other duly authorized representative of the commissioner, may require from any employing unit any sworn or unsworn reports, with respect to persons employed by it, which the commissioner, appeal referee, or any other duly authorized representative of the commissioner deems necessary for the effective administration of sections 268.03 to 268.24, ~~provided that quarterly contribution and wage report forms shall include the employee's name, social security number, and total wages paid to the employee.~~

(2) The commissioner may cause to be made such summaries, compilations, photographs, duplications, or reproductions of any records, reports, or transcripts thereof as he may deem advisable for the effective and economical preservation of the information contained therein, and such summaries, compilations, photographs, duplications or reproductions, duly authenticated, shall be admissible in any proceeding under sections 268.03 to 268.24, if the original record or records would have been admissible therein. Notwithstanding any restrictions contained in section 16.02, except restrictions as to

quantity, the commissioner is hereby authorized to duplicate, on equipment furnished by the federal government or purchased with funds furnished for that purpose by the federal government, records, reports, summaries, compilations, instructions, determinations, or any other written matter pertaining to the administration of the Minnesota Employment Services Law.

(3) Notwithstanding any inconsistent provisions elsewhere, the commissioner may provide for the destruction or disposition of any records, reports, transcripts, or reproductions thereof, or other papers in his custody, which are more than two years old, the preservation of which is no longer necessary for the establishment of contribution liability or benefit rights or for any purpose necessary to the proper administration of sections 268.03 to 268.24, including any required audit thereof, provided, that the commissioner may provide for the destruction or disposition of any record, report, or transcript, or other paper in his custody which has been photographed, duplicated, or reproduced in the manner provided in clause (2).

(4) Notwithstanding the provisions of the Minnesota State Archives Act the commissioner shall with the approval of the legislative auditor destroy all benefit checks and benefit check authorization cards that are more than two years old and no person shall make any demand, bring any suit or other proceeding to recover from the state of Minnesota any sum alleged to be due him on any claim for benefits after the expiration of two years from the date of filing such claim.

Sec. 21. Minnesota Statutes 1982, section 268.121, is amended to read:

268.121 [WAGE REPORTING.]

Beginning on April 1, 1984, each employer subject to this chapter shall provide the commissioner with a quarterly report of the wages, as defined in section 268.04, subdivision 25, paid to each employee of that employer covered by this chapter. ~~The commissioner shall provide the legislature with his recommendations for statutory changes to fully implement this section no later than January 1, 1983. The report must include the employee's name, social security number, and total wages paid to the employee.~~

Sec. 22. Minnesota Statutes 1983 Supplement, section 268.16, subdivision 2, is amended to read:

Subd. 2. [REPORTS; DELINQUENCIES; PENALTIES.] (1) Any employer who knowingly fails to make and submit to the department of economic security any contribution report of wages paid by or due from him for insured work in the manner and at the time such the report is required by regulations rules prescribed by the commissioner shall pay to the department of economic security for the contingent account a penalty in the amount of one and one-half percent of contributions accrued during the period for which such the report is required, for each month from and after such the due date until such the report is properly made and submitted to the department of economic security. In no case shall the amount of the penalty imposed hereby be less than \$5 per month. The maximum penalty imposed hereby shall be \$25 or the amount determined at the rate of 1-1/2 percent per month, whichever is greater. ~~Any employing unit which fails to make and submit to the commissioner any report, other than one of wages paid or payable for insured work, as and when required by the regulations of the commissioner, shall be~~

subject to a penalty in the sum of \$10 payable to the department of economic security for the contingent account. All such penalties shall be in addition to interest and any other penalties provided for by sections 268.03 to 268.24 and shall be collected as provided by section 268.161.

(2) If any employing unit required by sections 268.03 to 268.24 to make and submit contribution reports shall fail to do so within the time prescribed by these sections or by regulations under the authority thereof, or shall make, willfully or otherwise, an incorrect, false or fraudulent contribution report, he shall, on the written demand of the commissioner, make such contribution report, or corrected report, within ten days after the mailing of such written demand and at the same time pay the whole contribution, or additional contribution, due on the basis thereof. If such employer shall fail within that time to make such report, or corrected report, the commissioner shall make for him a report, or corrected report, from his own knowledge and from such information as he can obtain through testimony, or otherwise, and assess a contribution on the basis thereof, which contribution, plus penalties and interest which thereafter accrued (less any payments theretofore made) shall be paid within ten days after the commissioner has mailed to such employer a written notice of the amount thereof and demand for its payment. Any such contribution report or assessment made by the commissioner on account of the failure of the employer to make a report or corrected report shall be prima facie correct and valid, and the employer shall have the burden of establishing its incorrectness or invalidity in any action or proceeding in respect thereto. Whenever such delinquent employer shall file a report or corrected report, the commissioner may, if he finds it substantially correct, substitute it for the commissioner's report.

(3) Any employer who fails to file the wage detail report required by section 268.121 shall pay to the department of economic security for the contingent account a penalty of one-tenth of one percent of total wages paid and wages due but not paid during the period for each month the report is delinquent. The penalty shall not be assessed if the wage detail report is properly made and filed within 30 days after a demand for the report is mailed to the employer's address of record. In no case shall the amount of the penalty, if assessed, be more than \$500 or less than \$25. Penalties due under this subdivision may be waived where good cause for late filing is found by the commissioner. Any employer who files the wage detail report required by section 268.121 but knowingly fails to include any of the required information or knowingly enters erroneous information shall be subject to a penalty of \$25 for each individual for whom the information is missing or erroneous.

(4) Any employing unit which fails to make and submit to the commissioner any report, other than a contribution report or wage detail report, as and when required by rule, shall be subject to a penalty in the sum of \$25 payable to the department of economic security for the contingent account.

(5) Penalties provided for in paragraphs (1), (3), and (4) shall be in addition to interest and any other penalties imposed by sections 268.03 to 268.24 and shall be collected as provided by section 268.161.

### Sec. 23. [BENEFIT AND WAGE STUDY.]

The commissioner shall conduct a study of benefit claims and wage data reported under section 268.121. The study shall include, but not be limited

to, determining and examining cyclical patterns of unemployment, reemployment and benefit duration. The commissioner shall report the results of the study to the 1986 regular session of the legislature.

Sec. 24. [REPEALER.]

*Minnesota Statutes 1982, section 268.04, subdivision 30, is repealed. Minnesota Statutes 1983 Supplement, section 268.04, subdivision 29, is repealed.*

Sec. 25. [EFFECTIVE DATES.]

*Section 8 is effective retroactively to January 1, 1984.*

*Sections 4, 5, 6, 11, 16, 17, 20, 21, 22, and 23 are effective the day following final enactment.*

*Sections 3 and 9 are effective January 1, 1985.*

*Sections 1, 2, 7, 12, 13, 14, 15, 18 and 19 are effective July 1, 1985 for benefit years subsequent to June 30, 1985.*

*That part of section 10 which strikes the 1.5 percent and 2.5 percent limitations on tax rate changes is effective retroactively to January 1, 1984, with the remainder of section 10 being effective January 1, 1985.*

*That part of section 24 which repeals Minnesota Statutes 1983 Supplement, section 268.08, subdivision 9 is effective the day after final enactment, with the remainder of section 25 being effective July 1, 1985 for benefit years subsequent to June 30, 1985."*

Delete the title in its entirety and insert:

"A bill for an act relating to unemployment compensation; regulating the payment, amount, and eligibility for benefits; setting employer contribution rates; making administrative changes; providing a penalty; amending Minnesota Statutes 1982, sections 268.04, subdivision 24, and by adding subdivisions; 268.06, subdivisions 6 and 8; 268.07, subdivision 2a; 268.10, subdivision 1; 268.121; Minnesota Statutes 1983 Supplement, sections 268.04, subdivisions 2, 25 and 29; 268.06, subdivisions 2 and 3a; 268.061; 268.07, subdivisions 2 and 3; 268.08, subdivision 1; 268.09, subdivisions 1 and 2, and by adding a subdivision; 268.10, subdivision 2; 268.12, subdivision 8; and 268.16, subdivision 2; repealing Minnesota Statutes 1982, section 268.04, subdivision 30; Minnesota Statutes 1983 Supplement, section 268.04, subdivision 29."

The question was taken on the adoption of the amendment.

Mr. Moe, R.D. moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 28 and nays 37, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Kamrath	McQuaid	Sieloff
Belanger	Frederick	Knaak	Mehrkens	Storm
Benson	Frederickson	Knutson	Olson	Taylor
Berg	Hughes	Kronebusch	Peterson, D.L.	Ulland
Bernhagen	Isackson	Laidig	Ramstad	
Bertram	Johnson, D.E.	Lessard	Renneke	

Those who voted in the negative were:

Adkins	Dieterich	Luther	Peterson, D. C.	Spear
Berglin	Frank	Merriam	Peterson, R. W.	Stumpf
Chmielewski	Freeman	Moe, D. M.	Petty	Vega
Dahl	Johnson, D.J.	Moe, R. D.	Pogemiller	Waldorf
Davis	Jude	Nelson	Purfeerst	Wegscheid
DeCramer	Kroening	Novak	Reichgott	
Dicklich	Langseth	Pehler	Samuelson	
Diessner	Lantry	Peterson, C.C.	Schmitz	

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

Mr. Belanger moved to amend the Chmielewski delete everything amendment to H.F. No. 1420 as follows:

Page 19, after line 31, insert:

“Sec. 17. Minnesota Statutes 1983 Supplement, section 268.08, subdivision 3, is amended to read:

Subd. 3. [NOT ELIGIBLE.] An individual shall not be eligible to receive benefits for any week with respect to which he is receiving, has received, or has filed a claim for remuneration in an amount equal to or in excess of his weekly benefit amount in the form of

(1) termination, severance, or dismissal payment or wages in lieu of notice whether legally required or not; provided that if a termination, severance, or dismissal payment is made in a lump sum, the employer may allocate such lump sum payment over a period equal to the lump sum divided by the employee's regular pay while employed by such employer; provided any such payment shall be applied for a period immediately following the last day of work but not to exceed 28 calendar days; or

(2) vacation allowance paid directly by the employer for a period of requested vacation, including vacation periods assigned by the employer under the provisions of a collective bargaining agreement, or uniform vacation shutdown; or

(3) compensation for loss of wages under the workers' compensation law of this state or any other state or under a similar law of the United States, or under other insurance or fund established and paid for by the employer except that this does not apply to an individual who is receiving temporary partial compensation pursuant to section 176.101, subdivision 3k; or

(4) 50 percent of the pension payments from any fund, annuity or insurance maintained or contributed to by a base period employer including the armed forces of the United States if the employee contributed to the fund, annuity or insurance and all of the pension payments if the employee did not contribute to the fund, annuity or insurance; or

(5) 50 percent of a primary insurance benefit under title II of the Social Security Act as amended, or similar old age benefits under any act of congress or this state or any other state.

Provided, that if such remuneration is less than the benefits which would otherwise be due under sections 268.03 to 268.24, he shall be entitled to receive for such week, if otherwise eligible, benefits reduced by the amount of such remuneration; provided, further, that if the appropriate agency of such other state or the federal government finally determines that he is not



entitled to such benefits, this provision shall not apply. If the computation of reduced benefits, required by this subdivision, is not a whole dollar amount, it shall be rounded down to the next lower dollar amount."

Renumber the sections in sequence and correct the internal references

Amend the title amendment as follows:

Page 31, line 27, delete "subdivision 1" and insert "subdivisions 1 and 3"

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:

Anderson	Brataas	Knutson	Olson	Taylor
Belanger	Frederickson	Kronebusch	Peterson, D.L.	Ulland
Benson	Isackson	Laidig	Ramstad	
Berg	Johnson, D.E.	McQuaid	Renneke	
Bernhagen	Kamrath	Mehrkens	Storm	

Those who voted in the negative were:

Adkins	Dieterich	Lantry	Peterson, C.C.	Schmitz
Berglin	Frank	Lessard	Peterson, D.C.	Spear
Bertram	Frederick	Merriam	Peterson, R.W.	Stumpf
Chmielewski	Freeman	Moe, D. M.	Petty	Vega
Dahl	Hughes	Moe, R. D.	Pogemiller	Wegscheid
Davis	Jude	Nelson	Purfeerst	
DeCramer	Knaak	Novak	Reichgott	
Diessner	Langseth	Pehler	Samuelson	

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

H.F. No. 1420 was read the third time, as amended, and placed on its final passage.

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

Mr. Ulland moved that those not voting be excused from voting. The motion did not prevail.

Mr. Moe, R.D. moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 35 and nays 31, as follows:

Those who voted in the affirmative were:

Berglin	Frank	Luther	Peterson, C.C.	Schmitz
Chmielewski	Freeman	Merriam	Peterson, D.C.	Solon
Dahl	Jude	Moe, D. M.	Peterson, R.W.	Spear
Davis	Kroening	Moe, R. D.	Petty	Vega
Dicklich	Langseth	Nelson	Pogemiller	Waldorf
Diessner	Lantry	Novak	Purfeerst	Wegscheid
Dieterich	Lessard	Pehler	Reichgott	Willet

Those who voted in the negative were:

Adkins	Brataas	Kamrath	Olson	Stumpf
Anderson	DeCramer	Knaak	Peterson, D.L.	Taylor
Belanger	Frederick	Knutson	Ramstad	Ulland
Benson	Frederickson	Kronebusch	Renneke	
Berg	Hughes	Laidig	Samuelson	
Bernhagen	Isackson	McQuaid	Sieloff	
Bertram	Johnson, D.E.	Mehrkens	Storm	

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

**SPECIAL ORDER**

H.F. No. 1778: A bill for an act relating to environment; changing the date by which the pollution control agency must adopt an acid deposition standard for acid deposition in certain sensitive areas; amending Minnesota Statutes 1982, section 116.44, subdivision 2.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Pehler	Sieloff
Anderson	Dieterich	Kronebusch	Peterson, D.C.	Spear
Benson	Frank	Laidig	Peterson, D.L.	Storm
Berglin	Frederick	Lantry	Peterson, R.W.	Stumpf
Bernhagen	Freeman	Lessard	Petty	Taylor
Bertram	Hughes	Mehrkens	Pogemiller	Ulland
Chmielewski	Isackson	Merriam	Ramstad	Vega
Dahl	Jude	Moe, D. M.	Reichgott	Willet
Davis	Kamrath	Novak	Renneke	
DeCramer	Knaak	Olson	Schmitz	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

H.F. No. 1806: A bill for an act relating to public welfare; amending the reporting of maltreatment of minors act; clarifying the roles of law enforcement and local welfare agencies; clarifying language; amending Minnesota Statutes 1982, section 626.556, subdivisions 3 and 11; amending Minnesota Statutes 1983 Supplement, section 626.556, subdivisions 1, 2, 4, and 10.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 45 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Kamrath	Merriam	Ramstad
Anderson	DeCramer	Knaak	Novak	Reichgott
Belanger	Diessner	Knutson	Olson	Renneke
Benson	Dieterich	Kronebusch	Pehler	Schmitz
Berg	Frank	Laidig	Peterson, D.C.	Solon
Berglin	Frederick	Lantry	Peterson, D.L.	Spear
Bernhagen	Hughes	Lessard	Peterson, R.W.	Storm
Bertram	Isackson	McQuaid	Petty	Stumpf
Dahl	Jude	Mehrkens	Pogemiller	Vega

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

H.F. No. 1656: A bill for an act relating to commerce; motor fuel franchises; providing for a temporary prohibition on certain building alterations that eliminate service bays.

Mr. Dahl moved that the amendment made to H.F. No. 1656 by the Committee on Rules and Administration in the report adopted April 16, 1984, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 1656 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 41 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Laidig	Peterson, D.C.	Spear
Anderson	Dieterich	Lantry	Peterson, D.L.	Storm
Berg	Frank	Lessard	Peterson, R.W.	Stumpf
Berglin	Frederick	Luther	Petty	Ulland
Bernhagen	Hughes	McQuaid	Pogemiller	Vega
Bertram	Isackson	Merriam	Ramstad	
Brataas	Jude	Novak	Reichgott	
Davis	Knutson	Olson	Schmitz	
DeCramer	Kronebusch	Pehler	Solon	

Mr. Knaak voted in the negative.

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 2148: A bill for an act relating to insurance; authorizing the use of smoker and nonsmoker mortality tables; 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 44 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Moe, R. D.	Reichgott
Anderson	DeCramer	Knutson	Novak	Schmitz
Belanger	Diessner	Kronebusch	Olson	Solon
Benson	Dieterich	Laidig	Pehler	Spear
Berg	Frank	Lantry	Peterson, D.C.	Storm
Berglin	Hughes	Lessard	Peterson, R.W.	Stumpf
Bernhagen	Isackson	Luther	Petty	Ulland
Bertram	Jude	McQuaid	Pogemiller	Vega
Brataas	Kamrath	Merriam	Ramstad	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1257: A bill for an act relating to occupations and professions; regulating entertainment agencies; providing penalties; proposing new law coded as Minnesota Statutes, chapter 184A.

Mr. Solon moved to amend H. F. No. 1257 as follows:

Page 3, line 35, delete "*employment*" and insert "*entertainment*"

Page 8, lines 34 and 36, delete "*employment*" and insert "*entertainment*"

Page 9, lines 5, 9, 11, 14, 15, 16, 18, and 35, delete “*talent*” and insert “*entertainment*”

The motion prevailed. So the amendment was adopted.

Mr. Spear moved to amend H.F. No. 1257 as follows:

Page 1, line 23, delete “*for an artist or artists*” and insert “*under written contract for three or more artists or groups of artists at any one time, or who have a written contract or continuing verbal agreement with an establishment or an individual to provide artists or groups of artists for one or more engagements*”

The motion prevailed. So the amendment was adopted.

Mr. Benson moved to amend H.F. No. 1257 as follows:

Page 4, delete lines 12 to 20

Page 4, line 21, delete “4” and insert “2”

Page 6, line 5, delete everything after the period

Page 6, delete lines 6 to 9

Page 6, line 10, delete everything before “No”

Page 8, line 2, after the period insert “*Department records relating to the financial status of applicants for an entertainment agency license are private data on individuals as defined in section 13.02, subdivision 12.*”

Page 10, after line 28, insert:

“Sec. 21. [APPLICATION; EXISTING CONTRACTS.]

*Sections 1 to 20 are applicable to all contracts between entertainment agencies and artists initially entered into or renewed on or after the effective date of this act.*”

The motion prevailed. So the amendment was adopted.

H.F. No. 1257 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 35 and nays 11, as follows:

Those who voted in the affirmative were:

Adkins	Brataas	Frank	Lessard	Schmitz
Belanger	Chmielewski	Hughes	Novak	Solon
Benson	Dahl	Jude	Peterson, D.C.	Spear
Berg	Davis	Knaak	Petty	Storm
Berglin	DeCramer	Kronebusch	Pogemiller	Stumpf
Bernhagen	Diessner	Laidig	Reichgott	Ulland
Bertram	Dieterich	Lantry	Renneke	Vega

Those who voted in the negative were:

Anderson	Kamrath	McQuaid	Merriam	Peterson, D.L.
Isackson	Knutson	Mehrkens	Olson	Ramstad
Johnson, D.E.				

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

## MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Peterson, C.C. moved that S.F. No. 147 be taken from the table. The

motion prevailed.

S.F. No. 147: A bill for an act relating to retirement; employee and employer contributions to the Minnesota state retirement system; amending Minnesota Statutes 1982, section 352.92, subdivisions 1 and 2.

Mr. Peterson, C.C. moved that the Senate do not concur in the amendments by the House to S.F. No. 147, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House.

### CALL OF THE SENATE

Mr. Spear imposed a call of the Senate for the balance of the proceedings on S.F. No. 147. The Sergeant at Arms was instructed to bring in the absent members.

Mr. Spear moved to amend the Peterson, C.C. motion by striking "3" and inserting "5"

Mr. Peterson, C.C. moved that S.F. No. 147 be laid on the table. The motion prevailed.

### RECONSIDERATION

Mr. Solon moved that the vote whereby H.F. No. 2148 was passed by the Senate on April 17, 1984, be now reconsidered. The motion prevailed.

H.F. No. 2148: A bill for an act relating to insurance; authorizing the use of smoker and nonsmoker mortality tables; proposing new law coded in Minnesota Statutes, chapter 61A.

Mr. Solon moved that the amendment made to H.F. No. 2148 by the Committee on Rules and Administration in the report adopted April 16, 1984, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 2148 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	DeCramer	Knaak	Novak	Sieloff
Belanger	Diessner	Knutson	Olson	Solon
Benson	Dieterich	Kronebusch	Pehler	Spear
Berg	Frank	Lantry	Peterson, C.C.	Storm
Berglin	Frederick	Luther	Peterson, D.C.	Stumpf
Bernhagen	Freeman	McQuaid	Peterson, D.L.	Ulland
Bertram	Hughes	Mehrkens	Petty	Vega
Brataas	Isackson	Merriam	Pogemiller	
Chmielewski	Johnson, D.E.	Moe, D. M.	Ramstad	
Dahl	Jude	Moe, R. D.	Renneke	
Davis	Kamrath	Nelson	Schmitz	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1975: A bill for an act relating to transportation; allowing entire

portions of former trunk highways to revert to counties under certain circumstances; allowing town road funds to be used for maintenance; discontinuing a trunk highway route; amending Minnesota Statutes 1982, section 161.16, subdivision 4; and Minnesota Statutes 1983 Supplement, section 162.081, subdivision 4.

Mr. DeCramer moved to amend H.F. No. 1975, as amended pursuant to Rule 49, adopted by the Senate April 9, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1912.)

Page 3, line 14, before "maintenance" insert "gravel"

Page 3, line 24, after "upon" insert "certification by the commissioner of transportation to the Traverse County board that"

Page 3, line 25, after "roadway" insert "has been completed,"

Amend the title as follows:

Page 1, line 5, before "maintenance" insert "gravel"

The motion prevailed. So the amendment was adopted.

H.F. No. 1975 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Novak	Reichgott
Anderson	DeCramer	Knutson	Olson	Renneke
Belanger	Diessner	Kronebusch	Pehler	Schmitz
Benson	Dieterich	Lantry	Peterson, C.C.	Sieloff
Berg	Frank	Lessard	Peterson, D.C.	Spear
Berglin	Frederick	McQuaid	Peterson, D.L.	Stumpf
Bernhagen	Hughes	Mehrkens	Peterson, R.W.	Ulland
Bertram	Johnson, D.E.	Merriam	Petty	Vega
Brataas	Jude	Moe, R. D.	Pogemiller	
Chmielewski	Kamrath	Nelson	Ramstad	

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

### SPECIAL ORDER

H.F. No. 1606: A bill for an act relating to elections; prohibiting certain inquiries of voters at or near the polls; amending Minnesota Statutes 1982, section 204C.06, subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 35 and nays 20, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Lantry	Novak	Reichgott
Berglin	Freeman	Lessard	Pehler	Schmitz
Bertram	Hughes	Luther	Peterson, C.C.	Solon
Chmielewski	Johnson, D.J.	Merriam	Peterson, D.C.	Spear
Davis	Jude	Moe, D. M.	Peterson, R.W.	Stumpf
Diessner	Knaak	Moe, R. D.	Petty	Vega
Dieterich	Kronebusch	Nelson	Pogemiller	Wegscheid

Those who voted in the negative were:

Anderson	Bernhagen	Johnson, D.E.	McQuaid	Ramstad
Belanger	Brataas	Kamrath	Mehrkens	Renneke
Benson	Frederick	Knutson	Olson	Sieloff
Berg	Isackson	Laidig	Peterson, D.L.	Ulland

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1743: A bill for an act relating to occupations and professions; removing an auctioneer's exemption from real estate brokers and salespersons licensing; amending Minnesota Statutes 1983 Supplement, section 82.18.

Mr. Stumpf moved to amend H.F. No. 1743, as amended pursuant to Rule 49, adopted by the Senate April 16, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1781.)

Page 2, line 12, delete everything after "when" and insert "the transaction is closed by either a licensed practicing attorney or by"

Amend the title as follows:

Page 1, line 2, delete "removing" and insert "modifying"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 26, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Peterson, D.L.	Stumpf
Benson	Dieterich	Kronebusch	Peterson, R.W.	Vega
Berg	Frank	Lessard	Pogemiller	Wegscheid
Berglin	Freeman	Luther	Renneke	
Bertram	Jude	Nelson	Solon	
Chmielewski	Kamrath	Peterson, D.C.	Spear	

Those who voted in the negative were:

Anderson	Frederick	McQuaid	Olson	Sieloff
Belanger	Isackson	Mehrkens	Pehler	Ulland
Bernhagen	Johnson, D.E.	Merriam	Petty	
Brataas	Knutson	Moe, D. M.	Ramstad	
Davis	Laidig	Moe, R. D.	Reichgott	
Diessner	Lantry	Novak	Schmitz	

The motion prevailed. So the amendment was adopted.

Mr. Bertram moved to amend H.F. No. 1743, as amended pursuant to Rule 49, adopted by the Senate April 16, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1781.)

Page 3, line 3, before the period, insert "and applies to all auctioneers initially licensed and bonded pursuant to Minnesota Statutes, sections 330.01 and 330.02, on or after that date"

Amend the title as follows:

Page 1, line 2, delete "removing" and insert "limiting"

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

Mr. Benson moved to amend H.F. No. 1743, as amended pursuant to Rule 49, adopted by the Senate April 16, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1781.)

Page 2, line 12, after "person" insert "does not engage in more than ten transactions per year selling real estate as an auctioneer or"

Amend the title as follows:

Page 1, line 2, delete "removing" and insert "modifying"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 13 and nays 39, as follows:

Those who voted in the affirmative were:

Benson	Chmielewski	Isackson	McQuaid	Stumpf
Berg	Diessner	Kronebusch	Peterson, D.L.	
Bertram	Frederickson	Lessard	Solon	

Those who voted in the negative were:

Adkins	Dicklich	Kamrath	Novak	Renneke
Anderson	Dieterich	Knaak	Olson	Schmitz
Belanger	Frank	Knutson	Pehler	Sieloff
Berglin	Frederick	Laidig	Peterson, D.C.	Spear
Bernhagen	Freeman	Lantry	Peterson, R.W.	Ulland
Dahl	Hughes	Merriam	Petty	Vega
Davis	Johnson, D.E.	Moe, D. M.	Ramstad	Wegscheid
DeCramer	Jude	Moe, R. D.	Reichgott	

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

H.F. No. 1743 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Jude	Novak	Schmitz
Anderson	Dicklich	Kamrath	Olson	Sieloff
Belanger	Diessner	Knaak	Peterson, C.C.	Solon
Benson	Dieterich	Knutson	Peterson, D.C.	Spear
Berg	Frank	Laidig	Peterson, D.L.	Stumpf
Berglin	Frederick	Lantry	Peterson, R.W.	Ulland
Bernhagen	Frederickson	Lessard	Petty	Vega
Bertram	Freeman	McQuaid	Pogemiller	Wegscheid
Chmielewski	Hughes	Merriam	Ramstad	
Dahl	Isackson	Moe, D. M.	Reichgott	
Davis	Johnson, D.E.	Moe, R. D.	Renneke	

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

### SPECIAL ORDER

H.F. No. 1839: A bill for an act relating to St. Louis County; permitting the county to establish an emergency jobs 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 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Novak	Schmitz
Anderson	Dicklich	Knutson	Olson	Sieloff
Belanger	Diessner	Kroening	Pehler	Solon
Benson	Dieterich	Kronebusch	Peterson, C. C.	Spear
Berg	Frank	Laidig	Peterson, D. C.	Stumpf
Berglin	Frederick	Lantry	Peterson, D. L.	Taylor
Bernhagen	Frederickson	Lessard	Peterson, R. W.	Ulland
Bertram	Freeman	Luther	Petty	Vega
Brataas	Hughes	McQuaid	Pogemiller	Wegscheid
Chmielewski	Isackson	Merriam	Ramstad	Willet
Dahl	Jude	Moe, R. D.	Reichgott	
Davis	Kamrath	Nelson	Renneke	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

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

Was read the third time 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:

Adkins	Diessner	Kroening	Novak	Sieloff
Anderson	Dieterich	Kronebusch	Olson	Solon
Belanger	Frank	Laidig	Pehler	Spear
Benson	Frederick	Langseth	Peterson, C. C.	Stumpf
Berglin	Frederickson	Lantry	Peterson, D. C.	Ulland
Bernhagen	Freeman	Lessard	Peterson, D. L.	Vega
Bertram	Hughes	Luther	Peterson, R. W.	Wegscheid
Brataas	Isackson	McQuaid	Petty	Willet
Chmielewski	Johnson, D.E.	Merriam	Pogemiller	
Dahl	Jude	Moe, D. M.	Ramstad	
Davis	Knaak	Moe, R. D.	Renneke	
DeCramer	Knutson	Nelson	Schmitz	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1502: A bill for an act relating to children; providing special foster care and adoption procedures for Indian children; proposing new law coded in Minnesota Statutes, chapter 257.

Mr. Petty moved to amend H.F. No. 1502, as amended pursuant to Rule 49, adopted by the Senate April 16, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1491.)

Page 10, line 14, delete "*Indian child*" and insert "*parent*"

Page 10, line 14, delete "*parent*" and insert "*Indian child*"

The motion prevailed. So the amendment was adopted.

Mr. Sieloff moved to amend H.F. No. 1502, as amended pursuant to Rule 49, adopted by the Senate April 16, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1491.)

Page 9, after line 23, insert:

*"If the Indian child's parent chooses a different placement preference, that preference shall constitute good cause to the contrary."*

Page 10, after line 6, insert:

*"If the Indian child's parent chooses a different placement preference, that preference shall constitute good cause to the contrary."*

Page 10, line 13, delete *"If appropriate,"*

Mr. Dieterich requested division of the amendment as follows:

First portion:

Page 9, after line 23, insert:

*"If the Indian child's parent chooses a different placement preference, that preference shall constitute good cause to the contrary."*

Page 10, after line 6, insert:

*"If the Indian child's parent chooses a different placement preference, that preference shall constitute good cause to the contrary."*

Second portion:

Page 10, line 13, delete *"If appropriate,"*

The question was taken on the adoption of the first portion of the amendment.

The roll was called, and there were yeas 20 and nays 31, as follows:

Those who voted in the affirmative were:

Anderson	Frederickson	Knutson	McQuaid	Renneke
Benson	Isackson	Kronebusch	Olson	Sieloff
Berg	Kamrath	Laidig	Peterson, D.L.	Waldorf
Frederick	Knaak	Lessard	Ramstad	Wegscheid

Those who voted in the negative were:

Adkins	Dicklich	Langseth	Peterson, D.C.	Ulland
Berglin	Diessner	Lantry	Peterson, R.W.	Vega
Bertram	Dieterich	Luther	Petty	Willet
Chmielewski	Frank	Merriam	Reichgott	
Dahl	Johnson, D.E.	Moe, R. D.	Samuelson	
Davis	Jude	Pehler	Spear	
DeCramer	Kroening	Peterson, C.C.	Stumpf	

The motion did not prevail. So the first portion of the amendment was not adopted.

The question was taken on the second portion of the amendment. The motion prevailed. So the second portion of the amendment was adopted.

H.F. No. 1502 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 45 and nays 10, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Langseth	Peterson, C.C.	Schmitz
Anderson	Dieterich	Lantry	Peterson, D.C.	Solon
Berglin	Frank	Lessard	Peterson, D.L.	Spear
Bertram	Frederickson	Luther	Peterson, R.W.	Stumpf
Chmielewski	Freeman	McQuaid	Petty	Taylor
Dahl	Jude	Merriam	Ramstad	Ulland
Davis	Kroening	Moe, D. M.	Reichgott	Vega
DeCramer	Kronebusch	Olson	Renneke	Wegscheid
Dicklich	Laidig	Pehler	Samuelson	Willet

Those who voted in the negative were:

Benson	Frederick	Johnson, D.E.	Knaak	Sieloff
Berg	Isackson	Kamrath	Knutson	Waldorf

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

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Peterson, C.C. moved that S.F. No. 147 be taken from the table. The motion prevailed.

S.F. No. 147: A bill for an act relating to retirement; employee and employer contributions to the Minnesota state retirement system; amending Minnesota Statutes 1982, section 352.92, subdivisions 1 and 2.

Mr. Peterson, C.C. moved that the Senate do not concur in the amendments by the House to S.F. No. 147, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

### 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. 1939: Messrs. Chmielewski, Knutson and Lessard.

S.F. No. 311: Ms. Berglin, Mrs. Lantry and Mr. Benson.

S.F. No. 147: Messrs. Peterson, C.C.; Moe, D.M.; Peterson, R.W.; Renneke and Spear.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

### RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 7:30 p.m. The

motion prevailed.

The hour of 7:30 p.m. having arrived, the President called the Senate to order.

### CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Willet moved that the following members be excused for a Conference Committee on H.F. No. 2317 at 7:30 p.m.:

Messrs. Willet, Samuelson, Frederickson, Luther and Kroening. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Messages From the House and First Reading of House Bills.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1753, 1771, 1422 and 1775.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 17, 1984

### FIRST READING OF HOUSE BILLS

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

H.F. No. 1753: A bill for an act relating to the city of St. Cloud; giving the city the powers of a port authority.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1529, now on Special Orders.

H.F. No. 1771: A bill for an act relating to financial institutions; credit unions; providing for reciprocity between Minnesota credit unions and credit unions from states that have enacted similar laws; amending Minnesota Statutes 1982, section 52.03.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1637, now on Special Orders.

H.F. No. 1422: A bill for an act relating to corporations; regulating corporate take-overs; requiring certain disclosures; providing certain limitations on offerors; prescribing suspension powers of the commissioner; providing a hearing; regulating control share acquisitions of Minnesota business corporations; defining terms; prescribing penalties; amending Minnesota Statutes 1982, sections 80B.01; 80B.03, subdivisions 1, 2, and 5, and by adding

subdivisions; 80B.05; 80B.06; 80B.07; 80B.08; 80B.10; 302A.011, by adding subdivisions; 302A.449, by adding a subdivision; 302A.461, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 302A; repealing Minnesota Statutes 1982, sections 80B.02; 80B.03, subdivisions 3 and 4; and 80B.12, subdivisions 1 and 3.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1975, now on Special Orders.

H.F. No. 1775: A bill for an act relating to energy and economic development; energy and economic development authority; adding definitions; clarifying duties and powers of the energy and economic development authority; correcting statutory references; amending Minnesota Statutes 1982, sections 116J.88, as amended; 116J.89, subdivision 4; 116J.90, by adding a subdivision; 116J.91, subdivisions 15, 17, 18, and by adding subdivisions; 474.01, subdivisions 7 and 7a; Minnesota Statutes 1983 Supplement, sections 116J.89, subdivisions 1, 1a, 1b, 1c, 2, 6, and 8; 116J.90, subdivisions 1, 2, 3, 5, and 6; 116J.91, subdivisions 1, 4, 11, 12, 16, 19, and 20; 116J.923, subdivision 7; 116J.924, subdivision 3; 116J.925, subdivisions 1 and 3; 275.125, subdivision 12a; Laws 1983, chapter 323, section 5, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 116L; repealing Minnesota Statutes 1983 Supplement, sections 116J.922; 116J.923, subdivisions 2 and 12; and 116J.924, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1960, now on Special Orders.

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. Moe, D.M. introduced—

S.F. No. 2214: A bill for an act relating to state departments and agencies; requiring agencies to provide services and materials in languages other than English; proposing new law coded as Minnesota Statutes, chapter 15B.

Referred to the Committee on Governmental Operations.

Mr. Schmitz introduced—

S.F. No. 2215: A bill for an act relating to commerce; providing for payment to a farm implement retailer by the manufacturer, wholesaler, or distributor who repurchases inventory; requiring the payment of interest on overdue accounts; amending Minnesota Statutes 1982, section 325E.06, subdivision 1.

Referred to the Committee on Economic Development and Commerce.

Messrs. Laidig, Berg, Knaak, Wegscheid and Lessard introduced—

S.F. No. 2216: A bill for an act relating to ethics; prohibiting the use by

corporations, organizations, and individuals of public funds for the purpose of "grass roots lobbying" to influence legislation; prescribing a penalty; proposing new law coded in Minnesota Statutes, chapter 10A.

Referred to the Committee on Elections and Ethics.

Mr. Petty, Mrs. Lantry, Ms. Berglin, Mrs. Kronebusch and Ms. Reichgott introduced—

S.F. No. 2217: A bill for an act relating to occupational safety and health; regulating the use of video display terminals; amending Minnesota Statutes 1982, sections 182.651, by adding subdivisions; 182.653, by adding subdivisions; and 182.655, by adding a subdivision.

Referred to the Committee on Employment.

### SPECIAL ORDER

H.F. No. 1722: A bill for an act relating to crimes; changing the limitation period for certain criminal sexual conduct offenses; amending Minnesota Statutes 1982, section 628.26

Mr. Petty moved that the amendment made to H.F. No. 1722 by the Committee on Rules and Administration in the report adopted April 11, 1984, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 1722 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 42 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kronebusch	Pehler	Schmitz
Anderson	Frank	Laidig	Peterson, D.C.	Sieloff
Benson	Hughes	Lantry	Peterson, D.L.	Stumpf
Berg	Isackson	McQuaid	Peterson, R.W.	Ulland
Bertram	Johnson, D.E.	Mehrkens	Petty	Waldorf
Chmielewski	Jude	Merriam	Purfeerst	Wegscheid
Davis	Kamrath	Moe, D. M.	Ramstad	
DeCramer	Knaak	Moe, R. D.	Reichgott	
Dicklich	Knutson	Olson	Renneke	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1279: A bill for an act relating to crimes; clarifying the crime of contributing to the delinquency of a minor; providing for the admissibility of certain statements as evidence; expanding the definitions of sexual contact and coercion; increasing the age limit of minor victims protected under criminal sexual conduct offenses; clarifying certain terms; amending Minnesota Statutes 1982, sections 595.02; 609.341, subdivisions 11 and 14; 609.346; 609.347, subdivision 3; 609.364, subdivision 9; and 626.556, subdivision 8; Minnesota Statutes 1983 Supplement, sections 260.315; 609.342; and 609.343; proposing new law coded in Minnesota Statutes, chapter 260.

Mr. Petty moved to amend H.F. No. 1279, the unofficial engrossment, as

follows:

Page 4, line 8, before "*neglect*" insert "*alleged*"

The motion prevailed. So the amendment was adopted.

Mr. Petty then moved to amend H.F. No. 1279, the unofficial engrossment, as follows:

Page 4, line 9, after "2" insert "*, unless the evidence is cumulative. However, the evidence shall be admitted when it supports otherwise uncorroborated statements of any material fact by a minor alleged to be abused or neglected*"

Page 5, line 1, after "2" insert "*, unless the evidence is cumulative. However, the evidence shall be admitted when it supports otherwise uncorroborated statements of any material fact by a minor alleged to be abused or neglected*"

The motion prevailed. So the amendment was adopted.

Mr. Sieloff moved to amend H. F. No. 1279, the unofficial engrossment as follows:

Page 2, line 13, after "*statement*" insert "*and the reliability of the person to whom the statement is made*"

Page 6, after line 18, insert:

*"Nothing in this section shall impair any privilege of communication arising out of or made in anticipation of litigation or prosecution and made upon the recommendation of counsel."*

Page 6, line 27, after "*statement*" insert "*and the reliability of the person to whom the statement is made*"

Mr. Petty requested division of the amendment as follows:

First portion:

Page 2, line 13, after "*statement*" insert "*and the reliability of the person to whom the statement is made*"

Page 6, line 27, after "*statement*" insert "*and the reliability of the person to whom the statement is made*"

Second portion:

Page 6, after line 18, insert:

*"Nothing in this section shall impair any privilege of communication arising out of or made in anticipation of litigation or prosecution and made upon the recommendation of counsel."*

The question was taken on the adoption of the first portion of the amendment. The motion prevailed. So the first portion of the amendment was adopted.

The question was taken on the adoption of the second portion of the amendment.

The roll was called, and there were yeas 28 and nays 25, as follows:

Those who voted in the affirmative were:

Anderson	Diessner	Jude	McQuaid	Renneke
Benson	Dieterich	Kamrath	Mehrkens	Sieloff
Berg	Frederick	Knaak	Olson	Storm
Bernhagen	Freeman	Knutson	Peterson, D. L.	Ulland
Brataas	Isackson	Kronebusch	Purfeerst	
Chmielewski	Johnson, D.E.	Laidig	Ramstad	

Those who voted in the negative were:

Adkins	Dicklich	Luther	Peterson, C. C.	Reichgott
Berglin	Frank	Merriam	Peterson, D. C.	Spear
Bertram	Hughes	Moe, R. D.	Peterson, R. W.	Stumpf
Davis	Langseth	Novak	Petty	Vega
DeCramer	Lantry	Pehler	Pogemiller	Wegscheid

The motion prevailed. So the second portion of the amendment was adopted.

Mr. Freeman moved to amend H.F. No. 1279, the unofficial engrossment, as follows:

Page 4, lines 5 to 9, delete the new language and insert "A court shall authorize disclosure of records pertaining to a patient for the purpose of conducting an investigation of or a prosecution in any proceeding arising out of the neglect or physical or sexual abuse of a minor, as defined in section 626.556, subdivision 2, where the patient is suspected of the neglect or abuse, if the court finds that the following criteria are met:

(1) There is a reasonable likelihood that the records in question will disclose material information or evidence of substantial value in connection with the investigation or prosecution; and

(2) There is no other practicable way of obtaining the information or evidence. This clause shall not be construed to prohibit disclosure of the patient record when it supports the otherwise uncorroborated statements of any material fact by a minor alleged to have been abused or neglected by the patient.

No records may be disclosed other than the patient records of a specific patient, identified in the order as a patient suspected of the neglect or abuse of a minor.

Disclosure and dissemination of any information from a patient record shall be limited under the terms of the order to assure that no information will be unnecessarily disclosed and that dissemination will be no wider than necessary for purposes of the investigation or prosecution."

Page 4, lines 33 to 36, delete the new language

Page 5, line 1, delete the new language and insert "A court shall authorize disclosure of records pertaining to a patient for the purpose of conducting an investigation of or a prosecution in any proceeding arising out of the neglect or physical or sexual abuse of a minor, as defined in section 626.556, subdivision 2, where the patient is suspected of the neglect or abuse, if the court finds that the following criteria are met:

(1) There is a reasonable likelihood that the records in question will disclose material information or evidence of substantial value in connection with the investigation or prosecution; and



(2) *There is no other practicable way of obtaining the information or evidence. This clause shall not be construed to prohibit disclosure of the patient record when it supports the otherwise uncorroborated statements of any material fact by a minor alleged to have been abused or neglected by the patient.*

*No records may be disclosed other than the patient records of a specific patient, identified in the order as a patient suspected of the neglect or abuse of a minor.*

*Disclosure and dissemination of any information from a patient record shall be limited under the terms of the order to assure that no information will be unnecessarily disclosed and that dissemination will be no wider than necessary for purposes of the investigation or prosecution."*

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 20, as follows:

Those who voted in the affirmative were:

Anderson	Chmielewski	Jude	McQuaid	Schmitz
Benson	Diessner	Kamrath	Mehrkens	Sieloff
Berg	Dieterich	Knaak	Olson	Solon
Berglin	Frederick	Knutson	Pehler	Storm
Bernhagen	Freeman	Kronebusch	Peterson, D. L.	
Bertram	Isackson	Laidig	Purfeerst	
Brataas	Johnson, D. E.	Langseth	Ramstad	

Those who voted in the negative were:

Adkins	Frank	Merriam	Peterson, R. W.	Stumpf
Davis	Hughes	Moe, D. M.	Petty	Vega
DeCramer	Lantry	Moe, R. D.	Pogemiller	Waldorf
Dicklich	Luther	Peterson, D. C.	Spear	Wegscheid

The motion prevailed. So the amendment was adopted.

H.F. No. 1279 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Pehler	Solon
Anderson	Dieterich	Kronebusch	Peterson, D. C.	Spear
Benson	Frank	Laidig	Peterson, D. L.	Storm
Berglin	Frederick	Langseth	Peterson, R. W.	Stumpf
Bernhagen	Freeman	Lantry	Petty	Vega
Bertram	Hughes	Luther	Pogemiller	Waldorf
Brataas	Isackson	McQuaid	Purfeerst	Wegscheid
Chmielewski	Johnson, D. E.	Mehrkens	Ramstad	
Davis	Jude	Merriam	Reichgott	
DeCramer	Kamrath	Moe, R. D.	Schmitz	
Dicklich	Knaak	Olson	Sieloff	

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

### SPECIAL ORDER

S.F. No. 1683: A bill for an act relating to housing; prohibiting certain rent

control ordinances in cities, counties, and towns; proposing new law coded in Minnesota Statutes, chapter 471.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 35 and nays 17, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Peterson, C.C.	Solon
Anderson	Diessner	Laidig	Peterson, D.L.	Storm
Benson	Frederick	Langseth	Petty	Stumpf
Bernhagen	Isackson	McQuaid	Purfeerst	Ulland
Bertram	Johnson, D.E.	Mehrkens	Ramstad	Vega
Brataas	Jude	Olson	Schmitz	Waldorf
Davis	Kamrath	Pehler	Sieloff	Wegscheid

Those who voted in the negative were:

Berglin	Frank	Kronebusch	Moe, R. D.	Spear
Chmielewski	Freeman	Lantry	Peterson, D.C.	
Dicklich	Johnson, D.J.	Merriam	Peterson, R.W.	
Dieterich	Knutson	Moe, D. M.	Pogemiller	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 2247: A bill for an act relating to public health; exempting increases of less than five swing beds from certificate of need review; amending Minnesota Statutes 1982, section 145.833, subdivision 5.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Olson	Renneke
Anderson	Dieterich	Kronebusch	Pehler	Schmitz
Benson	Frank	Laidig	Peterson, C.C.	Sieloff
Berglin	Frederick	Langseth	Peterson, D.C.	Solon
Bernhagen	Freeman	Lantry	Peterson, D.L.	Spear
Bertram	Isackson	McQuaid	Peterson, R.W.	Storm
Brataas	Johnson, D.E.	Mehrkens	Petty	Stumpf
Chmielewski	Johnson, D.J.	Merriam	Pogemiller	Ulland
Davis	Jude	Moe, D. M.	Purfeerst	Vega
DeCramer	Kamrath	Moe, R. D.	Ramstad	Waldorf
Dicklich	Knaak	Novak	Reichgott	Wegscheid

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 2238: A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell certain lands in Koochiching County; appropriating money.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Dieterich	Kronebusch	Pehler	Schmitz
Anderson	Frank	Laidig	Peterson, C. C.	Sieloff
Benson	Frederick	Langseth	Peterson, D. C.	Spear
Berglin	Freeman	Lantry	Peterson, D. L.	Storm
Bertram	Hughes	Luther	Peterson, R. W.	Stumpf
Brataas	Isackson	McQuaid	Petty	Ulland
Chmielewski	Johnson, D. J.	Mehrkens	Pogemiller	Vega
Davis	Jude	Merriam	Purfeerst	Waldorf
DeCramer	Kamrath	Moe, R. D.	Ramstad	Wegscheid
Dicklich	Knaak	Novak	Reichgott	
Diessner	Knutson	Olson	Renneke	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 560: A bill for an act relating to Cook County; permitting the sale of certain land.

Was read the third time 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 5, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Pehler	Solon
Anderson	Dieterich	Kronebusch	Peterson, C. C.	Spear
Benson	Frank	Langseth	Peterson, D. C.	Storm
Berglin	Frederickson	Lantry	Peterson, D. L.	Stumpf
Bertram	Freeman	Luther	Petty	Taylor
Brataas	Hughes	McQuaid	Pogemiller	Ulland
Chmielewski	Isackson	Mehrkens	Purfeerst	Vega
Dahl	Johnson, D. J.	Moe, D. M.	Ramstad	Waldorf
Davis	Jude	Moe, R. D.	Reichgott	Wegscheid
DeCramer	Kamrath	Novak	Renneke	
Dicklich	Knaak	Olson	Schmitz	

Those who voted in the negative were:

Frederick	Laidig	Merriam	Peterson, R. W.	Sieloff
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So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 322: A bill for an act relating to local government; prohibiting cities and counties from establishing residency requirements as a condition of employment; amending Minnesota Statutes 1982, section 415.16.

Mr. Taylor moved that the amendment made to H.F. No. 322 by the Committee on Rules and Administration in the report adopted April 16, 1984, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Ulland moved to amend H. F. No. 322 as follows:

Page 1, after line 23, insert:

“Sec. 2. [HERMANTOWN: DEFERRED ASSESSMENT.]

*The city of Hermantown may, in its discretion, defer the payment of special assessment for public improvements for any homestead property owned by a person for whom it would be a hardship to make the payments, regardless of the age or disability of the owner. The deferral period may not exceed ten years. In other respects the deferral shall be in accordance with Minnesota Statutes, sections 435.193 to 435.195.*

Sec. 3. [LOCAL APPROVAL.]

*Section 2 is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of Hermantown.”*

Amend the title as follows:

Page 1, line 4, after the semicolon, insert “providing that the city of Hermantown may allow deferral of special assessment payments where payment would cause hardship;”

The motion prevailed. So the amendment was adopted.

Mr. Langseth moved to amend H.F. No. 322 as follows:

Page 1, after line 23, insert:

*“This section shall not apply to any statutory or home rule city which, as of the effective date of this act, has a requirement that a person be a resident of the city as a condition of employment for at least some of the employment opportunities of the city.”*

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

H.F. No. 322 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 36 and nays 6, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Knutson	Olson	Taylor
Anderson	Frederick	Kronebusch	Ramstad	Ulland
Benson	Hughes	Laidig	Reichgott	Waldorf
Bertram	Isackson	Lantry	Renneke	Wegscheid
Chmielewski	Johnson, D.E.	McQuaid	Schmitz	
Davis	Jude	Mehrkens	Sieloff	
DeCramer	Kamrath	Merriam	Solon	
Diessner	Knaak	Moe, R. D.	Storm	

Those who voted in the negative were:

Freeman	Luther	Peterson, D.C.	Petty	Stumpf
Langseth				

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

### SPECIAL ORDER

S.F. No. 2165: A bill for an act relating to public finance; authorizing additional investment alternatives; providing for the delivery of municipal

obligations in certificated or uncertificated form; providing restrictions on the use of certain data; providing a formula for determining limitations on interest rates on municipal obligations; providing an alternative procedure for conducting a public sale of municipal obligations; amending Minnesota Statutes 1982, sections 471.56, by adding a subdivision; 475.55, subdivisions 1, 4, and by adding a subdivision; 475.60, subdivision 3, and by adding a subdivision; repealing Minnesota Statutes 1982, sections 475.71; and 475.76, subdivision 5.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 44 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kamrath	Moe, R. D.	Renneke
Anderson	Diessner	Knaak	Olson	Schmitz
Benson	Frank	Knutson	Pehler	Sieloff
Bermhagen	Frederick	Kronebusch	Peterson, D.C.	Solon
Bertram	Freeman	Laidig	Peterson, D.L.	Stumpf
Brataas	Hughes	Langseth	Petty	Taylor
Chmielewski	Isackson	Lantry	Pogemiller	Ulland
Davis	Johnson, D.E.	McQuaid	Ramstad	Wegscheid
DeCramer	Jude	Mehrrens	Reichgott	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1659: A bill for an act relating to commerce; prohibiting limited partnerships from interposing the defense of usury; amending Minnesota Statutes 1982, section 334.021.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 42 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knaak	Moe, R. D.	Schmitz
Anderson	Dieterich	Knutson	Olson	Sieloff
Benson	Frank	Kronebusch	Pehler	Stumpf
Bertram	Freeman	Laidig	Peterson, D.C.	Taylor
Brataas	Hughes	Langseth	Peterson, D.L.	Ulland
Chmielewski	Isackson	Lantry	Petty	Wegscheid
Davis	Johnson, D.E.	Luther	Pogemiller	
DeCramer	Jude	McQuaid	Ramstad	
Dicklich	Kamrath	Merriam	Reichgott	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 2164: A resolution memorializing Congress to enact H.R. 5081, the Fair Trade in Steel Act of 1984.

Was read the third time 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 21, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Pehler	Solon
Berglin	Dieterich	Laidig	Peterson, C. C.	Storm
Bertram	Frank	Langseth	Peterson, D. C.	Stumpf
Chmielewski	Freeman	Lantry	Peterson, R. W.	Ulland
Dahl	Hughes	Luther	Pogemiller	Vega
Davis	Johnson, D. E.	Merriam	Purfeerst	
DeCramer	Johnson, D. J.	Moe, R. D.	Reichgott	
Dicklich	Jude	Novak	Schmitz	

Those who voted in the negative were:

Anderson	Frederickson	Kronebusch	Petty	Wegscheid
Benson	Isackson	McQuaid	Ramstad	
Bernhagen	Kamrath	Mehrkens	Renneke	
Brataas	Knaak	Olson	Sieloff	
Frederick	Knutson	Peterson, D. L.	Spear	

So the resolution passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1352: A bill for an act relating to financial institutions; allowing banks and trust companies to establish trust service offices at the location of other banks; proposing new law coded in Minnesota Statutes, chapter 48.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 41 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Pehler	Storm
Anderson	Dieterich	Kronebusch	Peterson, D. C.	Stumpf
Benson	Frank	Laidig	Peterson, D. L.	Taylor
Bertram	Frederick	Lantry	Petty	Ulland
Brataas	Hughes	McQuaid	Pogemiller	Wegscheid
Chmielewski	Isackson	Mehrkens	Ramstad	
Davis	Jude	Merriam	Reichgott	
DeCramer	Kamrath	Moe, R. D.	Schmitz	
Dicklich	Knaak	Olson	Sieloff	

So the bill passed and its title was agreed to.

### RECONSIDERATION

Mr. Dicklich moved that the vote whereby H.F. No. 1839 was passed by the Senate on April 17, 1984, be now reconsidered. The motion prevailed.

H.F. No. 1839: A bill for an act relating to St. Louis County; permitting the county to establish an emergency jobs program.

Mr. Dicklich moved that the amendment made to H.F. No. 1839 by the Committee on Rules and Administration in the report adopted April 16, 1984, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 1839 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 40 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Moe, R. D.	Schmitz
Anderson	Diessner	Knutson	Olson	Sieloff
Benson	Dieterich	Kronebusch	Pehler	Solon
Bertram	Frank	Laidig	Peterson, D.C.	Storm
Brataas	Frederick	Lantry	Peterson, D.L.	Stumpf
Chmielewski	Hughes	McQuaid	Petty	Taylor
Davis	Johnson, D.E.	Mehrkens	Pogemiller	Ulland
DeCramer	Jude	Merriam	Ramstad	Wegscheid

Messrs. Isackson and Kamrath voted in the negative.

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 2046: A bill for an act relating to statutes; revising the text of certain laws to remove redundant and obsolete language, to simplify grammar and syntax, and to improve the style of language without causing changes in the meaning of the laws affected; requiring the revisor of statutes to editorially change criminal fines in a manner consistent with 1983 regular session changes made in maximum authorized fines; amending Minnesota Statutes 1982, chapters 1, as amended; 16, as amended; 16A, as amended; 177, as amended; and 300, as amended; and Minnesota Statutes 1982, sections 10.39; 15.375; 80A.22, subdivision 1; 152.15, subdivision 1; 609.20; Minnesota Statutes 1983 Supplement, sections 609.21; 609.52, subdivision 3; 609.582; 617.246, subdivisions 2, 3, and 4; repealing Minnesota Statutes 1982, sections 10.02; 10.03; 16A.02; 16A.04, subdivisions 2 and 3; 16A.07; 16A.08; 16A.125, subdivision 6; 16A.132; 16A.52; 16A.55; 16A.65, subdivision 3; and Minnesota Statutes 1983 Supplement, section 609.0341, subdivision 3.

Mr. Jude moved to amend S. F. No. 2046 as follows:

Pages 34 to 143, delete article 2

Amend the title as follows:

Page 1, line 10, delete “; 16, as amended”

The motion prevailed. So the amendment was adopted.

S.F. No. 2046 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 41 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Laidig	Pehler	Storm
Anderson	Dieterich	Langseth	Peterson, D.C.	Stumpf
Belanger	Frank	Lantry	Peterson, D.L.	Taylor
Benson	Hughes	McQuaid	Peterson, R.W.	Ulland
Bertram	Johnson, D.E.	Mehrkens	Petty	Wegscheid
Brataas	Jude	Merriam	Ramstad	
Chmielewski	Kamrath	Moe, D. M.	Schmitz	
Davis	Knaak	Novak	Sieloff	
DeCramer	Kronebusch	Olson	Solon	

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

**SPECIAL ORDER**

H.F. No. 1985: A bill for an act relating to occupations and professions; regulating the licensing of salons for estheticians; amending Minnesota Statutes 1982, section 155A.08, subdivision 2.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 43 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kronebusch	Pehler	Sieloff
Anderson	Dieterich	Laidig	Peterson, C.C.	Solon
Belanger	Frank	Langseth	Peterson, D.C.	Storm
Benson	Frederick	Lantry	Peterson, D.L.	Stumpf
Bertram	Hughes	McQuaid	Peterson, R.W.	Taylor
Brataas	Isackson	Mehrkens	Petty	Ulland
Chmielewski	Jude	Merriam	Ramstad	Wegscheid
Davis	Kamrath	Moe, R. D.	Renneke	
DeCramer	Knaak	Olson	Schmitz	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

S.F. No. 1879: A bill for an act relating to agriculture; regulating the bulk sale of food; proposing new law coded in Minnesota Statutes, chapter 31.

Mr. Frederickson moved to amend S.F. No. 1879 as follows:

Page 3, line 24, before "*Manual*" insert "*Except in municipalities with less than 1,000 inhabitants, or in towns,*"

Page 3, line 26, after the period, insert "*Manual dispensing utensils and tethers in retail stores in municipalities with less than 1,000 inhabitants, or in towns, shall be cleaned and sanitized at frequent intervals based on the types of food and the food particle accumulation or soiling.*"

The motion prevailed. So the amendment was adopted.

Mr. Merriam moved to amend S. F. No. 1879 as follows:

Page 4, delete section 10

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 13 and nays 27, as follows:

Those who voted in the affirmative were:

Benson	Isackson	Lantry	Renneke	Wegscheid
Chmielewski	Kamrath	Merriam	Schmitz	
Diessner	Knaak	Peterson, D.L.	Stumpf	

Those who voted in the negative were:

Adkins	DeCramer	Laidig	Peterson, D.C.	Spear
Anderson	Dieterich	Langseth	Peterson, R.W.	Storm
Belanger	Frederick	McQuaid	Petty	Taylor
Bertram	Johnson, D.E.	Mehrkens	Ramstad	
Brataas	Jude	Moe, D. M.	Sieloff	
Davis	Kronebusch	Olson	Solon	

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



S.F. No. 1879 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 1, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kronebusch	Olson	Renneke
Anderson	Dieterich	Laidig	Pehler	Sieloff
Belanger	Frederick	Langseth	Peterson, C.C.	Solon
Benson	Hughes	Lantry	Peterson, D.C.	Spear
Bertram	Isackson	McQuaid	Peterson, D.L.	Storm
Chmielewski	Johnson, D.E.	Mehrkens	Peterson, R.W.	Stumpf
Davis	Jude	Merriam	Petty	Taylor
DeCramer	Knaak	Moe, D. M.	Ramstad	Wegscheid

Mr. Kamrath voted in the negative.

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

### SPECIAL ORDER

S.F. No. 2167: A bill for an act relating to port authorities; fixing the amount of the property tax levy for them; requiring a reverse referendum in certain circumstances; amending Minnesota Statutes 1982, section 458.14.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 36 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Diessner	Kronebusch	Peterson, D.C.	Storm
Belanger	Dieterich	Laidig	Peterson, D.L.	Stumpf
Benson	Frederick	Langseth	Petty	Taylor
Bertram	Hughes	Lantry	Renneke	Wegscheid
Brataas	Isackson	McQuaid	Schmitz	
Chmielewski	Jude	Mehrkens	Sieloff	
Davis	Kamrath	Olson	Solon	
DeCramer	Knaak	Pehler	Spear	

Messrs. Merriam; Moe, D.M. and Peterson, R.W. voted in the negative.

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1371: A bill for an act relating to state government; providing for a day care center for state employees in the capitol complex; amending Minnesota Statutes 1982, section 16.02, by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 41 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Pehler	Spear
Anderson	Diessner	Kronebusch	Peterson, D.C.	Storm
Belanger	Dieterich	Laidig	Peterson, D.L.	Stumpf
Benson	Frederick	Langseth	Peterson, R.W.	Taylor
Bertram	Hughes	Lantry	Petty	Wegscheid
Brataas	Isackson	McQuaid	Ramstad	
Chmielewski	Johnson, D.E.	Mehrkens	Renneke	
Davis	Jude	Merriam	Schmitz	
DeCramer	Kamrath	Olson	Sieloff	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1032: A bill for an act relating to local improvements; permitting counties to assess for highway improvements within cities; amending Minnesota Statutes 1982, sections 429.011, subdivision 2a; and 429.061, subdivision 1.

Was read the third time 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 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knaak	Olson	Sieloff
Anderson	Dieterich	Kronebusch	Peterson, D.C.	Storm
Belanger	Frederick	Laidig	Peterson, D.L.	Stumpf
Benson	Hughes	Langseth	Peterson, R.W.	Taylor
Bertram	Isackson	Lantry	Petty	Wegscheid
Brataas	Johnson, D.E.	McQuaid	Ramstad	
Chmielewski	Jude	Mehrkens	Renneke	
Davis	Kamrath	Merriam	Schmitz	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1815: A bill for an act relating to taxation; property; eliminating obsolete language; making technical changes; and repealing obsolete provisions; amending Minnesota Statutes 1982, sections 272.02, subdivisions 2, 3, and 5; 272.20; 272.21; 272.32; 272.37; 272.64; 273.05, subdivision 1; 273.061, subdivision 2; 273.08; 273.1105, subdivision 5; 273.111, subdivisions 8 and 11; 273.115, subdivision 5; 273.116, subdivisions 1 and 5; 273.13, subdivisions 7a, 15a, and 19; 273.135, subdivision 3; 273.1391, subdivision 3; 273.22; 275.02; 275.49; 275.51, subdivisions 1 and 4; 360.037, subdivision 2; 373.31, subdivision 2; 375.167, subdivision 1; 473F.02, subdivision 3; 473H.10, subdivision 3; 475.53, subdivisions 1, 3, and 5; Minnesota Statutes 1983 Supplement, sections 272.02, subdivision 1; 273.115, subdivision 1; 273.13, subdivisions 6, 7, 7d, and 14a; 273.138, subdivision 6; 507.235, subdivision 2; repealing Minnesota Statutes 1982, sections 270.90; 272.34; 272.35; 272.36; 272.61; 272.62; 272.63; 272.66; 273.04; 273.111, subdivision 8a; 273.13, subdivision 14; 273.27; 273.56; 275.09; 275.091; 275.161; 275.23; 275.44; 275.45; 275.46; 275.47; 368.86; and 382.19.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 39 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Jude	McQuaid	Renneke
Anderson	Diessner	Kamrath	Mehrkens	Schmitz
Belanger	Dieterich	Knaak	Merriam	Sieloff
Benson	Frederick	Kronebusch	Olson	Storm
Bertram	Freeman	Laidig	Peterson, D.C.	Stumpf
Brataas	Hughes	Langseth	Peterson, D.L.	Taylor
Chmielewski	Isackson	Lantry	Petty	Wegscheid
Davis	Johnson, D.E.	Lessard	Ramstad	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 1903: A bill for an act relating to communications; deregulating radio common carriers; amending Minnesota Statutes 1982, section 237.01, subdivision 2, and by adding a subdivision.

Mr. Dieterich moved to amend S.F. No. 1903 as follows:

Page 2, after line 1, insert:

“Sec. 3. Minnesota Statutes 1982, section 237.01, is amended by adding a subdivision to read:

*Subd. 5. [CELLULAR RADIO.] A radio common carrier does not include a person, firm, association, or corporation providing these or similar services by means of the technology known as cellular radio.*

Sec. 4. [REPEALER.]

*Section 3 is repealed effective June 1, 1985.”*

Amend the title as follows:

Page 1, line 4, delete “a subdivision” and insert “subdivisions”

The motion prevailed. So the amendment was adopted.

S.F. No. 1903 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 39 and nays 3, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Jude	Moe, R. D.	Sieloff
Anderson	DeCramer	Kronebusch	Olson	Solon
Belanger	Diessner	Laidig	Peterson, D.C.	Storm
Benson	Dieterich	Lantry	Peterson, D.L.	Stumpf
Bernhagen	Frederick	Lessard	Petty	Taylor
Bertram	Freeman	McQuaid	Ramstad	Ulland
Brataas	Hughes	Mehrkens	Renneke	Wegscheid
Chmielewski	Johnson, D.E.	Merriam	Schmitz	

Messrs. Isackson, Kamrath and Knaak voted in the negative.

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

### SPECIAL ORDER

S.F. No. 1298: A bill for an act relating to local government; providing procedures for the publication of legal notices; removing various requirements for publication of notices; amending Minnesota Statutes 1982, sections 3.21; 48.48, subdivision 1; 88.48, subdivision 2; 94.10, subdivision 1; 94.344, subdivision 7; 123.33, subdivision 11; 123.71, subdivision 1; 206.17, subdivision 2; 279.07; 279.08; 300.13, subdivision 4; 302A.727, subdivision 1; 306.023, subdivision 2; 306.111, subdivision 2; 306.16, subdivision 2; 306.21, subdivision 1; 307.06; 315.25; 326.18; 346.02; 370.04; 370.07; 371.04; 372.02; 372.08; 374.13; 374.34; 375.025, subdivision 4; 375.12; 375.17; 375.51, subdivision 3; 375.52; 383A.27, subdivision 2; 412.191, subdivisions 3 and 4; 414.09, subdivision 3; 415.021; 429.061, subdivision 2; 430.02, subdivisions 3, 7, 11, and 12; 430.04; 430.07, subdivision 5; 430.102, subdivision 3; 435.202, subdivision 2; 441.04; 462.427, subdivision 3; 465.32; 465.38; 471.697, subdivision 1; 471.698, subdivision 1; 472.04, subdivision 2; and 484.30; proposing new law coded in Minnesota Statutes, chapters 375 and 471; proposing new law coded as Minnesota Statutes, chapter 331A; repealing Minnesota Statutes 1982, sections 55.09; 331.01; 331.02; 331.03; 331.04; 331.05; 331.06; 331.07; 331.08; 331.10; 331.11; and 441.51.

Mr. Freeman moved to amend S.F. No. 1298 as follows:

Page 22, line 30, after the period, insert "*The affidavit must also include the publisher's lowest classified rate paid by commercial users for comparable space, as determined pursuant to section 25, the maximum charge allowable by law for the publication of the specific legal or official matter in question, and the rate actually charged for that publication.*"

The motion prevailed. So the amendment was adopted.

Mr. Freeman then moved to amend S.F. No. 1298 as follows:

Page 34, line 27, after the period, insert "*As an alternative to publication, the city may mail, at city expense, a copy of the proceedings to any resident upon request.*"

The motion prevailed. So the amendment was adopted.

Mr. Sieloff moved to amend S.F. No. 1298 as follows:

Page 54, line 27, delete everything after "*effective*"

Page 54, delete line 28

Page 54, line 29, delete everything before "*July*"

The motion prevailed. So the amendment was adopted.

S.F. No. 1298 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 37 and nays 20, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kronebusch	Novak	Sieloff
Berglin	Diessner	Laidig	Olson	Solon
Bernhagen	Freeman	Langseth	Peterson, C. C.	Stumpf
Bertram	Isackson	Lessard	Peterson, D. C.	Ulland
Chmielewski	Jude	Luther	Pogemiller	Wegscheid
Dahl	Kamrath	McQuaid	Purfeerst	
Davis	Knaak	Moe, D. M.	Renneke	
DeCramer	Kroening	Moe, R. D.	Schmitz	

Those who voted in the negative were:

Anderson	Dieterich	Johnson, D.E.	Pehler	Ramstad
Belanger	Frank	Lantry	Peterson, D. L.	Spear
Benson	Frederick	Mehrkens	Peterson, R. W.	Storm
Brataas	Frederickson	Merriam	Petty	Taylor

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

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Messages From the House.

### MESSAGES FROM THE HOUSE

Mr. President:

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

S.F. No. 311: A bill for an act relating to public welfare; requiring licensure for adult day care facilities; amending Minnesota Statutes 1982, sections 245.782, subdivisions 2, 5, and by adding a subdivision; 245.783, by adding a subdivision; 245.791; 245.802, by adding a subdivision.

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

Brandl, Greenfield and Onnen.

Senate File No. 311 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 17, 1984

Mr. President:

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

S.F. No. 147: A bill for an act relating to retirement; employee and employer contributions to the Minnesota state retirement system; amending Minnesota Statutes 1982, section 352.92, subdivisions 1 and 2.

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

Sarna; Clawson; Rodriguez, F.; Wigley and Metzen.

Senate File No. 147 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 17, 1984

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1466:

H.F. No. 1466: A bill for an act relating to courts; providing procedures for collection of conciliation court judgments; requiring conciliation court clerks to explain procedures of conciliation court to litigants and to assist them in filling out forms; amending Minnesota Statutes 1982, sections 488A.13, subdivision 2; 488A.16, subdivision 8; 487.30, by adding subdivisions; 488A.30, subdivision 2; and 488A.33, subdivision 7.

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

Clawson, Halberg and Cohen have been appointed as such committee on the part of the House.

House File No. 1466 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 17, 1984

Mr. Merriam moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1466, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

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

S.F. No. 1258: A bill for an act relating to the environment; requiring an agreement between the state and federal government prior to test drilling of geologic structures for disposal of high level radioactive waste and notification of results; regulating transportation of high level radioactive waste in the state; providing penalties; regulating nuclear fission electric generating plants in Minnesota; amending Minnesota Statutes 1982, section 116C.71, by adding subdivisions; and 116C.74; proposing new law coded in Minnesota Statutes, chapters 116C and 216B.

Senate File No. 1258 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 17, 1984

Mr. Merriam moved that the Senate do not concur in the amendments by the House to S.F. No. 1258, 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.

### 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. 1466: Messrs. Merriam, Freeman and Johnson, D.E.

S.F. No. 1258: Messrs. Merriam; Moe, D.M. and Ulland.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

### CALL OF THE SENATE

Mr. Wegscheid imposed a call of the Senate for the proceedings on S.F. Nos. 1880 and 1842. The Sergeant at Arms was instructed to bring in the absent members.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Wegscheid moved that S.F. No. 1880 be taken from the table. The motion prevailed.

S.F. No. 1880: A bill for an act relating to local government; providing for financing of county and county regional jails; amending Minnesota Statutes 1982, sections 641.24; and 641.264, subdivision 1.

Mr. Wegscheid moved to amend S.F. No. 1880 as follows:

Page 1, lines 13 to 15, delete the new language

Page 1, line 13, after "county" insert "*or a county housing and redevelopment authority established pursuant to chapter 462 or special law*"

Page 1, line 15, after "city" insert "*or county housing and redevelopment authority*"

Page 1, line 16, after "plans" insert "*prepared by or at the request of the county board and*"

Page 2, line 1, delete "*redevelopment agency*" and insert "*county housing and redevelopment authority*"

Page 2, lines 29 to 31, delete the new language and insert "*or with the approval of the board of county commissioners of each cooperating county a county housing and redevelopment authority established pursuant to chapter 462 or special law*"

The motion prevailed. So the amendment was adopted.

S.F. No. 1880 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 37 and nays 25, as follows:

Those who voted in the affirmative were:

Adkins	Freeman	Luther	Pogemiller	Storm
Berglin	Hughes	McQuaid	Ramstad	Ulland
Bernhagen	Johnson, D.J.	Moe, R. D.	Reichgott	Vega
Bertram	Knaak	Olson	Samuelson	Wegscheid
Davis	Kroening	Pehler	Schmitz	Willet
DeCramer	Laidig	Peterson, C.C.	Sieloff	
Dicklich	Langseth	Peterson, D.C.	Solon	
Frederick	Lantry	Petty	Spear	

Those who voted in the negative were:

Anderson	Dahl	Isackson	Lessard	Peterson, D.L.
Belanger	Diessner	Johnson, D.E.	Mehrkens	Peterson, R.W.
Benson	Dieterich	Jude	Merriam	Renneke
Brataas	Frank	Kamrath	Moe, D. M.	Stumpf
Chmielewski	Frederickson	Kronebusch	Novak	Taylor

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

## MOTIONS AND RESOLUTIONS - CONTINUED

### RECONSIDERATION

Mr. Moe, R.D. moved that the vote whereby S.F. No. 1842 was passed by the Senate on April 17, 1984, be now reconsidered. The motion prevailed.

S.F. No. 1842: A bill for an act relating to local government; setting authority to regulate firearms and related matters; amending Minnesota Statutes 1982, sections 624.7132, subdivision 16; and 624.717; proposing new law coded in Minnesota Statutes, chapter 471; repealing Minnesota Statutes 1982, section 624.718.

Was read the third time 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 15, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Jude	Olson	Solon
Anderson	Dicklich	Kamrath	Pehler	Storm
Belanger	Diessner	Knaak	Peterson, C.C.	Stumpf
Benson	Frederick	Kronebusch	Peterson, D.L.	Taylor
Bernhagen	Frederickson	Laidig	Peterson, R.W.	Ulland
Bertram	Freeman	Langseth	Ramstad	Wegscheid
Brataas	Hughes	Lessard	Renneke	Willet
Chmielewski	Isackson	McQuaid	Samuelson	
Dahl	Johnson, D.E.	Mehrkens	Schmitz	
Davis	Johnson, D.J.	Moe, R. D.	Sieloff	

Those who voted in the negative were:

Berglin	Kroening	Merriam	Novak	Pogemiller
Dieterich	Lantry	Moe, D. M.	Peterson, D.C.	Spear
Frank	Luther	Nelson	Petty	Waldorf

So the bill passed and its title was agreed to.



**MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Moe, D.M. moved that Senate Concurrent Resolution No. 18 be taken from the table. The motion prevailed.

Senate Concurrent Resolution No. 18: A Senate concurrent resolution requiring the establishment of an affirmative action plan for the legislature; requiring employment of an affirmative action officer.

WHEREAS, the Minnesota Legislature has the responsibility to guarantee every individual equal employment opportunity in the legislative branch without reference to race, color, religion, sex, handicap, or national origin; and

WHEREAS, it is the intention of the Minnesota Legislature to remove any vestiges of discrimination that may impede full compliance with equal employment opportunity in the legislative branch of state government; NOW, THEREFORE,

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

(a) The Legislative Coordinating Commission shall employ or contract for the services of a legislative affirmative action officer. At the direction of the Legislative Coordinating Commission, the officer shall prepare an affirmative action program for the legislative branch that will assist in recruiting qualified members of minority groups for legislative branch staff positions, provide educational programs for legislators and legislative branch staff on the need for and proper response to affirmative action, and further equal employment opportunity in the legislative branch.

(b) The Legislative Coordinating Commission shall recommend the plan to the Senate and House of Representatives. The plan shall consist of:

(1) procedures, standards, and assumptions used by the Legislative Coordinating Commission in preparing the plan;

(2) objectives, goals, and policies;

(3) timetables for accomplishing the goals;

(4) a requirement for the periodic submission of affirmative action progress reports to the Legislative Coordinating Commission; and

(5) other relevant information.

(c) The Legislative Coordinating Commission shall periodically revise the plan, as necessary.

(d) All legislators and legislative branch staff shall facilitate the work of the affirmative action officer. Information shall be provided to the officer on each vacant position or new position established, and the affirmative officer may provide each hiring officer with a list of qualified applicants for these positions. Hiring officers shall advertise vacant or new positions and solicit applications in manners calculated to reach members of the minority community.

Mr. Moe, D.M. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

**MEMBERS EXCUSED**

Mr. Pogemiller was excused from the Session of today from 9:30 to 12:00 noon and from 7:30 to 11:00 p.m. Mr. Wegscheid was excused from the Session of today from 10:00 to 11:30 a.m. Mr. Hughes was excused from the Session of today from 11:30 a.m to 12:00 noon. Mr. Lessard was excused from the Session of today from 1:10 to 1:50 p.m and from 7:30 to 11:00 p.m. Mrs. Lantry, Messrs. Solon, Schmitz and Dahl were excused from the Session of today at 1:30 p.m. Mr. Johnson, D.J. was excused from the Session of today at 3:30 p.m. Mr. Storm was excused from the Session of today from 5:00 to 7:15 p.m. Ms. Reichgott was excused from the Session of today from 4:15 to 4:45 p.m. Mr. Belanger was excused from the Session of today from 7:30 to 10:30 p.m. Mr. Dahl was excused from the Session of today at 7:30 p.m. Mr. Berg was excused from the Session of today from 8:45 p.m. to 12:10 a.m. Mr. Purfeerst was excused from the Session of today at 9:30 p.m. Mr. Frank was excused from the Session of today from 10:30 to 11:30 p.m. Mr. Nelson was excused from the Session of today from 7:30 p.m. to 12:10 a.m.

**ADJOURNMENT**

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Wednesday, April 18, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## EIGHTY-FIRST DAY

St. Paul, Minnesota, Wednesday, April 18, 1984

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

### CALL OF THE SENATE

Mr. Belanger 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. Warren Sorteberg.

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

Adkins	Diessner	Kroening	Olson	Sieloff
Anderson	Dieterich	Kronebusch	Pehler	Solon
Belanger	Frank	Laidig	Peterson, C.C.	Spear
Benson	Frederick	Langseth	Peterson, D.C.	Storm
Berg	Frederickson	Lantry	Peterson, D.L.	Stumpf
Berglin	Freeman	Lessard	Peterson, R.W.	Taylor
Bernhagen	Hughes	Luther	Petty	Ulland
Bertram	Isackson	McQuaid	Pogemiller	Vega
Brataas	Johnson, D.E.	Mehrkens	Purfeerst	Waldorf
Chmielewski	Johnson, D.J.	Merriam	Ramstad	Wegscheid
Dahl	Jude	Moe, D.M.	Reichgott	Willet
Davis	Kamrath	Moe, R.D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	
Dicklich	Knutson	Novak	Schmitz	

The President declared a quorum present.

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

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received.

April 16, 1984

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

The Honorable Jerome M. Hughes  
President of the Senate

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

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1984	Date Filed 1984
1350		379	April 11	April 11
1127		380	April 11	April 11
1832		381	April 14	April 16

Sincerely,  
Joan Anderson Growe  
Secretary of State

April 16, 1984

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

The Honorable Jerome M. Hughes  
President of the Senate

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

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1984	Date Filed 1984
	1944	382	April 16	April 16
	1784	383	April 16	April 16

Sincerely,  
Joan Anderson Growe  
Secretary of State

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Luther moved that the following members be excused for a Conference Committee on H.F. No. 2317 at 10:00 a.m.:

Messrs. Luther, Kroening, Willet, Frederickson and Samuelson. The motion prevailed.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 1477, 1867, 1891, 1986, 1112 and 1853.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 17, 1984

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. 1516, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1516 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 17, 1984

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 1516

A bill for an act relating to local government; authorizing the levy of special assessments or service charges for fire protection systems; amending Minnesota Statutes 1982, sections 429.011, by adding a subdivision; 429.021, subdivision 1; 429.031, subdivision 3; 429.091, subdivisions 2 and 3; and 429.101, subdivision 1.

April 13, 1984

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

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 1516, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 1516 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 429.011, is amended by adding a subdivision to read:

*Subd. 14. “Fire protection system” means pipes, standpipes, sprinklers, control systems and other devices and equipment installed in or outside a building for the primary purpose of eliminating or reducing the spread of fire in the building or providing for safe evacuation of the building, whether the devices and equipment are publicly or privately owned.*

Sec. 2. Minnesota Statutes 1982, section 429.021, subdivision 1, is amended to read:

Subdivision 1. [IMPROVEMENTS AUTHORIZED.] The council of a municipality shall have power to make the following improvements:

(1) To acquire, open, and widen any street, and to improve the same by constructing, reconstructing, and maintaining sidewalks, pavement, gutters, curbs, and vehicle parking strips of any material, or by grading, graveling, oiling, or otherwise improving the same, including the beautification thereof and including storm sewers or other street drainage and connections from sewer, water or similar mains to curb lines.

(2) To acquire, develop, construct, reconstruct, extend and maintain storm and sanitary sewers and systems, including outlets, holding areas and ponds, treatment plants, pumps, lift stations, service connections, and other appurtenances of a sewer system, within and without the corporate limits.

(3) To construct, reconstruct, extend and maintain steam heating mains.

(4) To install, replace, extend and maintain street lights and street lighting systems and special lighting systems.

(5) To acquire, improve, construct, reconstruct, extend and maintain water

works systems, including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks, treatment plants, and other appurtenances of a water works system, within and without the corporate limits.

(6) To acquire, improve and equip parks, open space areas, playgrounds and recreational facilities within or without the corporate limits.

(7) To plant trees on streets and provide for their trimming, care and removal.

(8) To abate nuisances and to drain swamps, marshes and ponds on public or private property and to fill the same.

(9) To construct, reconstruct, extend, and maintain dikes and other flood control works.

(10) To construct, reconstruct, extend and maintain retaining walls and area walls.

(11) To acquire, construct, reconstruct, improve, alter, extend, operate, maintain and promote a pedestrian skyway system.

(12) To acquire, construct, reconstruct, extend, operate, maintain and promote underground pedestrian concourses.

(13) To acquire, construct, improve, alter, extend, operate, maintain and promote public malls, plazas or courtyards.

(14) To construct, reconstruct, extend, and maintain district heating systems.

*(15) To construct, reconstruct, alter, extend, operate, maintain and promote fire protection systems in existing buildings, but only upon a petition pursuant to section 429.031, subdivision 3.*

Sec. 3. Minnesota Statutes 1982, section 429.031, subdivision 3, is amended to read:

Subd. 3. [PETITION BY ALL OWNERS.] Whenever all owners of real property abutting upon any street named as the location of any improvement shall petition the council to construct the improvement and to assess the entire cost against their property, the council may, without a public hearing, adopt a resolution determining such fact and ordering the improvement. The validity of the resolution shall not be questioned by any taxpayer or property owner or the municipality unless an action for that purpose is commenced within 30 days after adoption of the resolution as provided in section 429.036. Nothing herein prevents any property owner from questioning the amount or validity of the special assessment against his property pursuant to section 429.081. *In the case of a petition for the installation of a fire protection system, the petition must contain or be accompanied by an undertaking satisfactory to the city by the petitioner that the petitioner will grant the municipality the necessary property interest in the building to permit the city to enter upon the property and the building to construct, maintain, and operate the fire protection system. In the case of a petition for the installation of a fire protection system, the petitioner may request abandonment of the improvement at any time after it has been ordered pursuant to subdivision 1 and before contracts have been awarded for the construction of the improvement under section 429.041, subdivision 2. If such a request is received, the city*

*council shall abandon the proceedings but in such case the petitioner shall reimburse the city for any and all expenses incurred by the city in connection with the improvement.*

Sec. 4. Minnesota Statutes 1982, section 429.091, subdivision 2, is amended to read:

Subd. 2. [TYPES OF OBLIGATIONS PERMITTED.] The council may by resolution adopted prior to the sale of obligations pledge the full faith, credit, and taxing power of the municipality for the payment of the principal and interest. Such obligations shall be called improvement bonds and the council shall pay the principal and interest out of any fund of the municipality when the amount credited to the specified fund is insufficient for the purpose and shall each year levy a sufficient amount to take care of accumulated or anticipated deficiencies, which levy shall not be subject to any statutory or charter tax limitation. Obligations for the payment of which the full faith and credit of the municipality is not pledged shall be called improvement warrants or, *in the case of bonds for fire protection systems, revenue bonds* and shall contain a promise to pay solely out of the proper special fund or funds pledged to their payment. It shall be the duty of the municipal treasurer to pay maturing principal and interest on warrants or revenue bonds out of funds on hand in the proper ~~special fund~~ funds and not otherwise.

Sec. 5. Minnesota Statutes 1982, section 429.091, subdivision 3, is amended to read:

Subd. 3. [METHOD OF ISSUANCE.] All obligations shall be issued in accordance with the provisions of chapter 475, except ~~that~~ *as provided in this subdivision.*

An election shall be required for bonds if less than 20 percent of the cost of the improvement to the municipality is to be assessed against benefited property.

*If the full faith, credit, and taxing power of the municipality is not pledged and the bonds are issued to finance a fire protection system, a public sale shall not be required and the obligations may*

- (a) mature at any time or times within 30 years from date of issue,*
- (b) mature in the amount or amounts,*
- (c) be sold at a price equal to the percentage of their par value, plus accrued interest, and*
- (d) bear interest at the rate or rates,*

*as agreed by the purchaser and the municipality, notwithstanding any limitation of interest rate or cost or of the amounts of annual maturities contained in any other law.*

The maturities shall be such as in the opinion of the council are warranted by the anticipated collections of assessments and ad valorem levies for the municipality's share of the cost; except that the council may in its discretion issue and sell temporary improvement bonds maturing and subject to further conditions as set forth in subdivision 5. All obligations shall state upon their face the purpose of the issue and the fund from which they are payable. The amount of any obligations issued hereunder shall not be included in deter-

mining the net indebtedness of any municipality under the provisions of any law limiting such indebtedness.

Sec. 6. Minnesota Statutes 1982, section 429.101, subdivision 1, is amended to read:

Subdivision 1. [ORDINANCES.] In addition to any other method authorized by law or charter, the governing body of any municipality may provide for the collection of unpaid special charges for all or any part of the cost of

(a) snow, ice, or rubbish removal from sidewalks,

(b) weed elimination from streets or private property,

(c) removal or elimination of public health or safety hazards from private property, excluding any structure included under the provisions of sections 463.15 to 463.26,

(d) installation or repair of water service lines, street sprinkling or other dust treatment of streets,

(e) the trimming and care of trees and the removal of unsound trees from any street,

(f) the treatment and removal of insect infested or diseased trees on private property, the repair of sidewalks and alleys, or

(g) the operation of a street lighting system, or

(h) the operation and maintenance of a fire protection system

as a special assessment against the property benefited. The council may by ordinance adopt regulations consistent with this section to make this authority effective, including, at the option of the council, provisions for placing primary responsibility upon the property owner or occupant to do the work himself (except in the case of street sprinkling or other dust treatment, alley repair, tree trimming, care, and removal or the operation of a street lighting system) upon notice before the work is undertaken, and for collection from the property owner or other person served of the charges when due before unpaid charges are made a special assessment.

Sec. 7. [EFFECTIVE DATE.]

*This act is effective the day following final enactment.*

Delete the title and insert:

"A bill for an act relating to local government; authorizing the levy of special assessments or service charges for fire protection systems; amending Minnesota Statutes 1982, sections 429.011, by adding a subdivision; 429.021, subdivision 1; 429.031, subdivision 3; 429.091, subdivisions 2 and 3; and 429.101, subdivision 1."

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

House Conferees: (Signed) Todd Otis, Linda Scheid, Jim Evans

Senate Conferees: (Signed) Lawrence J. Pogemiller, Gen Olson, Don B. Samuelson

Mr. Pogemiller moved that the foregoing recommendations and Confer-



ence Committee Report on H.F. No. 1516 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. 1516 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Kamrath	Nelson	Schmitz
Anderson	DeCramer	Knaak	Novak	Sieloff
Belanger	Dicklich	Kronebusch	Olson	Solon
Benson	Diessner	Laidig	Pehler	Storm
Berg	Dieterich	Langseth	Peterson, D.C.	Stumpf
Berglin	Frank	Lantry	Peterson, D.L.	Taylor
Bertram	Hughes	Luther	Petty	Ulland
Brataas	Isackson	McQuaid	Pogemiller	Wegscheid
Chmielewski	Johnson, D.E.	Mehrkens	Ramstad	Willet
Dahl	Jude	Moe, R. D.	Reichgott	

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. 2168: A bill for an act relating to transportation; highways; requiring certain loads of firewood to be securely covered or fastened; amending Minnesota Statutes 1982, section 169.81, subdivision 5.

Senate File No. 2168 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 17, 1984

Mr. Moe, R.D. moved that S.F. No. 2168 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. 1398: A bill for an act relating to arrests; providing for the arrest of a person charged with a misdemeanor on Sundays or between 10:00 p.m. and 8:00 a.m. on any other day if the person is found on a public highway or street, or in a public place; amending Minnesota Statutes 1983 Supplement, section 629.31.

Senate File No. 1398 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 17, 1984

Mr. Moe, R.D. moved that S.F. No. 1398 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. 29, 1401, 1949, 467, 1903, 1991, 2182, 229, 994, 1203, 1386 and 1561.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 17, 1984

### FIRST READING OF HOUSE BILLS

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

H.F. No. 29: A bill for an act relating to the legislature; reducing the number of members of the senate and house of representatives; amending Minnesota Statutes 1983 Supplement, sections 2.021 and 2.031, subdivision 1.

Referred to the Committee on Elections and Ethics.

H.F. No. 1401: A bill for an act relating to workers' compensation; providing coverage for ambulance drivers and attendants; amending Minnesota Statutes 1983 Supplement, section 176.011, subdivision 9.

Referred to the Committee on Employment.

H.F. No. 1949: A bill for an act relating to insurance; automobile; requiring a premium reduction for certain persons who complete an accident prevention course; proposing new law coded in Minnesota Statutes, chapter 65B.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1814, now on Special Orders.

H.F. No. 467: A bill for an act relating to retirement; making various changes in benefits, contributions, and financing in laws governing various public pension funds; guaranteeing public pensions; directing reimbursement or credit of certain public pension contributions; appropriating funds; amending Minnesota Statutes 1982, sections 3.85, by adding subdivisions; 3A.02, subdivisions 1b and 3; 3A.03, subdivision 1; 352.04, subdivisions 2 and 3; 352.113, subdivision 3; 352.115, subdivision 1; 352.116, subdivision 1; 352.12, subdivision 2; 352.92; 352.93, subdivisions 2 and 3; 352.95, subdivision 1a; 352C.031, subdivision 2; 353.27, subdivisions 2 and 3a; 353.30, subdivision 1c; 353.31, subdivision 1; 353.32, subdivision 1a; 353.33, subdivision 2; 353.651, subdivision 3; 354.42, subdivision 5; 354.44, subdivision 6; 354.46, subdivisions 1 and 2; 354.48, subdivisions 2 and 3a; 354.62, subdivision 5; 354A.23, by adding a subdivision; 354A.31, subdivision 6; 356.20, subdivision 4; 356.215, subdivision 4; 490.124, subdivision 3; Minnesota Statutes 1983 Supplement, sections 352.113, subdivision 2; 352.115,

subdivision 8; 352B.02, subdivision 1; and Laws 1983, chapters 301, section 225, subdivision 1, and by adding a subdivision; 314, article 12, section 1, subdivision 2; proposing new law coded in Minnesota Statutes, chapters 3A, and 356; and repealing Minnesota Statutes 1982, sections 352.022; 353.38; and 354.07, subdivision 8; and Laws 1983, chapter 301, section 225, subdivision 2.

Referred to the Committee on Governmental Operations.

H.F. No. 1903: A bill for an act relating to local government; permitting refunding of certain bonds; clarifying powers of municipalities with respect to sale of air rights; amending Minnesota Statutes 1982, sections 472A.03; and 472A.06.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2146, now on Special Orders.

H.F. No. 1991: A bill for an act relating to government operations; regulating public employee leave of absences; providing for task force member's compensation; providing for civil service exams for handicapped persons; authorizing the commissioner of employee relations to negotiate insurance premium rates; providing for appeals of disciplinary actions; providing for unclassified positions; amending Minnesota Statutes 1982, sections 15.014, subdivision 2; 15.0593; 15.62, subdivision 2; 43A.08, subdivision 1; 43A.33, subdivisions 1 and 3; Minnesota Statutes 1983 Supplement, sections 43A.08, subdivision 1a; 43A.10, subdivision 8; 43A.23, subdivision 1; 116L.03, subdivision 6; and 309.501, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2084, now on Special Orders.

H.F. No. 2182: A bill for an act relating to agriculture; changing certain duties of the commissioner; changing certain reporting requirements concerning agricultural land ownership; refining procedures and deadlines for investment reimbursement; authorizing the commissioner to use certain funds for short-term loans to help participants meet their family farm security loan obligations; exempting certain corporations and persons from the definition of warehouseman; exempting the family farm security program from certain loan commitment approval requirements; amending Minnesota Statutes 1982, sections 21.118; 29.27; 31.11; 31A.08; 41.56, subdivision 3; 231.01, subdivision 5; 500.221, subdivision 2a; 500.24, subdivision 4; and Minnesota Statutes 1983 Supplement, sections 16A.80, subdivision 2; 32.417; 38.02, subdivisions 1 and 3; and 500.221, subdivision 4.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1962, now on Special Orders.

H.F. No. 229: A bill for an act relating to health; allowing any interested person to seek enforcement of certain patient rights; requiring disclosure of certain medical data or medical information for purposes of a lawful investigation; amending Minnesota Statutes 1982, sections 13.42, subdivision 2; 144.335; 254A.09; and Minnesota Statutes 1983 Supplement, section 144.651, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 21, now on Special Orders.

H.F. No. 994: A bill for an act relating to mediation; providing for mediation of disputes; amending Minnesota Statutes 1982, section 595.02; proposing new law coded in Minnesota Statutes, chapter 572.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 966, now on Special Orders.

H.F. No. 1203: A bill for an act relating to landlords and tenants; requiring cities and towns to include notification of rights on certificates or licenses of occupancy; requiring the attorney general to publish a statement informing tenants of their rights and duties under state law; amending Minnesota Statutes 1982, section 504.22, subdivisions 1, 3, 5, and by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 471.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2000, now on Special Orders.

H.F. No. 1386: A bill for an act relating to children; authorizing intervention by the juvenile court to protect children from abuse committed by family or household members; prohibiting public inspection of certain court records relating to the identity of criminal sexual conduct victims; clarifying a term in the child abuse reporting law; amending Minnesota Statutes 1982, sections 260.015, by adding subdivisions; 260.111, by adding a subdivision; and 260.191, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 626.556, subdivision 2; proposing new law coded in Minnesota Statutes, chapters 260 and 609.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1462, now on Special Orders.

H.F. No. 1561: A bill for an act relating to health; health maintenance organizations; providing continued coverage upon replacement of an insurance carrier; including health maintenance organization contracts in certain statutorily mandated coverages; providing for the disclosure and reporting by the organization of detailed financial, administrative and ownership information; providing for reporting of changes in provider agreements; granting the commissioner authority to adopt rules regarding the content of provider and other agreements; requiring certain deposits against insolvency; authorizing organizations to enter into certain health services contracts; requiring certain consumer rights information in evidences of coverage and annual information statements; providing for reimbursement of, and direct payments to, enrollees; providing for examination by the commissioner of health; specifying the examination powers of the commissioner; classifying certain data used for review purposes; prescribing penalties; amending Minnesota Statutes 1982, sections 60A.082; 62A.041; 62A.042; 62A.044; 62A.14; 62A.147; 62D.02, subdivision 8, and by adding subdivisions; 62D.04; 62D.05, subdivision 3; 62D.07, subdivisions 1, 3, and by adding subdivisions; 62D.08, subdivisions 1, 3, and by adding subdivisions; 62D.09; 62D.10, subdivision 3, and by adding a subdivision; 62D.101, subdivisions 2 and 2a; 62D.12, subdivisions 1, 2, 4, 9, 10, and by adding subdivisions; 62D.14; 62D.15, subdivision 1; 62D.17, subdivisions 1 and 4; 62D.19; 62D.22, subdivision 5, and by adding a subdivision; amending Minnesota Statutes 1983 Supplement, sections 62A.17, subdivision 6; 62D.03, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 62D; repealing Minnesota Statutes 1982, sections 62D.10, subdivision 2; 62D.12,

subdivision 7; 62D.22, subdivision 9; and 62D.27.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1417, now on Special Orders.

### REPORTS OF COMMITTEES

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

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

H.F. No. 1920 for comparison with companion Senate File; reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1920	1916				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1920 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1920 and insert the language after the enacting clause of S.F. No. 1916, the second engrossment; further, delete the title of H.F. No. 1920 and insert the title of S.F. No. 1916, the second engrossment.

And when so amended H.F. No. 1920 will be identical to S.F. No. 1916, and further recommends that H.F. No. 1920 be given its second reading and substituted for S.F. No. 1916, 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. 820 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
820	991				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 820 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 820 and insert the language after the enacting clause of S.F. No. 991, the second engrossment; further, delete the title of H.F. No. 820 and insert the title of S.F. No. 991, the second engrossment.

And when so amended H.F. No. 820 will be identical to S.F. No. 991, and

further recommends that H.F. No. 820 be given its second reading and substituted for S.F. No. 991, 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. 1264 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1264	2098				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1264 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1264 and insert the language after the enacting clause of S.F. No. 2098, the second engrossment; further, delete the title of H.F. No. 1264 and insert the title of S.F. No. 2098, the second engrossment.

And when so amended H.F. No. 1264 will be identical to S.F. No. 2098, and further recommends that H.F. No. 1264 be given its second reading and substituted for S.F. No. 2098, 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. 1966 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1966	1865				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1966 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1966 and insert the language after the enacting clause of S.F. No. 1865, the second engrossment; further, delete the title of H.F. No. 1966 and insert the title of S.F. No. 1865, the second engrossment.

And when so amended H.F. No. 1966 will be identical to S.F. No. 1865, and further recommends that H.F. No. 1966 be given its second reading and substituted for S.F. No. 1865, 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. 1422 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>SPECIAL 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.
1422	1975				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1422 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1422 and insert the language after the enacting clause of S.F. No. 1975, the first engrossment; further, delete the title of H.F. No. 1422 and insert the title of S.F. No. 1975, the first engrossment.

And when so amended H.F. No. 1422 will be identical to S.F. No. 1975, and further recommends that H.F. No. 1422 be given its second reading and substituted for S.F. No. 1975, 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. 1771 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>SPECIAL 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.
1771	1637				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1771 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1771 and insert the language after the enacting clause of S.F. No. 1637, the first engrossment; further, delete the title of H.F. No. 1771 and insert the title of S.F. No. 1637, the first engrossment.

And when so amended H.F. No. 1771 will be identical to S.F. No. 1637, and further recommends that H.F. No. 1771 be given its second reading and substituted for S.F. No. 1637, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secre-

tary 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. 1753 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:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1753	1529				

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. 1775 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1775	1960				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1775 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1775 and insert the language after the enacting clause of S.F. No. 1960, the second engrossment; further, delete the title of H.F. No. 1775 and insert the title of S.F. No. 1960, the second engrossment.

And when so amended H.F. No. 1775 will be identical to S.F. No. 1960, and further recommends that H.F. No. 1775 be given its second reading and substituted for S.F. No. 1960, 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. 2051 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2051	1457				



Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2051 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2051 and insert the language after the enacting clause of S.F. No. 1457, the third engrossment; further, delete the title of H.F. No. 2051 and insert the title of S.F. No. 1457, the third engrossment.

And when so amended H.F. No. 2051 will be identical to S.F. No. 1457, and further recommends that H.F. No. 2051 be given its second reading and substituted for S.F. No. 1457, 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. 2188 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>SPECIAL 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.
2188	2067				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2188 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2188 and insert the language after the enacting clause of S.F. No. 2067, the first engrossment; further, delete the title of H.F. No. 2188 and insert the title of S.F. No. 2067, the first engrossment.

And when so amended H.F. No. 2188 will be identical to S.F. No. 2067, and further recommends that H.F. No. 2188 be given its second reading and substituted for S.F. No. 2067, 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. 1678 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>SPECIAL 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.
1678	1749				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1678 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1678 and insert the language after the enacting clause of S.F. No. 1749, the second engrossment; further, delete the title of H.F. No. 1678 and insert the title of S.F. No. 1749, the second engrossment.

And when so amended H.F. No. 1678 will be identical to S.F. No. 1749, and further recommends that H.F. No. 1678 be given its second reading and substituted for S.F. No. 1749, 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. 1402 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:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1402	1353				

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. 1427 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1427	1390				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1427 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1427 and insert the language after the enacting clause of S.F. No. 1390, the first engrossment; further, delete the title of H.F. No. 1427 and insert the title of S.F. No. 1390, the first engrossment.

And when so amended H.F. No. 1427 will be identical to S.F. No. 1390, and further recommends that H.F. No. 1427 be given its second reading and substituted for S.F. No. 1390, 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. 2006 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>SPECIAL 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.
2006	1449				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2006 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2006 and insert the language after the enacting clause of S.F. No. 1449, the first engrossment; further, delete the title of H.F. No. 2006 and insert the title of S.F. No. 1449, the first engrossment.

And when so amended H.F. No. 2006 will be identical to S.F. No. 1449, and further recommends that H.F. No. 2006 be given its second reading and substituted for S.F. No. 1449, and that the Senate File be indefinitely postponed.

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

## SECOND READING OF HOUSE BILLS

H.F. Nos. 1920, 820, 1264, 1966, 1422, 1771, 1753, 1775, 2051, 2188, 1678, 1402, 1427 and 2006 were read the second time.

## MOTIONS AND RESOLUTIONS

Mr. Frederick moved that the names of Mr. Benson and Mrs. Kronebusch be added as co-authors to S.F. No. 1469. The motion prevailed.

Mr. Benson moved that his name be stricken as a co-author to S.F. No. 1880. The motion prevailed.

Mr. Johnson, D.J. introduced—

Senate Resolution No. 106: A Senate resolution commemorating the 50th anniversary of the establishment of the white-tailed deer in Finland using Minnesota stock.

Referred to the Committee on Rules and Administration.

Mr. Belanger introduced—

Senate Resolution No. 107: A Senate resolution congratulating Tom

Kurvers for being awarded the Hobey Baker award.

Referred to the Committee on Rules and Administration.

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

Mr. Chmielewski introduced—

S.F. No. 2218: A bill for an act proposing an amendment to the Minnesota Constitution, article I, by adding a section; providing for equality of rights under the law for men and women.

Referred to the Committee on Veterans and General Legislation.

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. 1940: A bill for an act relating to alcoholic beverages; allowing licensed premises to remain open after the hour sales of alcoholic beverages must cease; amending Minnesota Statutes 1982, sections 340.034, by adding a subdivision; and 340.14, by adding a subdivision.

Mr. Sieloff moved to amend S. F. No. 1940 as follows:

Page 1, after line 8, insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 340.034, subdivision 1, is amended to read:

Subdivision 1. No sale of nonintoxicating malt liquor shall be made between the hours of one a.m. and eight a.m. on any weekday Monday through Saturday inclusive. Neither shall any sale of such liquor be made on any Sunday between the hours of one a.m. and twelve noon. *Within the hour before the sale of nonintoxicating malt liquor is prohibited under this subdivision, no employee of an establishment may announce “last call” or make any other similar statement.*”

Page 1, after line 26, insert:

“Sec. 3. Minnesota Statutes 1983 Supplement, section 340.14, subdivision 1, is amended to read:

Subdivision 1. [HOURS AND DAYS OF SALE.] No sale of intoxicating liquor shall be made after one a.m. on Sunday, nor until eight a.m. on Monday. No “on-sale” shall be made between the hours of one a.m. and eight o'clock a.m. on any weekday. No “on-sale” shall be made after eight o'clock p.m. on December 24. *Within one hour before the sale of intoxicating liquor is prohibited under this subdivision, no employee of an on-sale*

*establishment may announce "last call" or make any other similar statement.* No "off-sale" shall be made before eight o'clock a.m. or after ten o'clock p.m. of any day. However, in cities of the first class, and in all cities located within a radius of 15 miles of a city of the first class within the same county, "off-sale" may be made only until eight o'clock p.m. of any day except Friday and Saturday, on which days "off-sale" may be made until ten o'clock p.m. No "off-sale" shall be made on New Years Day, January 1; Independence Day, July 4; Thanksgiving Day; or Christmas Day, December 25; but on the evenings preceding such days, if the sale of liquor is not otherwise prohibited on such evenings, "off-sales" may be made until ten o'clock p.m., except that no "off-sale" shall be made on December 24 after eight o'clock p.m. It shall be beyond the power of any municipality of this state to authorize or permit the sale of intoxicating liquors when such sale is prohibited by this section, however, any municipality may further limit the hours of sale of intoxicating liquors, provided that such further restricted hours for "on-sale" shall apply to both intoxicating liquors and nonintoxicating malt liquors."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "prohibiting on-sale liquor establishments from announcing last call;"

Page 1, line 6, before the period, insert "Minnesota Statutes 1983 Supplement, sections 340.034, subdivision 1; 340.14, subdivision 1;"

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

S.F. No. 1940 was read the third time 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 18, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Jude	Olson	Schmitz
Belanger	Dicklich	Kamrath	Peterson, C.C.	Sieloff
Berg	Dieterich	Lantry	Peterson, D.C.	Spear
Bernhagen	Frank	Mehrkens	Petty	Storm
Bertram	Frederick	Moe, D. M.	Pogemiller	Vega
Brataas	Freeman	Moe, R. D.	Ramstad	Wegscheid
Davis	Johnson, D.J.	Novak	Reichgott	

Those who voted in the negative were:

Anderson	Hughes	Kronebusch	Renneke	Ulland
Benson	Isackson	Laidig	Solon	Waldorf
Chmielewski	Johnson, D.E.	Lessard	Stumpf	
Diessner	Knaak	McQuaid	Taylor	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1427: A bill for an act relating to retirement; altering the investment authority for police and firefighter's relief associations; making various changes in the benefits for various retirement funds and plans; making con-

forming changes in benefit calculations; amending Minnesota Statutes 1982, sections 69.775; 352.113, subdivision 3; 352D.02, by adding a subdivision; 353.34, by adding a subdivision; 354.62, subdivision 2; 422A.18, subdivision 3; and 424.24, subdivision 2; Minnesota Statutes 1983 Supplement, sections 69.77, subdivision 2; 352.113, subdivision 2; 352.115, subdivision 8; and 356.61; Laws 1947, chapter 43, section 23, as amended; Laws 1963, chapter 643, section 20; Laws 1973, chapters 359, section 5, subdivision 2; and 432, section 4; Laws 1977, chapter 275, section 1; and Laws 1981, chapter 68, section 43; proposing new law coded in Minnesota Statutes, chapter 423A; repealing Laws 1971, chapter 184; Laws 1973, chapter 283; Laws 1978, chapter 617; Laws 1981, chapter 224, sections 255 and 256; Laws 1982, chapter 578, article II, section 1, subdivision 7, and section 3.

### SUSPENSION OF RULES

Mr. Frank 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. 1427 and that the rules of the Senate be so far suspended as to give H.F. No. 1427, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

H.F. No. 1427 was read the third time 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 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Moe, R. D.	Sieloff
Anderson	DeCramer	Jude	Novak	Spear
Belanger	Dicklich	Kamrath	Olson	Storm
Benson	Diessner	Knaak	Peterson, C.C.	Stumpf
Berg	Dieterich	Kronebusch	Peterson, D.C.	Taylor
Berglin	Frank	Laidig	Petty	Uiland
Bernhagen	Frederick	Lantry	Ramstad	Waldorf
Bertram	Freeman	Lessard	Reichgott	
Brataas	Isackson	Mehrkens	Renneke	
Chmielewski	Johnson, D.E.	Moe, D. M.	Schmitz	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1946: A bill for an act relating to the governor; transferring the authority to make certain appointments to various commissioners; providing for filling a membership vacancy on a board reoccurring within three months after the vacancy has been filled; amending Minnesota Statutes 1982, sections 1.35; 15.0575, by adding a subdivision; 16.71, subdivision 1; 121.934, subdivision 1; 182.656, subdivision 1; and 326.33, subdivision 1; Minnesota Statutes 1983 Supplement, sections 16.911, subdivision 1; 116E.02, subdivision 1; and 299B.05, subdivision 1; repealing Minnesota Statutes 1982, section 116E.02, subdivision 2.

Mr. Pogemiller moved to amend H.F. No. 1946, as amended pursuant to Rule 49, adopted by the Senate April 16, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1982.)

Page 3, line 20, strike "six members" and delete the comma

Page 3, lines 21 and 22, after "three" insert "members"

The motion prevailed. So the amendment was adopted.

Ms. Olson moved to amend H.F. No. 1946, as amended pursuant to Rule 49, adopted by the Senate April 16, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1982.)

Page 4, delete section 6

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, delete "121.934, subdivision 1;"

The motion prevailed. So the amendment was adopted.

Ms. Olson then moved to amend H.F. No. 1946, as amended pursuant to Rule 49, adopted by the Senate April 16, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1982.)

Page 4, after line 19, insert:

"Sec. 6. Minnesota Statutes 1983 Supplement, section 121.16, subdivision 1, is amended to read:

Subdivision 1. The department shall be under the administrative control of the commissioner of education which office is established. The commissioner shall be the secretary of the state board. The commissioner shall be appointed by the *state board with the approval of the governor* under the provisions of section 15.06. *For purposes of section 15.06, the board shall be the appointing authority.*

The commissioner shall be a person who possesses educational attainment and breadth of experience in the administration of public education and of the finances pertaining thereto commensurate with the spirit and intent of this code. Notwithstanding any other law to the contrary, the commissioner may appoint two deputy commissioners who shall serve in the unclassified service. The commissioner shall also appoint other employees as may be necessary for the organization of the department. The commissioner shall perform such duties as the law and the rules of the state board may provide and be held responsible for the efficient administration and discipline of the department. The commissioner shall make recommendations to the board and be charged with the execution of powers and duties which the state board may prescribe, from time to time, to promote public education in the state, to safeguard the finances pertaining thereto, and to enable the state board to carry out its duties."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 11, before "and" insert "121.16, subdivision 1;"

### CALL OF THE SENATE

Mr. Pogemiller imposed a call of the Senate for the proceedings on the

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

The question was taken on the adoption of the amendment.

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

The roll was called, and there were yeas 28 and nays 35, as follows:

Those who voted in the affirmative were:

Anderson	Frank	Knaak	Mehrkens	Renneke
Belanger	Frederick	Knutson	Moe, R. D.	Storm
Benson	Frederickson	Kronebusch	Olson	Taylor
Berg	Isackson	Laidig	Peterson, D.L.	Ulland
Bernhagen	Jude	Lantry	Purfeerst	
Brataas	Kamrath	McQuaid	Ramstad	

Those who voted in the negative were:

Adkins	Dicklich	Luther	Peterson, D.C.	Solon
Berglin	Diessner	Merriam	Peterson, R.W.	Spear
Bertram	Dieterich	Moe, D. M.	Petty	Stumpf
Chmielewski	Johnson, D.J.	Nelson	Pogemiller	Vega
Dahl	Kroening	Novak	Reichgott	Waldorf
Davis	Langseth	Pehler	Samuelson	Wegscheid
DeCramer	Lessard	Peterson, C.C.	Schmitz	Willet

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

H.F. No. 1946 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 2, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kronebusch	Olson	Schmitz
Anderson	Dieterich	Langseth	Pehler	Solon
Belanger	Frank	Lantry	Peterson, C.C.	Spear
Benson	Frederick	Lessard	Peterson, D.C.	Storm
Berg	Frederickson	Luther	Peterson, D.L.	Stumpf
Berglin	Freeman	McQuaid	Petty	Taylor
Bertram	Hughes	Mehrkens	Pogemiller	Ulland
Brataas	Isackson	Merriam	Purfeerst	Vega
Chmielewski	Johnson, D.E.	Moe, D. M.	Ramstad	Willet
Dahl	Jude	Moe, R. D.	Reichgott	
DeCramer	Knaak	Nelson	Renneke	
Dicklich	Knutson	Novak	Samuelson	

Messrs. Kamrath and Laidig voted in the negative.

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

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Wegscheid moved that the following members be excused for a Conference Committee on S.F. No. 1750 at 11:15 a.m.:

Messrs. Wegscheid, Freeman and Sieloff. The motion prevailed.

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Novak moved that the following members be



excused for a Conference Committee on H.F. No. 2016:

Messrs. Johnson, D.J.; Peterson, C.C.; Ms. Berglin, Messrs. Novak and Bernhagen. The motion prevailed.

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Nelson moved that the following members be excused for a Conference Committee on H.F. No. 1393:

Messrs. Peterson, R.W.; Peterson, D.L.; Pehler; Merriam and Nelson. The motion prevailed.

### SPECIAL ORDER

H.F. No. 1216: A bill for an act relating to taxation; exempting petroleum products used in certain improvements to agricultural land for purposes of the sales tax; prohibiting certain retroactive imposition of tax, penalty, and interest; amending Minnesota Statutes 1982, section 297A.25, subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Kamrath	Moe, R. D.	Renneke
Anderson	Davis	Knaak	Novak	Samuelson
Belanger	DeCramer	Knutson	Olson	Schmitz
Benson	Dicklich	Kronebusch	Peterson, C.C.	Spear
Berg	Diessner	Laidig	Peterson, D.C.	Storm
Berglin	Frank	Lantry	Petty	Stumpf
Bernhagen	Hughes	Lessard	Pogemiller	Taylor
Bertram	Isackson	Luther	Purfeerst	Ulland
Brataas	Johnson, D.E.	McQuaid	Ramstad	Vega
Chmielewski	Jude	Mehrkens	Reichgott	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 1943: A bill for an act relating to the city of Oakdale; providing a temporary increase in the levy limit base.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 45 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Jude	Mehrkens	Renneke
Anderson	DeCramer	Kamrath	Moe, R. D.	Samuelson
Belanger	Dicklich	Knaak	Novak	Schmitz
Benson	Diessner	Knutson	Olson	Spear
Berg	Frank	Kronebusch	Peterson, D.C.	Storm
Bernhagen	Frederick	Laidig	Petty	Stumpf
Bertram	Hughes	Lantry	Pogemiller	Ulland
Brataas	Isackson	Lessard	Ramstad	Vega
Chmielewski	Johnson, D.E.	McQuaid	Reichgott	Waldorf

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

H.F. No. 1621: A bill for an act relating to veterans; allowing certain veterans organizations to use space in the Veterans Service Building; amending Minnesota Statutes 1982, section 197.58.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 43 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Chmielewski	Jude	Mehrkens	Schmitz
Anderson	Dahl	Kamrath	Moe, R. D.	Spear
Belanger	DeCramer	Knaak	Olson	Storm
Benson	Dicklich	Knutson	Peterson, D.C.	Stumpf
Berg	Frank	Kronebusch	Petty	Ulland
Berglin	Frederick	Laidig	Ramstad	Vega
Bernhagen	Hughes	Lantry	Reichgott	Waldorf
Bertram	Isackson	Lessard	Renneke	
Brataas	Johnson, D.E.	McQuaid	Samuelson	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

H.F. No. 1532: A bill for an act relating to agriculture; designating milk as the official state drink; proposing new law coded in Minnesota Statutes, chapter 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 39 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Olson	Samuelson
Benson	Frank	Kronebusch	Peterson, C.C.	Schmitz
Berg	Frederick	Laidig	Peterson, D.C.	Spear
Bernhagen	Hughes	Lantry	Petty	Storm
Bertram	Johnson, D.E.	Lessard	Pogemiller	Stumpf
Brataas	Jude	McQuaid	Ramstad	Ulland
Chmielewski	Kamrath	Mehrkens	Reichgott	Vega
DeCramer	Knaak	Moe, R. D.	Renneke	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

H.F. No. 1404: A bill for an act relating to drainage; providing for correction of certain errors in county or judicial ditch benefits; amending Minnesota Statutes 1982, section 106.465.

Was read the third time 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 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kamrath	Moe, R. D.	Spear
Anderson	Dicklich	Knaak	Olson	Storm
Belanger	Diessner	Kronebusch	Peterson, C.C.	Ulland
Berg	Frederick	Laidig	Petty	Vega
Bernhagen	Hughes	Lantry	Ramstad	Waldorf
Bertram	Isackson	Lessard	Reichgott	
Brataas	Johnson, D.E.	McQuaid	Renneke	
Chmielewski	Jude	Mehrkens	Schmitz	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1304: A bill for an act relating to crimes; providing a penalty for theft of a firearm; providing a penalty for possession of a stolen firearm; amending Minnesota Statutes 1982, section 609.53, subdivision 1; and Minnesota Statutes 1983 Supplement, section 609.52, subdivision 3.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 36 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Chmielewski	Jude	Olson	Stumpf
Anderson	DeCramer	Knaak	Peterson, C.C.	Ulland
Belanger	Dicklich	Kronebusch	Petty	Vega
Benson	Diessner	Laidig	Pogemiller	Waldorf
Berg	Dieterich	Lantry	Ramstad	
Bernhagen	Frederick	Lessard	Schmitz	
Bertram	Isackson	Mehrkens	Spear	
Brataas	Johnson, D.E.	Moe, R. D.	Storm	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 2072: A bill for an act relating to local government; providing for the conduct of the business of towns; providing for certain town debt; revising various other town laws; providing penalties; amending Minnesota Statutes 1982, sections 6.54, as amended; 6.55; 117.011; 160.02, subdivision 6; 160.05, subdivision 1; 160.17, subdivisions 1 and 2; 164.06; 164.11; 164.14, by adding a subdivision; 340.14, subdivision 5; 365.10; 365.15; 365.37; 365.53; 366.01, subdivisions 2, 3, 4, 7, and by adding subdivisions; 366.015; 366.07; 367.02; 367.05, subdivision 1; 367.10; 367.15; 367.19; 367.23; 367.24; 367.30, subdivision 2; 367.31, subdivision 6; 368.01, subdivisions 1, 1a, 21, 22, and 26; 368.121; 450.19; and 624.51; Minnesota Statutes 1983 Supplement, sections 365.52; 366.20; and 367.11; proposing new law coded in Minnesota Statutes, chapters 365; 366; and 368; repealing Minnesota Statutes 1982, sections 365.105; 365.106; 365.12; 366.06; 367.035; 367.05, subdivision 2; 368.01, subdivisions 17 and 28; 368.02; 368.03; 368.04; 368.05; 368.06; 368.07; 368.08; 368.09; 368.10; 368.11; and 368.86.

Mr. Schmitz moved to amend S.F. No. 2072 as follows:

Page 16, line 4, delete "street" and insert "road"

Page 23, line 26, delete "The" and insert "A" and after " may" insert "by resolution"

The motion prevailed. So the amendment was adopted.

S.F. No. 2072 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 40 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Chmielewski	Johnson, D.E.	McQuaid	Renneke
Anderson	Davis	Jude	Mehrkens	Schmitz
Belanger	DeCramer	Kamrath	Moe, D. M.	Spear
Benson	Dicklich	Knaak	Moe, R. D.	Storm
Berg	Diessner	Kronebusch	Novak	Stumpf
Bernhagen	Dieterich	Laidig	Olson	Ulland
Bertram	Frank	Lantry	Petty	Vega
Brataas	Isackson	Lessard	Ramstad	Waldorf

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

### SPECIAL ORDER

H.F. No. 432: A bill for an act relating to soil and water conservation; prohibiting in certain counties practices which cause accelerated erosion or sedimentation; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 40.

Mr. Davis moved to amend H. F. No. 432, the unofficial engrossment, as follows:

Page 8, after line 32, insert:

"Sec. 12. Laws 1979, chapter 315, section 2, as amended by Laws 1981, chapter 78, section 1, and Laws 1982, chapter 512, section 10, is amended to read:

Sec. 2. [JOINT LEGISLATIVE COMMITTEE.]

A joint legislative committee on agricultural land preservation and conservation shall be established by July 1, 1979, and shall expire by June 30, 1984 1994, unless extended by legislative action. The committee shall be composed of eight members of the house of representatives from the transportation, agriculture, environment and natural resources, local and urban affairs, and tax committees appointed by the speaker and the chairman of the committee on rules and legislative administration; and eight members of the senate from the transportation, agriculture and natural resources, local government, tax, and governmental operations committees appointed by the subcommittee on committees. The committee shall elect a chairman from among its members. The expenses of and per diem payments to committee members shall be paid from the legislative expense fund of their respective body upon approval of the chairman of the joint committee. Other expenses of the committee shall be evenly divided between the house of representatives and the senate."

Renumber the sections in sequence

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

### CALL OF THE SENATE

Mr. Renneke imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Mr. Bernhagen moved to amend H.F. No. 432, the unofficial engrossment, as follows:

Page 8, line 34, delete "6" and insert "5"

The motion prevailed. So the amendment was adopted.

Mr. Bernhagen then moved to amend H.F. No. 432, the unofficial engrossment, as follows:

Page 3, line 15, after the period, insert "*An ordinance adopted under this section shall not take effect for 60 days. If, within 60 days after adoption of an ordinance, a petition signed by voters equal to or greater than ten percent of the votes cast in the county, statutory or home rule charter city, or town in the last general election requesting a referendum on the proposed ordinance is filed with the clerk, the ordinance 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 ordinance are in the affirmative.*"

The question was taken on the adoption of the amendment.

Mr. Ulland moved that those not voting be excused from voting. The motion did not prevail.

The roll was called, and there were yeas 27 and nays 31, as follows:

Those who voted in the affirmative were:

Anderson	Diessner	Kamrath	Mehrkens	Storm
Belanger	Frederick	Knaak	Olson	Ulland
Benson	Frederickson	Knutson	Peterson, D.L.	Waldorf
Berg	Isackson	Kronebusch	Renneke	
Bernhagen	Johnson, D.E.	Laidig	Schmitz	
Brataas	Jude	McQuaid	Sieloff	

Those who voted in the negative were:

Adkins	Dieterich	Luther	Peterson, C.C.	Vega
Berglin	Frank	Merriam	Peterson, D.C.	Wegscheid
Bertram	Freeman	Moe, D. M.	Peterson, R. W.	Willet
Chmielewski	Hughes	Moe, R. D.	Petty	
Davis	Langseth	Nelson	Solon	
DeCramer	Lantry	Novak	Spear	
Dicklich	Lessard	Pehler	Stumpf	

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

H.F. No. 432 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 43 and nays 4, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Moe, R. D.	Sieloff
Belanger	DeCramer	Knutson	Novak	Spear
Benson	Diessner	Laidig	Olson	Stumpf
Berg	Dieterich	Langseth	Pehler	Ulland
Berglin	Freeman	Lantry	Peterson, D.C.	Vega
Bernhagen	Hughes	Luther	Petty	Waldorf
Bertram	Isackson	McQuaid	Pogemiller	Wegscheid
Brataas	Johnson, D.E.	Mehrkens	Ramstad	
Chmielewski	Jude	Merriam	Schmitz	

Messrs. Anderson, Kamrath, Mrs. Kronebusch and Mr. Renneke voted in the negative.

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

### SPECIAL ORDER

S.F. No. 1813: A bill for an act relating to motor fuels; setting standards for gasoline and gasoline-alcohol blends; providing testing authority for the weights and measures division of the department of public service; requiring alcohol content disclosure; providing for labeling; appropriating money; amending Minnesota Statutes 1982, sections 296.01, subdivision 3, and by adding a subdivision; 296.05, subdivisions 1, 4, 6, and by adding a subdivision; and 296.22, by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 41 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kronebusch	Peterson, D.C.	Storm
Anderson	Frank	Laidig	Petty	Stumpf
Benson	Frederick	Lantry	Pogemiller	Vega
Berg	Freeman	Lessard	Ramstad	Waldorf
Berglin	Isackson	McQuaid	Reichgott	Wegscheid
Bernhagen	Johnson, D.E.	Mehrkens	Renneke	
Bertram	Jude	Moe, D. M.	Schmitz	
Brataas	Kamrath	Novak	Sieloff	
DeCramer	Knaak	Olson	Spear	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1533: A bill for an act relating to health; authorizing the board of dentistry to adopt rules relating to special training and education of dentists; amending Minnesota Statutes 1982, section 150A.04, subdivision 5.

Mr. Wegscheid moved to amend H.F. No. 1533, as amended pursuant to Rule 49, adopted by the Senate April 11, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1557.)

Page 1, line 16, delete everything after "*sedation*" and insert a period

Page 1, delete lines 17 and 18

The motion prevailed. So the amendment was adopted.

H.F. No. 1533 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 40 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Kamrath	Moe, D. M.	Reichgott
Anderson	Dieterich	Knaak	Moe, R. D.	Renneke
Benson	Frank	Knutson	Novak	Schmitz
Berg	Frederick	Kronebusch	Olson	Spear
Berglin	Freeman	Lantry	Peterson, C.C.	Stumpf
Bernhagen	Isackson	Lessard	Peterson, D.C.	Vega
Bertram	Johnson, D.E.	McQuaid	Petty	Waldorf
Chmielewski	Jude	Mehrkens	Ramstad	Wegscheid

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

### SPECIAL ORDER

H.F. No. 1856: A bill for an act relating to charities; requiring disclosure from professional fund raisers; amending Minnesota Statutes 1982, section 309.556.

Was read the third time 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 1, as follows:

Those who voted in the affirmative were:

Anderson	Frank	Laidig	Pehler	Storm
Benson	Frederick	Lantry	Peterson, D.C.	Stumpf
Berg	Freeman	Lessard	Peterson, D.L.	Taylor
Berglin	Isackson	Luther	Petty	Ulland
Bernhagen	Johnson, D.E.	McQuaid	Ramstad	Vega
Bertram	Jude	Mehrkens	Reichgott	Waldorf
Brataas	Kamrath	Moe, D. M.	Renneke	Wegscheid
Davis	Knaak	Nelson	Schmitz	
DeCramer	Knutson	Novak	Sieloff	
Dieterich	Kronebusch	Olson	Spear	

Mr. Merriam voted in the negative.

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 2141: A bill for an act relating to commerce; modifying the definition of "franchise" for purposes of franchise regulation; amending Minnesota Statutes 1982, section 80C.01, subdivision 4.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Kronebusch	Nelson	Schmitz
Belanger	Frank	Laidig	Novak	Spear
Benson	Frederick	Lantry	Olson	Storm
Berg	Freeman	Lessard	Pehler	Stumpf
Berglin	Isackson	Luther	Peterson, D.C.	Taylor
Bernhagen	Johnson, D.E.	McQuaid	Peterson, D.L.	Ulland
Bertram	Jude	Mehrkens	Petty	Vega
Dahl	Kamrath	Merriam	Ramstad	Waldorf
DeCramer	Knaak	Moe, D. M.	Reichgott	Wegscheid
Diessner	Knutson	Moe, R. D.	Renneke	Willet

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1481: A bill for an act relating to financial institutions; credit unions; authorizing credit unions to offer various classes of shares, share certificates, deposits, or deposit certificates; authorizing the board of directors to establish different classes of shares and place certain restrictions on one class of shares; allowing credit unions to designate the par value of shares; specifying certain components of the capital of a credit union; adding investment losses to the category of contingencies against which credit unions are required to reserve; permitting the board to pay no dividend; permitting the exclusion of one share of a member from the requirement for insurance; amending Minnesota Statutes 1982, sections 52.12; 52.17, subdivision 1; 52.18; and 52.24, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 52.01; 52.04, subdivision 1; 52.05; and 52.09, subdivision 2.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Dieterich	Laidig	Olson	Solon
Anderson	Frank	Langseth	Pehler	Spear
Belanger	Frederick	Lantry	Peterson, C.C.	Storm
Benson	Freeman	Lessard	Peterson, D.L.	Stumpf
Berg	Isackson	Luther	Petty	Ulland
Berglin	Johnson, D.E.	McQuaid	Pogemiller	Vega
Bernhagen	Jude	Mehrkens	Ramstad	Waldorf
Bertram	Kamrath	Merriam	Reichgott	Wegscheid
Chmielewski	Knaak	Moe, D. M.	Renneke	Willet
DeCramer	Knutson	Moe, R. D.	Schmitz	
Diessner	Kronebusch	Novak	Sieloff	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 2081: A bill for an act relating to local government; changing the authority for licensing and inspecting vending machines; amending Minnesota Statutes 1982, sections 145.031, subdivision 1; 145.55, subdivision 1; 145.918, subdivision 2; 366.01, subdivision 2; and Minnesota Statutes 1983 Supplement, section 28A.09, subdivision 1; repealing Minnesota Statutes 1982, sections 144.075; 375.193; and 461.02.



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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Novak	Sieloff
Anderson	Diessner	Knutson	Olson	Spear
Belanger	Dieterich	Kronebusch	Pehler	Storm
Benson	Frank	Laidig	Peterson, D.L.	Stumpf
Berg	Frederick	Langseth	Petty	Ulland
Berglin	Frederickson	Lantry	Pogemiller	Vega
Bernhagen	Hughes	Lessard	Ramstad	Waldorf
Bertram	Isackson	McQuaid	Reichgott	Willett
Chmielewski	Johnson, D.E.	Mehrkens	Renneke	
Davis	Jude	Merriam	Samuelson	
DeCramer	Kamrath	Moe, R. D.	Schmitz	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1803: A bill for an act relating to Kandiyohi County; authorizing the county to satisfy certain liens according to certain procedures.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knaak	Moe, R. D.	Samuelson
Anderson	Dieterich	Knutson	Novak	Schmitz
Belanger	Frank	Kronebusch	Olson	Sieloff
Benson	Frederick	Laidig	Pehler	Spear
Berg	Frederickson	Langseth	Peterson, D.L.	Storm
Berglin	Hughes	Lantry	Petty	Stumpf
Bernhagen	Isackson	Lessard	Pogemiller	Vega
Bertram	Johnson, D.E.	McQuaid	Ramstad	Waldorf
Davis	Jude	Mehrkens	Reichgott	Willett
Dicklich	Kamrath	Merriam	Renneke	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1703: A bill for an act relating to local government; authorizing joint exercise of police powers; amending Minnesota Statutes 1982, section 471.59, by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knaak	Moe, D. M.	Renneke
Anderson	Dieterich	Knutson	Moe, R. D.	Samuelson
Belanger	Frank	Kronebusch	Novak	Schmitz
Benson	Frederick	Laidig	Olson	Sieloff
Berg	Frederickson	Langseth	Pehler	Spear
Berglin	Hughes	Lantry	Peterson, D.L.	Storm
Bernhagen	Isackson	Lessard	Petty	Stumpf
Bertram	Johnson, D.E.	Luther	Pogemiller	Vega
Davis	Jude	McQuaid	Ramstad	Willet
Dicklich	Kamrath	Merriam	Reichgott	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1886: A bill for an act relating to the dissemination and collection of data; welfare data; providing for the release of information in emergencies; classifying investigative data not on individuals; classifying certain licensing data; establishing procedures for the handling of medical data; amending Minnesota Statutes 1982, section 13.46, subdivisions 3, 4, 5, and 6; and Minnesota Statutes 1983 Supplement, section 13.46, subdivision 2.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Moe, R. D.	Sieloff
Anderson	Dieterich	Kronebusch	Novak	Spear
Belanger	Frank	Laidig	Olson	Storm
Benson	Frederick	Langseth	Pehler	Stumpf
Berg	Frederickson	Lantry	Peterson, D.L.	Ulland
Berglin	Hughes	Lessard	Petty	Vega
Bernhagen	Isackson	Luther	Ramstad	Waldorf
Bertram	Johnson, D.E.	McQuaid	Reichgott	Willet
Brataas	Jude	Mehrkens	Renneke	
Davis	Kamrath	Merriam	Samuelson	
Dicklich	Knaak	Moe, D. M.	Schmitz	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1875: A bill for an act relating to certain counties; providing for changes in the administration of county nursing homes and the issuance of general obligation bonds for such homes; authorizing the establishment of facilities for the provision of supportive services; amending Minnesota Statutes 1982, sections 376.55; 376.56; 376.57; 376.58; 376.59; and 376.60; repealing Minnesota Statutes 1982, sections 376.573; 376.61; 376.62; 376.63; 376.64; 376.65; and 376.66.

Mr. Stumpf moved to amend H.F. No. 1875, as amended pursuant to Rule 49, adopted by the Senate April 16, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2078.)

Page 8, line 1, delete "shall" and insert "may"

Page 10, after line 17, insert:

“Sec. 7. Minnesota Statutes 1982, section 471.696, is amended to read:

471.696 [FISCAL YEAR; DESIGNATION.]

Beginning in 1979 the fiscal year of a city and all of its funds shall be the calendar year. The state auditor may upon request of a city and a showing of inability to conform, extend the deadline for compliance with this section for one year, *except that a city may, by resolution, provide that the fiscal year for city owned nursing homes be the reporting year designated by the commissioner of public welfare.*”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete “certain counties” and insert “local government”

Page 1, line 6, after the semicolon, insert “allowing for a change in the reporting year for municipal nursing homes;”

Page 1, line 8, delete “and”

Page 1, line 8, after “376.60” insert “and 471.696;”

The motion prevailed. So the amendment was adopted.

H.F. No. 1875 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Jude	McQuaid	Schmitz
Anderson	Dicklich	Kamrath	Mehrkens	Sieloff
Belanger	Diessner	Knaak	Merriam	Solon
Benson	Dieterich	Knutson	Moe, D. M.	Spear
Berg	Frank	Kronebusch	Novak	Storm
Berglin	Frederickson	Laidig	Pehler	Stumpf
Bernhagen	Freeman	Langseth	Peterson, D. L.	Ulland
Bertram	Hughes	Lantry	Ramstad	Vega
Brataas	Isackson	Lessard	Renneke	Willet
Chmielewski	Johnson, D. E.	Luther	Samuelson	

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

### SPECIAL ORDER

H.F. No. 1107: A bill for an act relating to the Minnesota veterans home; clarifying the treatment of assets for purposes of calculating maintenance charges; amending Minnesota Statutes 1982, section 198.03.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Novak	Spear
Anderson	Diessner	Knutson	Olson	Storm
Belanger	Dieterich	Kronebusch	Pehler	Stumpf
Berg	Frank	Laidig	Peterson, D.L.	Taylor
Berglin	Frederickson	Langseth	Petty	Ulland
Bernhagen	Freeman	Lantry	Ramstad	Vega
Bertram	Hughes	Lessard	Reichgott	Waldorf
Brataas	Isackson	Luther	Renneke	Willet
Chmielewski	Johnson, D.E.	McQuaid	Samuelson	
Davis	Jude	Merriam	Schmitz	
DeCramer	Kamrath	Moe, D. M.	Sieloff	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 1776: A bill for an act relating to real property; providing that the mortgage and contract for deed moratorium shall not be repealed until May 1, 1985; allowing catastrophic medical expenses to be considered by a court when determining delay of foreclosure sale; providing that the equity in the property may be considered by a court; amending Minnesota Statutes 1983 Supplement, sections 47.20, subdivision 15; 559.21, subdivision 6; 580.031; 583.03; 583.05; and 583.08; Laws 1983, chapter 215, section 16.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Novak	Storm
Anderson	Diessner	Knutson	Olson	Stumpf
Belanger	Dieterich	Kronebusch	Pehler	Taylor
Berg	Frank	Langseth	Peterson, D.L.	Ulland
Berglin	Frederickson	Lantry	Petty	Vega
Bernhagen	Freeman	Lessard	Pogemiller	Waldorf
Bertram	Hughes	Luther	Ramstad	Willet
Brataas	Isackson	McQuaid	Reichgott	
Chmielewski	Johnson, D.E.	Merriam	Samuelson	
Davis	Johnson, D.J.	Moe, R. D.	Schmitz	
DeCramer	Jude	Nelson	Spear	

Mr. Kamrath voted in the negative.

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1382: A bill for an act relating to crimes; clarifying the definition of "inmate" and "term of imprisonment"; providing for the manner of modifying sentencing guidelines and resentencing affected inmates; amending Minnesota Statutes 1982, section 244.01, subdivisions 2 and 8; 244.09, subdivision 5, and by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 244.09, subdivision 11.

Mr. Laidig moved to amend H.F. No. 1382, as amended pursuant to Rule 49, adopted by the Senate March 29, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1354.)

Strike the two Laidig amendments adopted by the Senate April 9, 1984, and further amend H.F. No. 1382 as follows:

Page 3, line 5, strike “; RETROACTIVE EFFECT”

Page 3, line 7, delete the new language

Page 3, line 8, delete everything before “the” and insert “ *Any modification which amends*”

Page 3, line 10, delete everything after the comma and insert “ *or which would result in the reduction of any sentence or in the early release of any inmate, with the exception of a modification mandated or authorized by the legislature or relating to a crime*”

Page 3, line 11, delete “that were”

Page 3, line 12, delete “legislative”

Page 3, line 13, delete “when” and insert “in which” and delete “desires to make a” and insert “wishes to make the”

Page 3, line 15, after the period, insert “*All other modifications shall take effect according to the procedural rules of the commission.*”

Page 3, line 16, delete “September” and insert “November”

Page 3, line 19, delete everything after the first “modifications”

Page 3, line 20, delete “guidelines” and before the period, insert “*and all proposed modifications that will be submitted to the legislature on January 1*”

Page 3, line 20, strike “Any”

Page 3, lines 21 to 25, strike the old language and delete the new language

Page 3, delete lines 26 to 36 and insert:

“Sec. 5. Minnesota Statutes 1982, section 244.09, is amended by adding a subdivision to read:

*Subd. 11a. [RETROACTIVITY.] Any person who is serving a sentence for which there is a modification in the numbers in the cells of the guidelines grid may institute a proceeding applying for retroactive application of the modification and the court may grant a petition for retroactivity subject to the same procedures, standards and conditions as set forth for post conviction remedies in section 590.01, subdivision 3. The right to petition for relief pursuant to this subdivision does not apply to modifications in the sentencing guidelines other than modification of the numbers in the cells of the guidelines grid. The right to petition for relief pursuant to this subdivision does not apply to offenders on supervised release or to offenders who have had their supervised release revoked and who have been reimprisoned.”*

Page 4, line 5, delete “subdivision 5” and insert “section 3”

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 7, delete “a subdivision” and insert “subdivisions”

The motion prevailed. So the amendment was adopted.

H.F. No. 1382 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 44 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Chmielewski	Kamrath	Novak	Spear
Anderson	Davis	Knaak	Olson	Storm
Belanger	DeCramer	Kronebusch	Pehler	Stumpf
Benson	Diessner	Laidig	Peterson, D.L.	Taylor
Berg	Frank	Lantry	Pogemiller	Ulland
Berglin	Hughes	Lessard	Ramstad	Vega
Bernhagen	Isackson	Luther	Reichgott	Waldorf
Bertram	Johnson, D.E.	McQuaid	Samuelson	Willet
Brataas	Jude	Merriam	Sieloff	

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

### SPECIAL ORDER

H.F. No. 1507: A bill for an act relating to taxation; deed tax; exempting certain partitions; amending Minnesota Statutes 1982, section 287.22.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 44 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Chmielewski	Knaak	Moe, R. D.	Sieloff
Anderson	DeCramer	Knutson	Novak	Spear
Belanger	Diessner	Kronebusch	Olson	Storm
Benson	Frank	Lantry	Pehler	Stumpf
Berg	Hughes	Lessard	Peterson, D.L.	Ulland
Berglin	Isackson	Luther	Petty	Vega
Bernhagen	Johnson, D.E.	McQuaid	Pogemiller	Waldorf
Bertram	Jude	Mehrkens	Ramstad	Willet
Brataas	Kamrath	Merriam	Reichgott	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1950: A bill for an act relating to discrimination; authorizing a woman to use a current or former surname for purposes of credit or business; prohibiting discrimination on the basis of use of a current or former surname; amending Minnesota Statutes 1982, section 363.03, subdivision 8, and by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 325G.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Novak	Spear
Anderson	Dicklich	Knutson	Olson	Storm
Belanger	Diessner	Kroening	Pehler	Stumpf
Benson	Frank	Kronebusch	Peterson, D.L.	Taylor
Berg	Frederickson	Lantry	Petty	Ulland
Berglin	Freeman	Lessard	Pogemiller	Vega
Bernhagen	Hughes	Luther	Ramstad	Waldorf
Bertram	Isackson	McQuaid	Reichgott	Wegscheid
Brataas	Johnson, D.E.	Mehrkens	Samuelson	Willet
Chmielewski	Jude	Merriam	Schmitz	
Davis	Kamrath	Moe, R. D.	Sieloff	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 2180: A resolution memorializing the President and Secretary of Transportation of the United States, the National Transportation Safety Board, and the Minnesota Congressional delegation to implement a program for the reflectorization of railroad rolling stock.

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 54 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Moe, R. D.	Sieloff
Anderson	Dicklich	Knutson	Novak	Spear
Belanger	Diessner	Kroening	Olson	Storm
Benson	Frank	Kronebusch	Pehler	Stumpf
Berg	Frederickson	Laidig	Peterson, D.L.	Taylor
Berglin	Freeman	Lantry	Petty	Ulland
Bernhagen	Hughes	Lessard	Pogemiller	Vega
Bertram	Isackson	Luther	Ramstad	Waldorf
Brataas	Johnson, D.E.	McQuaid	Reichgott	Wegscheid
Chmielewski	Jude	Mehrkens	Samuelson	Willet
Davis	Kamrath	Merriam	Schmitz	

So the resolution passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 2108: A bill for an act relating to civil commitment; establishing procedures for passes for persons committed as mentally ill and dangerous; permitting respondents to be absent from hearings under certain conditions; clarifying the conditions under which a guardian may place a minor ward in certain treatment facilities; providing for status review of persons residing in state facilities pursuant to an order of guardianship; amending Minnesota Statutes 1982, sections 253B.02, by adding subdivisions; 253B.08, subdivision 5; and 253B.18, by adding subdivisions; Minnesota Statutes 1983 Supplement, sections 253B.07, subdivision 7; and 525.619; and Laws 1982, chapter 581, section 26, as amended.

Mr. Spear moved to amend S.F. No. 2108 as follows:

Page 4, line 6, after the period, insert "*Nothing in this subdivision shall be construed to give a patient an affirmative right to a pass plan.*"

Page 4, line 16, after "*found*" insert "*incompetent to proceed to trial for a*

*felony or was found*'

Page 5, delete line 3 and insert "*medical director's withdrawal of a proposed pass-eligible status after objection by a party notified under this subdivision but prior to action by the special review board*"

Page 5, line 4, delete "*pass-eligible status*"

Page 5, after line 6, insert:

*"Nothing in this subdivision shall be construed to give a patient an affirmative right to seek pass-eligible status from the special review board."*

Page 6, after line 23, insert:

"Sec. 9. Minnesota Statutes 1982, section 526.10, is amended to read:

526.10 [LAWS RELATING TO MENTALLY ILL PERSONS DANGEROUS TO THE PUBLIC TO APPLY TO PSYCHOPATHIC PERSONALITIES.]

Except as otherwise provided herein *or in chapter 253B*, the provisions of chapter 253B, pertaining to persons mentally ill and dangerous to the public shall apply with like force and effect to persons having a psychopathic personality, to persons alleged to have such personality, and to persons found to have such personality, respectively. Before such proceedings are instituted, the facts shall first be submitted to the county attorney, who, if he is satisfied that good cause exists therefor, shall prepare the petition to be executed by a person having knowledge of the facts and file the same with the judge of the probate court of the county in which the "patient," as defined in such statutes, has his settlement or is present. The judge of probate shall thereupon follow the same procedures set forth in chapter 253B, for judicial commitment. The judge may at his discretion exclude the general public from attendance at such hearing. If, upon completion of the hearing and consideration of the record, the court finds the proposed patient has a psychopathic personality, the court shall commit such person to a public hospital or a private hospital consenting to receive him, subject to a mandatory review by the head of the hospital within 60 days from the date of the order as provided for in chapter 253B for persons found to be mentally ill and dangerous to the public. The patient shall thereupon be entitled to all of the rights provided for in chapter 253B, for persons found to be mentally ill and dangerous to the public, and all of the procedures provided for in chapter 253B, for persons found to be mentally ill and dangerous to the public shall apply to such patient."

Page 7, line 32, delete "9" and insert "10"

ReNUMBER the sections in sequence

Amend the title as follows:

Page 1, line 11, delete "and"

Page 1, line 12, after the semicolon, insert "and 526.10;"

The motion prevailed. So the amendment was adopted.

Mr. Sieloff moved to amend S.F. No. 2108 as follows:

Page 3, line 34, after "*counsel*" insert "*, and any other person with a bona*



*fide interest who requests notice in writing”*

The question was taken on the adoption of the amendment.

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

Those who voted in the affirmative were:

Anderson	Brataas	Johnson, D.E.	Olson	Ulland
Belanger	Chmielewski	Jude	Peterson, D.L.	Waldorf
Benson	Diessner	Knutson	Ramstad	
Berg	Frederickson	Kronebusch	Sieloff	
Bernhagen	Isackson	Lantry	Storm	

Those who voted in the negative were:

Berglin	Frank	Luther	Pogemiller	Vega
Bertram	Freeman	Merriam	Reichgott	Willet
Davis	Hughes	Moe, R. D.	Schmitz	
DeCramer	Kroening	Novak	Spear	
Dicklich	Langseth	Petty	Stumpf	

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

S.F. No. 2108 was then progressed.

### SPECIAL ORDER

S.F. No. 2133: A bill for an act relating to Hubbard County; authorizing county appropriations to the county agricultural society and an annual levy for that purpose; requiring a reverse referendum under certain circumstances.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 42 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dicklich	Kronebusch	Olson	Storm
Belanger	Frank	Langseth	Peterson, D.L.	Stumpf
Benson	Freeman	Lantry	Petty	Ulland
Berg	Hughes	Lessard	Pogemiller	Vega
Berglin	Isackson	Luther	Ramstad	Waldorf
Bernhagen	Jude	Merriam	Reichgott	Willet
Bertram	Knaak	Moe, R. D.	Schmitz	
Davis	Knutson	Nelson	Sieloff	
DeCramer	Kroening	Novak	Spear	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 2010: A bill for an act relating to Hubbard County; authorizing a special levy for park and recreation purposes; requiring a reverse referendum under certain circumstances.

Was read the third time 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 0, as follows:

Those who voted in the affirmative were:

Anderson	Frank	Kronebusch	Novak	Spear
Belanger	Frederickson	Langseth	Olson	Storm
Benson	Freeman	Lantry	Pehler	Stumpf
Berglin	Hughes	Lessard	Peterson, D.L.	Ulland
Bernhagen	Isackson	Luther	Petty	Vega
Bertram	Jude	McQuaid	Pogemiller	Waldorf
Davis	Kamrath	Mehrrens	Ramstad	Willet
DeCramer	Knaak	Merriam	Reichgott	
Dicklich	Knutson	Moe, R. D.	Schmitz	
Dieterich	Kroening	Nelson	Sieloff	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 2138: A bill for an act relating to sentencing; permitting courts to utilize a variety of noninstitutional sanctions as a condition of a stayed sentence; providing a preference for noninstitutional sanctions in certain cases; amending Minnesota Statutes 1982, sections 609.135, by adding a subdivision; 609.14, subdivisions 1 and 3; and Minnesota Statutes 1983 Supplement, section 609.135, subdivision 1.

Mr. Petty moved to amend S. F. No. 2138 as follows:

Page 2, line 10, before "*sentence*" insert "*a*" and after "*sentence*" insert "*that does not include a term of incarceration as a condition of the stay*"

The motion prevailed. So the amendment was adopted.

S.F. No. 2138 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 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Novak	Spear
Anderson	Dieterich	Kronebusch	Olson	Storm
Belanger	Frank	Langseth	Pehler	Stumpf
Benson	Frederickson	Lantry	Peterson, D.L.	Taylor
Berg	Freeman	Lessard	Petty	Ulland
Berglin	Hughes	Luther	Pogemiller	Vega
Bertram	Isackson	Mehrrens	Purfeerst	Willet
Davis	Jude	Merriam	Ramstad	
DeCramer	Kamrath	Moe, R. D.	Schmitz	
Dicklich	Knutson	Nelson	Sieloff	

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

### SPECIAL ORDER

H.F. No. 756: A bill for an act relating to notarial acts; providing that matters to be verified by oath or affirmation can be certified under penalty of perjury; authorizing appointment of out-of-state notaries; requiring designation of the clerk of district court of the county in which appointment is sought as agent for out-of-state notaries; changing the term of office for notaries public; increasing the bond amount; providing for transfer of notary public commissions; prescribing penalties; amending Minnesota Statutes 1982,

sections 359.01; 359.02; and 609.48, subdivision 1, and by adding a subdivision; proposing new law coded in Minnesota Statutes, chapters 358 and 359.

Mr. Jude moved to amend H.F. No. 756, as amended pursuant to Rule 49, adopted by the Senate April 17, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2173.)

Page 1, after line 23, insert:

*"A verification upon oath or affirmation includes a signature under oath required by rule 33 of the rules of civil procedure of the district court."*

Page 2, line 10, delete "to 3" and insert "and 2"

Page 2, line 15, delete everything after the period

Page 2, delete lines 16 and 17

The motion prevailed. So the amendment was adopted.

H.F. No. 756 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 49 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Olson	Solon
Anderson	Dieterich	Kronebusch	Pehler	Spear
Belanger	Frank	Langseth	Peterson, D.L.	Storm
Berg	Frederick	Lantry	Petty	Stumpf
Berglin	Frederickson	Lessard	Pogemiller	Taylor
Bernhagen	Freeman	Luther	Purfeerst	Ulland
Bertram	Isackson	McQuaid	Ramstad	Vega
Brataas	Jude	Mehrkens	Reichgott	Waldorf
Davis	Kamrath	Moe, R. D.	Schmitz	Willet
Dicklich	Knutson	Nelson	Sieloff	

Mr. Knaak voted in the negative.

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

### SPECIAL ORDER

S.F. No. 1736: A bill for an act relating to education; creating the Minnesota educational computing corporation as a public corporation; transferring assets of the Minnesota educational computing consortium to the corporation; amending Minnesota Statutes 1983 Supplement, section 3.732, subdivision 1; 10A.01, subdivision 18; 15A.081, subdivision 1; 135A.07, subdivision 2; 352D.02, subdivision 1; and proposing new law coded as Minnesota Statutes, chapter 119; repealing Minnesota Statutes 1982, section 120.83; Minnesota Statutes 1983 Supplement, sections 120.801; 120.802; 120.803; 120.804; 120.805; 120.806; and 120.81.

Mr. Pehler moved to amend S.F. No. 1736 as follows:

Page 11, after line 19, insert:

"Sec. 15. [USE OF NAME.]

*The secretary of state shall record M.E.C.C., MECC, Minnesota Educational Computing Consortium, Minnesota Educational Computing Corporation, and Software Minnesota as reserved for the exclusive use by the corporation."*

Renumber the sections in sequence and correct the internal references

The motion prevailed. So the amendment was adopted.

S.F. No. 1736 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Laidig	Olson	Solon
Anderson	Frederick	Langseth	Pehler	Spear
Belanger	Frederickson	Lantry	Peterson,D.L.	Storm
Berg	Hughes	Lessard	Peterson,R.W.	Stumpf
Berglin	Isackson	Luther	Petty	Taylor
Bernhagen	Jude	McQuaid	Pogemiller	Ulland
Bertram	Kamrath	Mehrkens	Purfeerst	Vega
Davis	Knaak	Moe, D. M.	Ramstad	Waldorf
Dicklich	Knutson	Moe, R. D.	Reichgott	Wegscheid
Diessner	Kroening	Nelson	Schmitz	Willet
Dieterich	Kronebusch	Novak	Sieloff	

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

### SPECIAL ORDER

H.F. No. 1853: A bill for an act relating to public welfare; providing for rulemaking authority for the Community Social Services Act; amending Minnesota Statutes 1982, section 256E.05, subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 44 and nays 11, as follows:

Those who voted in the affirmative were:

Adkins	Frederick	Luther	Peterson,R.W.	Spear
Berglin	Frederickson	McQuaid	Petty	Stumpf
Bertram	Hughes	Merriam	Pogemiller	Taylor
Chmielewski	Jude	Moe, D. M.	Purfeerst	Ulland
Davis	Kroening	Moe, R. D.	Ramstad	Vega
Dicklich	Laidig	Nelson	Reichgott	Waldorf
Diessner	Langseth	Novak	Schmitz	Wegscheid
Dieterich	Lantry	Olson	Sieloff	Willet
Frank	Lessard	Peterson,C.C.	Solon	

Those who voted in the negative were:

Anderson	Isackson	Knaak	Kronebusch	Peterson.D.L.
Belanger	Kamrath	Knutson	Mehrkens	Storm
Bernhagen				

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 1441: A bill for an act relating to the operation of the department

of economic security; funding sheltered workshop and work activity programs based on evaluated effectiveness; defining sheltered employee; requiring rulemaking and a report to the legislature; appropriating money; amending Minnesota Statutes 1982, sections 129A.01 and 129A.08.

Was read the third time 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:

Adkins	Diessner	Kronebusch	Olson	Spear
Anderson	Dieterich	Laidig	Peterson, D.L.	Storm
Belanger	Frank	Lantry	Peterson, R.W.	Stumpf
Berg	Frederick	Lessard	Petty	Taylor
Berglin	Frederickson	Luther	Pogemiller	Ulland
Bernhagen	Freeman	McQuaid	Purfeerst	Vega
Bertram	Hughes	Mehrkens	Ramstad	Waldorf
Brataas	Isackson	Merriam	Reichgott	Wegscheid
Chmielewski	Jude	Moe, D. M.	Renneke	Willet
Davis	Kamrath	Moe, R. D.	Schmitz	
DeCramer	Knaak	Nelson	Sieloff	
Dicklich	Kroening	Novak	Solon	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1264: A bill for an act relating to commerce; regulating pipefitters and pipefitting; appropriating money; amending Minnesota Statutes 1982, sections 326.46; 326.47; 326.48; and 326.50; proposing new law coded in Minnesota Statutes, chapters 175 and 326; repealing Minnesota Statutes 1982, section 326.49.

### SUSPENSION OF RULES

Mr. Pogemiller 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. 1264 and that the rules of the Senate be so far suspended as to give H.F. No. 1264, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

Mr. Pogemiller moved that the amendment made to H.F. No. 1264 by the Committee on Rules and Administration in the report adopted April 18, 1984, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 1264 was read the third time 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 10, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Lantry	Peterson, R. W.	Taylor
Belanger	Frank	Lessard	Petty	Ulland
Berglin	Frederickson	Luther	Pogemiller	Vega
Bertram	Freeman	McQuaid	Purfeerst	Waldorf
Brataas	Hughes	Merriam	Reichgott	Wegscheid
Chmielewski	Johnson, D. E.	Moe, D. M.	Schmitz	Willet
Davis	Jude	Moe, R. D.	Sieloff	
DeCramer	Knaak	Novak	Spear	
Dicklich	Knutson	Olson	Storm	
Diessner	Laidig	Peterson, D. L.	Stumpf	

Those who voted in the negative were:

Anderson	Bernhagen	Isackson	Kronebusch	Ramstad
Berg	Frederick	Kamrath	Mehrrens	Renneke

So the bill passed and its title was agreed to.

The question recurred on S.F. No. 2108.

### SPECIAL ORDER

S.F. No. 2108: A bill for an act relating to civil commitment; establishing procedures for passes for persons committed as mentally ill and dangerous; permitting respondents to be absent from hearings under certain conditions; clarifying the conditions under which a guardian may place a minor ward in certain treatment facilities; providing for status review of persons residing in state facilities pursuant to an order of guardianship; amending Minnesota Statutes 1982, sections 253B.02, by adding subdivisions; 253B.08, subdivision 5; and 253B.18, by adding subdivisions; Minnesota Statutes 1983 Supplement, sections 253B.07, subdivision 7; and 525.619; and Laws 1982, chapter 581, section 26, as amended.

Mr. Diessner moved to amend S.F. No. 2108 as follows:

Page 4, line 30, after the period insert "*The notice to the county attorney shall include the names of any persons the medical director has reason to believe may be potential victims of the patient.*"

The motion prevailed. So the amendment was adopted.

### CALL OF THE SENATE

Mr. Sieloff imposed a call of the Senate for the balance of the proceedings on S.F. No. 2108. The Sergeant at Arms was instructed to bring in the absent members.

Mr. Sieloff moved to amend S.F. No. 2108 as follows:

Page 3, line 34, delete "*and*"

Page 3, line 34, after "*counsel*" insert "*and any victim, relative, neighbor, friend, or acquaintance, or any of their family members who request notice in writing*"

The question was taken on the adoption of the amendment.

Mr. Ulland moved that those not voting be excused from voting. The motion did not prevail.

The roll was called, and there were yeas 35 and nays 30, as follows:

Those who voted in the affirmative were:

Anderson	Diessner	Kamrath	Lessard	Schmitz
Belanger	Dieterich	Knaak	McQuaid	Sieloff
Benson	Frederick	Knutson	Mehrkens	Storm
Berg	Frederickson	Kroening	Olson	Taylor
Bernhagen	Isackson	Kronebusch	Peterson, D.L.	Ulland
Brataas	Johnson, D.E.	Laidig	Ramstad	Waldorf
Chmielewski	Jude	Lantry	Renneke	Wegscheid

Those who voted in the negative were:

Adkins	Dicklich	Luther	Peterson, C.C.	Reichgott
Berglin	Frank	Merriam	Peterson, D.C.	Solon
Bertram	Freeman	Moe, D. M.	Peterson, R.W.	Spear
Dahl	Hughes	Moe, R. D.	Petty	Stumpf
Davis	Johnson, D.J.	Nelson	Pogemiller	Vega
DeCramer	Langseth	Novak	Purfeerst	Willet

The motion prevailed. So the amendment was adopted.

S.F. No. 2108 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Moe, D. M.	Reichgott
Anderson	Dieterich	Kroening	Nelson	Renneke
Belanger	Frank	Kronebusch	Novak	Schmitz
Benson	Frederickson	Laidig	Olson	Sieloff
Berg	Freeman	Langseth	Pehler	Solon
Berglin	Hughes	Lantry	Peterson, D.L.	Spear
Bernhagen	Isackson	Lessard	Peterson, R.W.	Storm
Bertram	Johnson, D.E.	Luther	Petty	Ulland
Chmielewski	Jude	McQuaid	Pogemiller	Vega
Davis	Kamrath	Mehrkens	Purfeerst	Wegscheid
DeCramer	Knaak	Merriam	Ramstad	Willet

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

### SPECIAL ORDER

S.F. No. 1614: A bill for an act relating to mental health; authorizing establishment of a demonstration project for treatment of compulsive gamblers; appropriating money; proposing new law coded in Minnesota Statutes, chapter 240.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 43 and nays 11, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Laidig	Peterson, R.W.	Spear
Berg	Frank	Lantry	Petty	Storm
Berglin	Frederick	Luther	Pogemiller	Stumpf
Bernhagen	Frederickson	McQuaid	Purfeerst	Taylor
Bertram	Hughes	Merriam	Ramstad	Vega
Chmielewski	Johnson, D.E.	Nelson	Reichgott	Wegscheid
DeCramer	Jude	Novak	Renneke	Willet
Dicklich	Knaak	Olson	Sieloff	
Diessner	Kroening	Pehler	Solon	

Those who voted in the negative were:

Anderson	Isackson	Knutson	Mehrkens	Schmitz
Belanger	Kamrath	Kronebusch	Peterson, D.L.	Ulland
Benson				

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 2178: A resolution memorializing the United States Environmental Protection Agency to adopt rules for a ban on leaded gasoline, and memorializing the Congress of the United States to enact legislation either prohibiting leaded gasoline or allowing the states to prohibit it.

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 35 and nays 17, as follows:

Those who voted in the affirmative were:

Adkins	Frederickson	Lessard	Petty	Spear
Belanger	Hughes	Luther	Pogemiller	Stumpf
Dahl	Jude	McQuaid	Ramstad	Ulland
Davis	Knaak	Merriam	Reichgott	Vega
Diessner	Kroening	Moe, R. D.	Schmitz	Waldorf
Dieterich	Laidig	Olson	Sieloff	Wegscheid
Frank	Lantry	Peterson, R.W.	Solon	Willet

Those who voted in the negative were:

Anderson	Chmielewski	Kamrath	Mehrkens	Storm
Benson	DeCramer	Knutson	Peterson, D.L.	
Berg	Isackson	Kronebusch	Purfeerst	
Bertram	Johnson, D.E.	Langseth	Renneke	

So the resolution passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 1407: A bill for an act relating to natural resources; making changes in certain forestry laws; amending Minnesota Statutes 1982, sections 88.065; 90.031, subdivision 3; 90.041, subdivision 2; 90.251, subdivision 1; and 90.301, by adding a subdivision.

Was read the third time 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 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Peterson, D.L.	Spear
Anderson	Dieterich	Kronebusch	Peterson, R.W.	Stumpf
Belanger	Frank	Lantry	Petty	Ulland
Benson	Frederickson	Lessard	Pogemiller	Vega
Bertram	Hughes	Luther	Purfeerst	Waldorf
Chmielewski	Isackson	McQuaid	Ramstad	Wegscheid
Dahl	Johnson, D.E.	Mehrkens	Reichgott	Willet
Davis	Jude	Merriam	Schmitz	
DeCramer	Kamrath	Moe, R. D.	Sieloff	
Dicklich	Knutson	Olson	Solon	

So the bill passed and its title was agreed to.



**SPECIAL ORDER**

H.F. No. 1620: A bill for an act relating to rehabilitation services for blind and visually handicapped persons; authorizing adoption of rules; amending Minnesota Statutes 1982, section 248.07, by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kronebusch	Peterson, R. W.	Storm
Anderson	Frank	Langseth	Petty	Stumpf
Belanger	Frederickson	Lantry	Pogemiller	Taylor
Benson	Hughes	Lessard	Purfeerst	Ulland
Bertram	Isackson	Luther	Ramstad	Vega
Chmielewski	Johnson, D.E.	McQuaid	Reichgott	Waldorf
Dahl	Jude	Mehrkens	Renneke	Wegscheid
Davis	Kamrath	Merriam	Schmitz	Willet
DeCramer	Knaak	Moe, R. D.	Sieloff	
Dicklich	Knutson	Olson	Solon	
Diessner	Kroening	Peterson, D.L.	Spear	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

H.F. No. 1771: A bill for an act relating to financial institutions; credit unions; providing for reciprocity between Minnesota credit unions and credit unions from states that have enacted similar laws; amending Minnesota Statutes 1982, section 52.03.

**SUSPENSION OF RULES**

Mr. Petty 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. 1771 and that the rules of the Senate be so far suspended as to give H.F. No. 1771, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

Mr. Petty moved that the amendment made to H.F. No. 1771 by the Committee on Rules and Administration in the report adopted April 18, 1984, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 1771 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kronebusch	Pehler	Spear
Anderson	Dieterich	Laidig	Peterson, D.L.	Storm
Belanger	Frank	Langseth	Peterson, R.W.	Stumpf
Benson	Frederickson	Lantry	Petty	Taylor
Berg	Hughes	Lessard	Purfeerst	Ulland
Bertram	Isackson	Luther	Ramstad	Waldorf
Brataas	Jude	McQuaid	Reichgott	Wegscheid
Dahl	Kamrath	Merriam	Renneke	Willet
Davis	Knaak	Moe, R. D.	Schmitz	
DeCramer	Knutson	Olson	Sieloff	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1920: A bill for an act relating to public welfare; establishing payments for respite care of children who are mentally retarded, have epilepsy, or are emotionally handicapped; establishing a statewide fee schedule for parental cost of care; amending Minnesota Statutes 1982, sections 246.511; 252.27, subdivisions 1 and 2; and Minnesota Statutes 1983 Supplement, section 256B.14, subdivision 2.

### SUSPENSION OF RULES

Mr. Petty 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. 1920 and that the rules of the Senate be so far suspended as to give H.F. No. 1920, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

H.F. No. 1920 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 44 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dicklich	Kronebusch	Peterson, D.L.	Sieloff
Belanger	Diessner	Langseth	Peterson, R.W.	Spear
Benson	Dieterich	Lantry	Petty	Storm
Berg	Frank	Lessard	Pogemiller	Stumpf
Berglin	Hughes	McQuaid	Purfeerst	Taylor
Bernhagen	Isackson	Merriam	Ramstad	Ulland
Bertram	Jude	Olson	Reichgott	Waldorf
Brataas	Kamrath	Pehler	Renneke	Wegscheid
Chmielewski	Knaak	Peterson, D.C.	Schmitz	

So the bill passed and its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Bertram moved that S.F. No. 1398 be taken from the table. The motion prevailed.

S.F. No. 1398: A bill for an act relating to arrests; providing for the arrest of a person charged with a misdemeanor on Sundays or between 10:00 p.m. and 8:00 a.m. on any other day if the person is found on a public highway or street, or in a public place; amending Minnesota Statutes 1983 Supplement, section 629.31.

Mr. Bertram moved that S.F. No. 1398 be laid on the table. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Messages From the House.

### MESSAGES FROM THE HOUSE

Mr. President:

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

the Senate for the appointment of a Conference Committee, consisting of three members of the House, on the amendments adopted by the House to the following Senate file.

S.F. No. 1258: A bill for an act relating to the environment; requiring an agreement between the state and federal government prior to test drilling of geologic structures for disposal of high level radioactive waste and notification of results; regulating transportation of high level radioactive waste in the state; providing penalties; regulating nuclear fission electric generating plants in Minnesota; amending Minnesota Statutes 1982, section 116C.71, by adding subdivisions; and 116C.74; proposing new law coded in Minnesota Statutes, chapters 116C and 216B.

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

Clark, K.; Krueger and Redalen.

Senate File No. 1258 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 18, 1984

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1420:

H.F. No. 1420: A bill for an act relating to public employment; regulating grievances of disciplinary actions; amending Minnesota Statutes 1983 Supplement, section 179.70, subdivision 1.

The House respectfully requests that a Conference Committee of five members be appointed thereon.

Riveness, Simoneau, Jennings, Norton and Begich have been appointed as such committee on the part of the House.

House File No. 1420 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 18, 1984

Mr. Moe, R.D., for Mr. Kroening moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1420, 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.

### SPECIAL ORDER

H.F. No. 2188: A bill for an act relating to Indians; providing for partial settlement of Indian land claims on the White Earth Reservation; requiring a report to the legislature; appropriating money.

### 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. 2188 and that the rules of the Senate be so far suspended as to give H.F. No. 2188, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

Ms. Berglin moved to amend H.F. No. 2188, as amended pursuant to Rule 49, adopted by the Senate April 18, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2067.)

Delete everything after the enacting clause and insert:

“Section 1. [RECOGNITION.]

*The state of Minnesota hereby recognizes that, as a result of fraud, theft, collusion and conspiracy perpetrated by the United States, the state of Minnesota, their agents and others, land rightfully belonging to Anishinabe heirs and allottees as recognized in the 1867 Treaty of the Mississippi has been illegally taken from its lawful owners.*

*It is further recognized that as a direct result of the above actions of the United States, the state of Minnesota, their agents and others, great harm has been and continues to be done to past and present Anishinabe heirs and allottees, as well as to non-Indian landholders whose ownership has been brought into question.*

*It is further recognized that the Anishinabe people have legitimate claims against the United States, the state of Minnesota, their agents and others based upon the aforementioned actions, and that prompt resolution of these claims is in the interest of all concerned parties.*

*It is further recognized that monetary compensation for the loss of land and resources is an incomplete remedy for said loss, in light of the centrality of land to the cultural, spiritual, and economic life of the Anishinabe people.*

Sec. 2. [MORATORIUM.]

*The state of Minnesota declares an immediate moratorium on the sale, transfer or other disposition of any and all lands, or resources therein or thereupon, subject to claims by Anishinabe people on the basis of the aforementioned acts of fraud, theft, collusion and conspiracy, said moratorium to continue in effect until final resolution of the claims aforesaid.*

*No state or local official shall accept for recording or titling any land or resource transaction in violation of this act.*

*This section shall apply to all lands within the exterior boundaries of the 1867 Treaty established White Earth Reservation, whether publicly or privately held.*

Sec. 3. [RESOLUTION PROCESS.]

*The state of Minnesota urges the federal government to aggressively pursue its investigation into the fraud, theft, collusion and conspiracy aforesaid that is authorized under United States Code, title 28, section 2415, and to identify all lands subject to claim by Anishinabe people.*

*The state of Minnesota declares that no legislation shall be considered on the state or federal level that would result in any interference with or preven-*

tion of thorough identification of lands subject to said claims under United States Code, title 28, section 2415 or the resolution of said claims through appropriate judicial process initiated by Anishinabe claimants.

*In the event that the federal government terminates the investigation and identification process under United States Code, title 28, section 2415, prior to the resolution of all outstanding Anishinabe land claims under that section, the state of Minnesota shall continue said investigation and identification process with the assistance and participation of the heirs and allottees of said lands or their appointed representatives.*

*The state of Minnesota shall immediately restore to the rightful Anishinabe owners any and all lands identified by the federal government under United States Code, title 28, section 2415 or any court of competent jurisdiction, as having been unlawfully or wrongfully taken from said owners, and shall continue to restore said lands until all claims aforesaid have been resolved.*

*No laws shall be passed that inhibit or prevent appropriate action for damages by non-Indian landholders against the state of Minnesota, or other parties alleged to be responsible for the fraudulent or wrongful taking of Anishinabe land that has resulted in wrongful title being recorded in the name of said non-Indian landholders.*

Sec. 4. [EFFECTIVE DATE.]

*This act is effective the day after final enactment."*

Delete the title and insert:

"A bill for an act relating to the Anishinabe people, providing for a fair and just resolution of land and resource claims related to the 1867 Treaty of the Mississippi."

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

H.F. No. 2188 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 49 and nays 7, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kamrath	Moe, D. M.	Schmitz
Anderson	Dicklich	Knaak	Moe, R. D.	Sieloff
Belanger	Diessner	Knutson	Olson	Solon
Benson	Frank	Kronebusch	Pehler	Storm
Berg	Frederick	Langseth	Peterson, C.C.	Stumpf
Bernhagen	Hughes	Lantry	Peterson, R.W.	Taylor
Bertram	Isackson	Lessard	Petty	Ulland
Brataas	Johnson, D.E.	McQuaid	Ramstad	Vega
Chmielewski	Johnson, D.J.	Mehrkens	Reichgott	Wegscheid
Davis	Jude	Merriam	Renneke	

Those who voted in the negative were:

Berglin	Novak	Pogemiller	Spear	Waldorf
Dieterich	Peterson, D.C.			

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

H.F. No. 1775: A bill for an act relating to energy and economic develop-

ment; energy and economic development authority; adding definitions; clarifying duties and powers of the energy and economic development authority; correcting statutory references; amending Minnesota Statutes 1982, sections 116J.88, as amended; 116J.89, subdivision 4; 116J.90, by adding a subdivision; 116J.91, subdivisions 15, 17, 18, and by adding a subdivision; 474.01, subdivisions 7 and 7a; Minnesota Statutes 1983 Supplement, sections 116J.89, subdivisions 1, 1a, 1b, 1c, 2, 6, and 8; 116J.90, subdivisions 1, 2, 3, 5, and 6; 116J.91, subdivisions 1, 4, 11, 12, 16, 19, and 20; 116J.923, subdivision 7; 116J.924, subdivision 3; 116J.925, subdivisions 1 and 3; 275.125, subdivision 12a; Laws 1983, chapter 323, section 5, subdivision 2; proposing new law coded as Minnesota Statutes, chapter 116M; repealing Minnesota Statutes 1983 Supplement, sections 116J.922; 116J.923, subdivisions 2 and 12; and 116J.924, subdivision 1.

### SUSPENSION OF RULES

Ms. Reichgott 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. 1775 and that the rules of the Senate be so far suspended as to give H.F. No. 1775, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

Ms. Reichgott moved to amend H.F. No. 1775, as amended pursuant to Rule 49, adopted by the Senate April 18, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1960.)

Page 6, after line 2, insert:

*“Subd. 17. [RESOURCE RECOVERY.] “Resource recovery” means the cost effective collection, extraction, or reuse of resources from materials, components, or processes which would normally represent wasted resources or energy, such collection, extraction or reuse to result in a lesser energy intensity than would be required to produce the same product from any non-waste materials.”*

ReNUMBER the subdivisions in sequence

Page 6, line 12, after the comma, delete “or”

Page 6, line 16, after “business” insert “, (5) manufacture of products by means of resource recovery for sale in the ordinary course of business”

Page 17, lines 18 to 24, delete the new language and insert “The authority to adopt temporary rules expires June 30, 1985.”

Page 21, line 12, after “authority” insert “including rentals, royalties, dividends, or other proceeds in connection with technology-related products, energy conservation products, or other equipment”

Page 21, line 23, delete “compensation” and insert “proceeds”

Page 22, line 20, after the period, insert “In the event the authority shall determine that the energy loan insurance fund is or will be depleted in connection with the use of the fund as authorized by the act which has been approved or given preliminary approval by the authority, then the authority may by resolution transfer money from the energy development fund created

*pursuant to section 116J.925."*

Page 24, line 16, after the period, insert *"In the event the authority shall determine that the energy development fund is or will be depleted in connection with the use of the fund as authorized by the act which has been approved or given preliminary approval by the authority, then the authority may by resolution transfer money from the energy loan insurance fund created pursuant to section 116J.924."*

The motion prevailed. So the amendment was adopted.

H.F. No. 1775 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 37 and nays 24, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Lantry	Pehler	Spear
Berglin	Dieterich	Lessard	Peterson, C.C.	Stumpf
Bertram	Frederickson	Luther	Peterson, D.L.	Vega
Chmielewski	Freeman	Merriam	Peterson, R.W.	Wegscheid
Dahl	Hughes	Moe, D. M.	Petty	Willet
Davis	Jude	Moe, R. D.	Pogemiller	
DeCramer	Kroening	Nelson	Reichgott	
Dicklich	Langseth	Novak	Schmitz	

Those who voted in the negative were:

Anderson	Brataas	Kamrath	Mehrkens	Storm
Belanger	Frank	Knaak	Olson	Taylor
Benson	Frederick	Knutson	Ramstad	Ulland
Berg	Isackson	Kronebusch	Renneke	Waldorf
Bernhagen	Johnson, D.E.	McQuaid	Sieloff	

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

### SPECIAL ORDER

H.F. No. 1753: A bill for an act relating to the city of St. Cloud; giving the city the powers of a port authority.

### SUSPENSION OF RULES

Mr. Pehler 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. 1753 and that the rules of the Senate be so far suspended as to give H.F. No. 1753, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

H.F. No. 1753 was read the third time 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 3, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kronebusch	Olson	Sieloff
Anderson	Diessner	Langseth	Pehler	Spear
Belanger	Frank	Lantry	Peterson, D.L.	Storm
Benson	Frederick	Luther	Petty	Stumpf
Berglin	Freeman	McQuaid	Pogemiller	Taylor
Bernhagen	Hughes	Mehrkens	Ramstad	Vega
Bertram	Isackson	Moe, D. M.	Reichgott	Waldorf
Chmielewski	Jude	Moe, R. D.	Renneke	Wegscheid
Davis	Kamrath	Nelson	Schmitz	Willet

Messrs. Knaak, Merriam and Peterson, R.W. voted in the negative.

So the bill passed and its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Bertram moved that S.F. No. 1398 be taken from the table. The motion prevailed.

S.F. No. 1398: A bill for an act relating to arrests; providing for the arrest of a person charged with a misdemeanor on Sundays or between 10:00 p.m. and 8:00 a.m. on any other day if the person is found on a public highway or street, or in a public place; amending Minnesota Statutes 1983 Supplement, section 629.31.

### CONCURRENCE AND REPASSAGE

Mr. Bertram moved that the Senate concur in the amendments by the House to S.F. No. 1398 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1398: A bill for an act relating to criminal justice; permitting misdemeanor arrests to be made at night in public places; altering release and detention in procedures in certain cases; amending Minnesota Statutes 1982, section 629.72, subdivisions 1 and 3; and Minnesota Statutes 1983 Supplement, section 629.31.

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

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

The roll was called, and there were yeas 49 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Moe, R. D.	Schmitz
Belanger	Diessner	Knutson	Nelson	Sieloff
Benson	Dieterich	Kronebusch	Olson	Spear
Berglin	Frank	Lantry	Pehler	Stumpf
Bernhagen	Frederick	Lessard	Peterson, D.L.	Taylor
Bertram	Freeman	Luther	Peterson, R.W.	Ulland
Brataas	Hughes	McQuaid	Petty	Waldorf
Chmielewski	Isackson	Mehrkens	Pogemiller	Wegscheid
Davis	Jude	Merriam	Ramstad	Willet
DeCramer	Kamrath	Moe, D. M.	Renneke	

Mr. Anderson voted in the negative.

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



**SPECIAL ORDER**

S.F. No. 1980: A bill for an act relating to corrections; providing for costs of transporting convicted persons and children adjudicated delinquent to correctional facilities; appropriating money; amending Minnesota Statutes 1983 Supplement, section 243.17, subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Jude	Mehrkens	Renneke
Anderson	Dicklich	Kamrath	Merriam	Schmitz
Belanger	Diessner	Knaak	Moe, D. M.	Sieloff
Benson	Dieterich	Knutson	Olson	Spear
Berg	Frank	Kronebusch	Pehler	Storm
Berglin	Frederick	Langseth	Peterson, D.L.	Stumpf
Bernhagen	Freeman	Lantry	Peterson, R.W.	Vega
Bertram	Hughes	Lessard	Petty	Waldorf
Brataas	Isackson	Luther	Pogemiller	Wegscheid
Chmielewski	Johnson, D.E.	McQuaid	Ramstad	Willet

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

S.F. No. 1243: A resolution memorializing the President and Congress to establish a National Academy of Peace and Conflict Resolution.

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 52 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Nelson	Sieloff
Anderson	Dicklich	Knutson	Olson	Spear
Belanger	Diessner	Kronebusch	Pehler	Storm
Benson	Dieterich	Langseth	Peterson, D.C.	Stumpf
Berg	Frank	Lantry	Peterson, D.L.	Taylor
Berglin	Frederick	Lessard	Peterson, R.W.	Ulland
Bernhagen	Freeman	Luther	Petty	Waldorf
Bertram	Hughes	McQuaid	Pogemiller	Wegscheid
Brataas	Isackson	Mehrkens	Ramstad	
Chmielewski	Johnson, D.E.	Merriam	Reichgott	
Davis	Jude	Moe, D. M.	Renneke	

So the resolution passed and its title was agreed to:

**SPECIAL ORDER**

S.F. No. 1884: A bill for an act relating to occupations and professions; establishing a task force to study the problem of sexual exploitation by counselors and therapists.

Ms. Peterson, D.C. moved to amend S.F. No. 1884 as follows:

Page 1, line 14, delete "licensing boards" and insert "board of medical

*examiners, board of psychology, and board of nursing”*

Page 2, line 5, before “*The*” insert “*Based on its findings,*”

Page 2, line 9, delete “*improving*” and insert “*the need to improve*”

Page 2, line 15, delete “*creation of*” and insert “*need to create*”

Page 2, line 17, after “(5)” insert “*the need for*”

Page 2, line 19, delete “*requiring*” and insert “*the need to require*”

Page 2, line 24, after “(8)” insert “*the need for*”

The motion prevailed. So the amendment was adopted.

S.F. No. 1884 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 9, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kronebusch	Peterson, D.C.	Schmitz
Belanger	Dieterich	Langseth	Peterson, D.L.	Sieloff
Bertram	Frank	Lessard	Peterson, R.W.	Spear
Brataas	Frederick	Luther	Petty	Stumpf
Chmielewski	Freeman	McQuaid	Pogemiller	Taylor
Davis	Johnson, D.E.	Merriam	Ramstad	Ulland
DeCramer	Jude	Neilson	Reichgott	Waldorf
Dicklich	Knaak	Olson	Renneke	Wegscheid

Those who voted in the negative were:

Anderson	Bernhagen	Kamrath	Mehrrens	Vega
Berg	Isackson	Knutson	Storn	

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

## MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Reports of Committees.

## REPORTS OF COMMITTEES

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

H.F. No. 1386 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1386	1462				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1386 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1386 and

insert the language after the enacting clause of S.F. No. 1462, the first engrossment; further, delete the title of H.F. No. 1386 and insert the title of S.F. No. 1462, the first engrossment.

And when so amended H.F. No. 1386 will be identical to S.F. No. 1462, and further recommends that H.F. No. 1386 be given its second reading and substituted for S.F. No. 1462, 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.

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

## MOTIONS AND RESOLUTIONS - CONTINUED

### SUSPENSION OF RULES

Mr. Petty 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. 1386 and that the rules of the Senate be so far suspended as to give H.F. No. 1386 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 1386: A bill for an act relating to children; authorizing intervention by the juvenile court to protect children from abuse committed by family or household members; providing for prosecution by the county attorney of certain gross misdemeanors; amending Minnesota Statutes 1982, sections 260.015, by adding subdivisions; 260.111, by adding a subdivision; 260.191, by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 388.051, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 260.

H.F. No. 1386 was read the second time.

Mr. Petty moved to amend H.F. No. 1386, as amended pursuant to Rule 49, adopted by the Senate April 18, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1462.)

Page 4, line 31, after "support" insert "or maintenance"

Page 4, line 32, after "children" insert "or a spouse"

Page 5, delete section 6 and insert:

"Sec. 6. Minnesota Statutes 1982, section 260.191, is amended by adding a subdivision to read:

*Subd. 1b. [SUPPORT ORDERS.] If the court issues an order for protection pursuant to section 5 excluding an abusing party from the dwelling who is the parent of a minor family or household member, it shall transfer the case file to the court which has jurisdiction over proceedings under chapter 518 for the purpose of establishing support or maintenance for minor children or a spouse, as provided in chapter 518, during the effective period of the order for protection. The court to which the case file is transferred shall schedule and hold a hearing on the establishment of support or maintenance within 30 days of the issuance of the order for protection. After an order for support or*

*maintenance has been granted or denied, the case file shall be returned to the juvenile court, and the order for support or maintenance, if any, shall be incorporated into the order for protection."*

Amend the title as follows:

Page 1, line 8, delete the second "a" and insert "subdivisions"

Page 1, line 9, delete "subdivision"

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

Mr. Sieloff moved to amend H.F. No. 1386, as amended pursuant to Rule 49, adopted by the Senate April 18, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1462.)

Page 2, line 26, before "TEMPORARY" insert "EX PARTE"

Page 2, lines 26 and 27, delete "*from the notarized petition or*"

Page 2, line 30, delete "*temporary*"

Page 3, line 2, delete "*However,*"

Page 3, line 12, delete "*temporary*"

Page 3, line 13, delete "*fixed*"

Page 3, lines 14 and 18, delete "*temporary*" and insert "*ex parte*"

Page 3, line 19, delete "*fixed*"

Page 3, line 25, delete everything after the period

Page 3, delete lines 26 and 27, and insert:

*"Subd. 4. [TRANSFER TO FAMILY COURT OR DIVISION.] After issuance of an ex parte order, the court must transfer any matter arising under this section to the court having jurisdiction or responsibility for cases arising under chapter 518, 518A, 518B, or 518C, for further proceedings."*

Renumber the subdivisions in sequence

Page 5, line 2, delete "*fixed*"

Page 5, delete section 6 and insert

"Sec. 6. Minnesota Statutes 1982, section 260.191, is amended by adding a subdivision to read:

*Subd. 1b. [TRANSFER TO FAMILY COURT OR DIVISION.] Prior to issuance of an order, the court shall, upon motion of either party or upon its own motion, transfer any matter arising under section 5 to the court having jurisdiction or responsibility for cases arising under chapter 518, 518A, 518B, or 518C and said matters may be heard by referees as provided under those chapters."*

Amend the title as follows:

Page 1, line 8, delete the second "a" and insert "subdivisions"

Page 1, line 9, delete "subdivision"

Mr. Petty requested division of the amendment as follows:

First portion:

Page 2, line 26, before "TEMPORARY" insert "EX PARTE"

Page 2, lines 26 and 27, delete "*from the notarized petition or*"

Page 2, line 30, delete "*temporary*"

Page 3, line 2, delete "*However,*"

Page 3, line 12, delete "*temporary*"

Page 3, line 13, delete "*fixed*"

Page 3, lines 14 and 18, delete "*temporary*" and insert "*ex parte*"

Page 3, line 19, delete "*fixed*"

Page 3, line 25, delete everything after the period

Page 3, delete lines 26 and 27

Page 5, line 2, delete "*fixed*"

Second portion:

Page 5, delete section 6

Renumber the sections in sequence

Third portion:

Page 3, after line 27, insert:

*"Subd. 4. [TRANSFER TO FAMILY COURT OR DIVISION.] After issuance of an ex parte order, the court must transfer any matter arising under this section to the court having jurisdiction or responsibility for cases arising under chapter 518, 518A, 518B, or 518C, for further proceedings."*

Renumber the subdivisions in sequence

Page 5, after line 12, insert:

*"Sec. 6. Minnesota Statutes 1982, section 260.191, is amended by adding a subdivision to read:*

*Subd. 1b. [TRANSFER TO FAMILY COURT OR DIVISION.] Prior to issuance of an order, the court shall, upon motion of either party or upon its own motion, transfer any matter arising under section 5 to the court having jurisdiction or responsibility for cases arising under chapter 518, 518A, 518B, or 518C and said matters may be heard by referees as provided under those chapters."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, delete the second "a" and insert "subdivisions"

Page 1, line 9, delete "subdivision"

The question was taken on the adoption of the first portion of the amendment. The motion prevailed. So the first portion of the amendment was adopted.

The question was taken on the adoption of the second portion of the

amendment. The motion prevailed. So the second portion of the amendment was adopted.

The question was taken on the adoption of the third portion of the amendment.

The roll was called, and there were yeas 31 and nays 23, as follows:

Those who voted in the affirmative were:

Anderson	Diessner	Knaak	Olson	Storm
Belanger	Dieterich	Knutson	Peterson, D.L.	Ulland
Benson	Frederick	Kronebusch	Peterson, R.W.	Waldorf
Berg	Isackson	Laidig	Ramstad	
Bernhagen	Johnson, D.E.	Lessard	Renneke	
Brataas	Jude	McQuaid	Schmitz	
Chmielewski	Kamrath	Mehrrens	Sieloff	

Those who voted in the negative were:

Adkins	DeCramer	Lantry	Pehler	Stumpf
Berglin	Frank	Luther	Peterson, D.C.	Vega
Bertram	Freeman	Merriam	Petty	Wegscheid
Dahl	Hughes	Moe, R. D.	Pogemiller	
Davis	Langseth	Nelson	Spear	

The motion prevailed. So the third portion of the amendment was adopted.

H.F. No. 1386 was then progressed.

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Reports of Committees and Second Reading of House Bills.

### REPORTS OF COMMITTEES

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

H.F. No. 1524 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>SPECIAL 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.
1524	1461				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1524 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1524 and insert the language after the enacting clause of S.F. No. 1461, the second engrossment; further, delete the title of H.F. No. 1524 and insert the title of S.F. No. 1461, the second engrossment.

And when so amended H.F. No. 1524 will be identical to S.F. No. 1461, and further recommends that H.F. No. 1524 be given its second reading and substituted for S.F. No. 1461, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secre-

tary of the Senate on behalf of the Committee on Rules and Administration.

Mr. Moe, R. D. moved the adoption of the foregoing committee report. The motion prevailed. Amendments adopted. Report adopted.

## SECOND READING OF HOUSE BILLS

H.F. No. 1524 was read the second time.

### SUSPENSION OF RULES

Mr. Petty 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. 1524 and that the rules of the Senate be so far suspended as to give H.F. No. 1524, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

H.F. No. 1524: A bill for an act relating to claims against the state; providing for claims arising out of the injury or death of an inmate conditionally released or a person performing work pursuant to a court order; amending Minnesota Statutes 1982, section 3.739, subdivisions 1, 2, and by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knutson	Olson	Sieloff
Anderson	Diessner	Kronebusch	Pehler	Spear
Belanger	Frank	Laidig	Peterson, D.C.	Storm
Berg	Frederick	Langseth	Peterson, D.L.	Stumpf
Bernhagen	Hughes	Lessard	Peterson, R.W.	Taylor
Bertram	Isackson	Luther	Petty	Ulland
Brataas	Johnson, D.E.	McQuaid	Pogemiller	Vega
Chmielewski	Jude	Mehrkens	Ramstad	Waldorf
Dahl	Kamrath	Moe, R. D.	Renneke	Wegscheid
Davis	Knaak	Nelson	Schmitz	Willet

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Reports of Committees.

## REPORTS OF COMMITTEES

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

H.F. No. 2182 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2182	1962				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2182 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2182 and insert the language after the enacting clause of S.F. No. 1962, the first engrossment; further, delete the title of H.F. No. 2182 and insert the title of S.F. No. 1962, the first engrossment.

And when so amended H.F. No. 2182 will be identical to S.F. No. 1962, and further recommends that H.F. No. 2182 be given its second reading and substituted for S.F. No. 1962, 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.

Mr. Moe, R.D. moved the adoption of the foregoing committee report. The motion prevailed. Amendments adopted. Report adopted.

## MOTIONS AND RESOLUTIONS - CONTINUED

### SUSPENSION OF RULES

Mr. Bertram 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. 2182 and that the rules of the Senate be so far suspended as to give H.F. No. 2182 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 2182: A bill for an act relating to agriculture; changing certain duties of the commissioner; exempting the family farm security program from certain loan commitment approval requirements; amending Minnesota Statutes 1982, section 31.11; and Minnesota Statutes 1983 Supplement, section 16A.80, subdivision 2.

H.F. No. 2182 was read the second time.

Mr. Merriam moved that the amendment made to H.F. No. 2182 by the Committee on Rules and Administration in the report adopted April 18, 1984, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Bertram moved that H.F. No. 2182 be laid on the table. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Messages From the House.

## MESSAGES FROM THE HOUSE

Mr. President:

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

S.F. No. 1403: A bill for an act relating to the Mississippi River head-



waters area; requiring other governmental units to follow the land use plan adopted by the board; proposing new law coded in Minnesota Statutes, chapter 114B.

Senate File No. 1403 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 18, 1984

### CONCURRENCE AND REPASSAGE

Mr. Lessard moved that the Senate concur in the amendments by the House to S.F. No. 1403 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1403: A bill for an act relating to the Mississippi River headwaters area; requiring other governmental units to follow the land use plan adopted by the board; amending Minnesota Statutes 1982, section 114B.03, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 114B.

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

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

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Peterson, D.C.	Storm
Anderson	Diessner	Kronebusch	Peterson, D.L.	Stumpf
Belanger	Dieterich	Langseth	Peterson, R.W.	Taylor
Berg	Frank	Lessard	Petty	Ulland
Bernhagen	Frederick	Luther	Pogemiller	Vega
Bertram	Frederickson	McQuaid	Ramstad	Waldorf
Brataas	Isackson	Mehrkens	Renneke	Wegscheid
Chmielewski	Johnson, D.E.	Merriam	Schmitz	Willet
Dahl	Jude	Moe, R. D.	Sieloff	
Davis	Kamrath	Olson	Solon	
DeCramer	Knaak	Pehler	Spear	

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

### SPECIAL ORDER

H.F. No. 1678: A bill for an act relating to insurance; clarifying annual statement filing requirements; providing for the suspension of authority of self-insurance entities or self-insurers; modifying certain existing fees and providing certain new fees; transferring certain duties of the commissioner of commerce to the commissioner of revenue; establishing certain taxation filing requirements; providing for agent license renewals; authorizing the issuance of orders to show cause relating to license revocations; clarifying continuing education reporting requirements; modifying certain insurance licensing dates; providing for the service of process on foreign companies and unauthorized insurers; removing the countersignature requirement for certain bid bonds and insurance policies; removing an exemption from regulation for certain self-insurance plan administrators and vendors of risk management

services; clarifying policy form filing requirements; providing for the use of health insurance claim forms; providing for the use of fire insurance binders; modifying the definitions of "motorcycle," "motor vehicle," "policy," and "utility vehicle" for purposes of automobile insurance regulation; increasing certain liability coverage on automobile insurance plan policies; providing for the cancellation or nonrenewal of a policy; defining "plan of reparation security"; requiring certain premium reports to be filed with the commissioner; prohibiting discrimination based on sex or marital status; modifying the expiration date of adjuster's licenses; providing for the appointment of the board of the compensation reinsurance association; making various technical changes; providing remedies; prescribing penalties; appropriating money; amending Minnesota Statutes 1982, sections 60A.13, subdivision 6, and by adding a subdivision; 60A.15, subdivisions 1, 2, 2a, 6, 8, 9, 10, and by adding subdivisions; 60A.17, subdivisions 3, 5b, and by adding a subdivision; 60A.18, subdivision 3; 60A.19, subdivision 4; 60A.199; 60A.21, subdivision 2; 60A.23, subdivision 5; 61A.03, by adding a subdivision; 62A.025; 65A.03; 65B.001, subdivision 4; 65B.06, subdivision 2; 65B.14, subdivisions 2 and 3; 65B.16; 65B.19; 65B.43, subdivisions 2, 13, and by adding a subdivision; 69.021, subdivisions 1, 2, 3, and by adding a subdivision; 69.58; 69.59; 72A.061, subdivision 2; 72A.07; 72A.20, by adding a subdivision; 72A.23, subdivision 1; 72B.04, subdivisions 7 and 10; 79.10; 176.181, subdivision 2, and by adding a subdivision; 271.01, subdivision 5; 299F.21; 299F.22; 299F.23; 299F.24; 299F.26, subdivisions 1 and 2; 424.165, subdivision 1; and 574.32; Minnesota Statutes 1983 Supplement, sections 60A.05; 60A.14, subdivision 1; 60A.15, subdivisions 11 and 12; 60A.17, subdivisions 1a, 1d, and 6c; 60A.1701, subdivisions 5, 10, and 11; 60A.198, subdivision 3; 65A.01, subdivision 3; 65B.17, subdivision 1; 69.011, subdivision 1; and 79.37; proposing new law coded in Minnesota Statutes, chapters 60A and 61A; repealing Minnesota Statutes 1982, sections 65B.15, subdivision 3; 65B.48, subdivision 8; and 69.031, subdivision 6.

### SUSPENSION OF RULES

Mr. Luther moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 1678 and that the rules of the Senate be so far suspended as to give H.F. No. 1678, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

Mr. Luther moved that the amendment made to H.F. No. 1678 by the Committee on Rules and Administration in the report adopted April 18, 1984, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Luther then moved to amend H.F. No. 1678 as follows:

Page 53, after line 24, insert:

"Sec. 55. Minnesota Statutes 1982, section 65B.55, subdivision 1, is amended to read:

Subdivision 1. A plan of reparation security may prescribe a period of not less than six months after the date of accident within which an insured or any other person entitled to claim basic economic loss benefits, or anyone acting

on their behalf, must notify the reparation obligor or its agent, of the accident and the possibility of a claim for economic loss benefits ~~in order to be eligible for such benefits.~~ *Such. Failure to provide notice will not render a person ineligible to receive benefits unless actual prejudice is shown by the reparation obligor, and then only to the extent of the prejudice. The notice may be given in any reasonable fashion.*"

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 30, after the semicolon, insert "clarifying certain ambiguous provisions in the No-Fault Automobile Insurance Act;"

Page 2, line 4, after the semicolon, insert "65B.55, subdivision 1;"

The motion prevailed. So the amendment was adopted.

Mr. Luther then moved to amend H.F. No. 1678 as follows:

Page 2, after line 24, insert:

"Section 1. Minnesota Statutes 1982, section 47.27, subdivision 4, is amended to read:

Subd. 4. "~~Federal savings and loan~~ association" means ~~an a~~ savings association, *savings and loan association or savings bank* organized under that certain act of Congress known as The Home Owners Loan Act of 1933, and acts amendatory thereof.

Sec. 2. Minnesota Statutes 1982, section 47.29, is amended to read:

**47.29 [SAVINGS BANKS MAY CONVERT INTO FEDERAL SAVINGS AND LOAN ASSOCIATIONS.]**

Subdivision 1. Any savings bank organized and existing under and by virtue of the laws of this state, is hereby authorized and empowered, by a two-thirds vote of the entire board of trustees, at any regular or special meeting of said board duly called for that purpose to convert itself into federal ~~savings and loan~~ association whenever said conversion is authorized by any act of the Congress of the United States; Provided, that before any such conversion shall become final and complete, (a) the secretary of the savings bank shall cause 30 days written notice of such intended conversion (which notice, before mailing, shall be submitted to and approved by the commissioner of ~~banks commerce~~) to be mailed prepaid to each depositor, at their last known address, according to the records of the bank, and after such notice each depositor may, prior to the time the conversion becomes final and complete, on demand and without prior notice, withdraw the full amount of his deposit or such part thereof as he may request, and upon such withdrawal he shall receive interest to the date of withdrawal at the same rate last paid or credited by the bank, notwithstanding the provisions of any law, bylaws, rule or regulation to the contrary, and (b) that such conversion be approved in writing by the commissioner of ~~banks commerce~~.

Subd. 2. At any time after the expiration of the 30 day period specified in subdivision 1, clause (a), (which fact shall be evidenced by the secretary of the savings bank filing an affidavit to that effect with the commissioner of ~~banks commerce~~ and the secretary of state of this state), upon filing a copy of

the federal charter, certified by the issuing federal agency with the secretary of state of this state, the secretary of state shall record said charter and certify that fact thereon, whereupon the conversion shall be final and complete and the savings bank shall at that time cease to be a savings bank supervised by this state, and shall thereafter be a federal ~~savings and loan~~ association.

Sec. 3. Minnesota Statutes 1982, section 47.31, is amended to read:

47.31 [FEDERAL ~~SAVINGS AND LOAN~~ ASSOCIATION MAY CONVERT INTO SAVINGS BANK.]

When authorized by act of the Congress of the United States, any federal ~~savings and loan~~ association with its principal place of business in this state may convert itself into a savings bank pursuant to the laws of this state: Provided, (a) that the association complies with all requirements imposed for such conversion under the laws of the United States; (b) that the association complies with the requirements and procedure set forth in section 47.30, except that the procedure for obtaining original articles of incorporation of a savings bank shall be followed in lieu of the procedure for amending articles of incorporation and the 30 day period specified in section 47.30, subdivisions 4 and 5, shall begin on the day the organization meeting is held pursuant to section 300.025; and (c) that the commissioner of ~~banks commerce~~ approves such conversion in writing.

Sec. 4. Minnesota Statutes 1982, section 47.32, is amended to read:

47.32 [CONVERTING INSTITUTION DEEMED CONTINUANCE; TRANSFER OF PROPERTY AND RIGHTS.]

Upon the conversion of any savings bank into a savings, building and loan association or into a federal ~~savings and loan~~ association, and of a savings, building and loan association or federal ~~savings and loan~~ association into a savings bank, the corporate existence of the converting savings bank or association shall not terminate, and the resulting association or savings bank shall be a continuance of the converting savings bank or association; and all the property of the converting savings bank or association (including its rights) shall by operation of law vest in the resulting association or savings bank as of the time when the conversion becomes final and complete, and all of the obligations of the converting savings bank or association become those of the resulting association or savings bank. Actions and other judicial proceedings to which the converting savings bank or association is a party may be prosecuted and defended as if the conversion had not been made.

Sec. 5. Minnesota Statutes 1982, section 49.47, subdivision 4, is amended to read:

Subd. 4. [SAVINGS BANKS.] "Savings bank" means a savings bank on ~~February 5, 1982~~ as defined in section 47.01."

Page 56, after line 30, insert:

"Sec. 62. Minnesota Statutes 1982, section 65B.55, subdivision 1, is amended to read:

Subdivision 1. A plan of reparation security may prescribe a period of not less than six months after the date of accident within which an insured or any other person entitled to claim basic economic loss benefits, or anyone acting

on their behalf, must notify the reparation obligor or its agent, of the accident and the possibility of a claim for economic loss benefits ~~in order to be eligible for such benefits.~~ *Such. Failure to provide notice will not render a person ineligible to receive benefits unless actual prejudice is shown by the reparation obligor, and then only to the extent of the prejudice. The notice may be given in any reasonable fashion.*"

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 2, delete "insurance" and insert "commerce; clarifying identity between federal savings and loan associations and savings banks"

Page 1, line 30, after the semicolon, insert "clarifying certain ambiguities in the no-fault automobile insurance act;"

Page 1, line 40, after "sections" insert "47.27, subdivision 4; 47.29; 47.31; 47.32; 47.49, subdivision 4;"

Page 2, line 4, after the semicolon, insert "65B.55, subdivision 1;"

The motion prevailed. So the amendment was adopted.

H.F. No. 1678 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Olson	Solon
Anderson	Dicklich	Knutson	Pehler	Spear
Belanger	Diessner	Kronebusch	Peterson, D.L.	Storm
Berg	Dieterich	Lessard	Peterson, R.W.	Stumpf
Bernhagen	Frank	Luther	Petty	Taylor
Bertram	Frederick	McQuaid	Pogemiller	Ulland
Brataas	Freeman	Mehrkens	Ramstad	Vega
Chmielewski	Isackson	Merriam	Reichgott	Waldorf
Dahl	Jude	Moe, R. D.	Renneke	Wegscheid
Davis	Kamrath	Nelson	Sieloff	Willet

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

### SPECIAL ORDER

S.F. No. 1821: A bill for an act relating to powers of attorney; providing procedures for granting powers of attorney; construing various specific powers; amending Minnesota Statutes 1982, sections 508.72; 508A.72; 528.15; proposing new law coded as Minnesota Statutes, chapter 523; repealing Minnesota Statutes 1982, sections 51A.25; 507.291; 507.292; 507.293; 507.294; 507.39; 524.5-501; 524.5-502; and 528.16.

Mr. Peterson, R.W. moved to amend S.F. No. 1821 as follows:

Page 4, line 12, before "A" insert "*For purposes of this chapter,*"

Page 12, line 12, delete "*constitute*" and insert "*constitutes*"

The motion prevailed. So the amendment was adopted.

Mr. Sieloff moved to amend S.F. No. 1821 as follows:

Page 10, lines 32, 33, and 36, delete "INITIAL" and insert "MAKE A CHECK OR "X" IN"

Page 11, line 1, before the period, insert "UNLESS THE LINE IN FRONT OF THE POWER OF (O) IS CHECKED OR X-ED"

Page 11, line 2, delete "Initial" and insert "Check or "x"

Page 11, line 16, before the period, insert ";

.....(O) all of the powers listed in (A) through (N) above"

Page 11, lines 18 and 28, delete "INITIAL" and insert "MAKE A CHECK OR "X" IN"

Page 12, line 8, delete "INITIAL" and insert "CHECK OR "X"'"

Page 12, line 9, delete "initialed" and insert "checked or X-ed"

Page 12, line 10, before the period, insert "unless the power of (O) of the form in subdivision 1 is checked or X-ed"

Page 12, line 12, after "(M)" insert ", in addition to the withholding of the power of (O),"

The motion prevailed. So the amendment was adopted.

S.F. No. 1821 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knaak	Pehler	Spear
Anderson	Dieterich	Knutson	Peterson, D.C.	Stumpf
Belanger	Frank	Kronebusch	Peterson, R.W.	Taylor
Berg	Frederick	Langseth	Petty	Ulland
Bernhagen	Frederickson	Lessard	Pogemiller	Vega
Bertram	Freeman	McQuaid	Ramstad	Waldorf
Brataas	Hughes	Merriam	Reichgott	Wegscheid
Chmielewski	Isackson	Moe, R. D.	Renneke	Willet
Dahl	Jude	Nelson	Schmitz	
Dicklich	Kamrath	Olson	Sieloff	

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

### SPECIAL ORDER

H.F. No. 1402: A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

### SUSPENSION OF RULES

Mr. Dahl 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. 1402 and that the rules of the Senate be so far suspended as to give H.F. No. 1402, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

H.F. No. 1402 was read the third time 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 0, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Knutson	Peterson, D.C.	Storm
Anderson	Frank	Kronebusch	Peterson, D.L.	Stumpf
Belanger	Frederick	Laidig	Peterson, R.W.	Taylor
Berg	Frederickson	Lessard	Pogemiller	Ulland
Bernhagen	Freeman	McQuaid	Ramstad	Vega
Bertram	Isackson	Mehrkens	Reichgott	Wegscheid
Dahl	Johnson, D.E.	Merriam	Renneke	Willet
Davis	Jude	Nelson	Schmitz	
Dicklich	Kamrath	Olson	Sieloff	
Diessner	Knaak	Pehler	Spear	

So the bill passed and its title was agreed to.

## MOTIONS AND RESOLUTIONS - CONTINUED

### RECONSIDERATION

Ms. Reichgott moved that the vote whereby S.F. No. 1760 was passed by the Senate on April 17, 1984, be now reconsidered. The motion prevailed.

S.F. No. 1760: A bill for an act relating to governmental operations; requesting the regents of the University of Minnesota to conduct a job evaluation study and report to the legislature.

Ms. Reichgott moved that the Senate do not concur in the amendments by the House to S.F. No. 1760, 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.

### 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. 1420: Messrs. Kroening, Chmielewski, Pehler, Nelson and Frank.

S.F. No. 1760: Meses. Reichgott; Peterson, D.C. and Mrs. Brataas.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

## MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, 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. 1405, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1405 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 18, 1984

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 1405

A bill for an act relating to state monuments; adding the "Monument to the Living" in Ramsey County to the list of state monuments; amending Minnesota Statutes 1982, section 138.585, by adding a subdivision.

April 17, 1984

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

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 1405, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 1405 be further amended as follows:

Page 1, line 12, delete "*momento*" and insert "*memento*"

Page 1, line 14, delete everything before "*in*"

Page 1, line 16, delete "RELOCATION" and insert "LOCATION"

Page 1, line 17, delete everything before "*the*"

Page 1, line 18, delete everything after "*be*"

Page 1, delete line 19 and insert "*permanently located within the Capitol grounds in a place of visual prominence and honor.*"

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

House Conferees: (Signed) Kathleen Blatz, Joe Quinn, Daniel J. Knuth

Senate Conferees: (Signed) William V. Belanger, Jr., Gene Merriam, Donald M. Moe

Mr. Belanger moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1405 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. 1405 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 48 and nays 0, as follows:



Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Pehler	Spear
Anderson	Diessner	Kronebusch	Peterson, D.C.	Storm
Belanger	Dieterich	Laidig	Peterson, D.L.	Stumpf
Bernhagen	Frank	Luther	Peterson, R.W.	Taylor
Bertram	Frederickson	McQuaid	Petty	Ulland
Brataas	Isackson	Mehrkens	Ramstad	Waldorf
Chmielewski	Johnson, D.E.	Merriam	Reichgott	Wegscheid
Dahl	Jude	Moe, R. D.	Renneke	Willet
Davis	Kamrath	Novak	Samuelson	
DeCramer	Knaak	Olson	Sieloff	

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

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the adoption by the House of the following House Concurrent Resolution, herewith transmitted:

House Concurrent Resolution No. 11: A House concurrent resolution requiring the establishment of an affirmative action plan for the legislature; requiring employment of an affirmative action officer.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 17, 1984

Mr. Moe, D.M. moved that House Concurrent Resolution No. 11 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. 1931: A bill for an act relating to the city of St. Paul; permitting the city to adopt certain regulations for smoke detection devices.

Senate File No. 1931 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 18, 1984

### CONCURRENCE AND REPASSAGE

Mrs. Lantry moved that the Senate concur in the amendments by the House to S.F. No. 1931 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1931 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kamrath	Moe, R. D.	Renneke
Anderson	Diessner	Knaak	Novak	Samuelson
Belanger	Dieterich	Knutson	Olson	Schmitz
Benson	Frank	Kronebusch	Pehler	Sieloff
Berg	Frederick	Laidig	Peterson, D.C.	Spear
Bernhagen	Frederickson	Lantry	Peterson, D.L.	Storm
Bertram	Freeman	Lessard	Peterson, R.W.	Stumpf
Chmielewski	Hughes	Luther	Petty	Taylor
Dahl	Isackson	McQuaid	Pogemiller	Wegscheid
Davis	Johnson, D.E.	Mehrkens	Ramstad	Willet
DeCramer	Jude	Merriam	Reichgott	

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

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Bertram moved that H.F. No. 2182 be taken from the table. The motion prevailed.

### SPECIAL ORDER

H.F. No. 2182: A bill for an act relating to agriculture; changing certain duties of the commissioner; exempting the family farm security program from certain loan commitment approval requirements; amending Minnesota Statutes 1982, section 31.11; and Minnesota Statutes 1983 Supplement, section 16A.80, subdivision 2.

Mr. Merriam moved to amend H.F. No. 2182 as follows:

Pages 2 and 3, delete sections 2 and 3

Pages 3 and 4, delete section 5

Pages 9 and 10, delete section 12

Renumber the sections in sequence

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Bertram moved that H.F. No. 2182 be laid on the table. The motion prevailed.

### MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, 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. 2314, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 2314 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 18, 1984

**CONFERENCE COMMITTEE REPORT ON H.F. NO. 2314**

A bill for an act relating to capital improvements; authorizing spending to acquire and to better public land and buildings and other public improvements of a capital nature with certain conditions; reducing and canceling certain appropriations; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1982, sections 16.72, subdivision 7; 85A.04, subdivision 3; 475A.03, subdivision 1; 475A.05, subdivision 1, and by adding a subdivision; 475A.06, subdivision 7; and Laws 1983, chapter 344, section 6, subdivision 8; repealing Laws 1981, chapter 275; and chapter 334, section 11, subdivision 4; and Laws 1982, chapter 639, section 5.

April 18, 1984

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

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 2314, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 2314 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [CAPITAL IMPROVEMENTS; APPROPRIATIONS.]

The sums set forth in the column designated “APPROPRIATIONS” are appropriated from the state building fund, or any other fund designated, to the state agencies indicated, to be expended to acquire and to better public land and buildings and other public improvements of a capital nature, as more specifically described in the following sections of this act.

**SUMMARY**

SUPREME COURT	\$ 400,000
ADMINISTRATION	12,959,500
CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD	1,700,000
NATURAL RESOURCES	3,966,700
IRON RANGE RESOURCES AND REHABILITATION BOARD	1,120,000
ZOOLOGICAL BOARD	225,000
POLLUTION CONTROL AGENCY	12,000,000
ENERGY AND ECONOMIC DEVELOPMENT	1,400,000
MILITARY AFFAIRS	1,183,500
VETERANS AFFAIRS	103,100
TRANSPORTATION	23,207,700
MINNESOTA HISTORICAL SOCIETY	3,600,000
VOCATIONAL TECHNICAL EDUCATION	10,057,600

COMMUNITY COLLEGES	25,038,400
STATE UNIVERSITIES	19,505,000
UNIVERSITY OF MINNESOTA	57,981,000
CORRECTIONS	2,598,900
PUBLIC WELFARE	4,730,400
BOND SALE EXPENSES	153,000
INTEREST RATE REDUCTION EXPENSE	7,230,000
TOTAL	\$189,159,800
General Fund	24,437,300
Game and Fish Fund	31,400
Special Revenue Fund	100,000
Trunk Highway Fund	9,052,700
Transportation Fund	16,000,000
Building Fund	139,538,400
APPROPRIATION REDUCTIONS	(\$280,408,000)
	APPROPRIATIONS

## Sec. 2. SUPREME COURT

Judicial Building Design Competition	\$400,000
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This appropriation is to the commissioner of administration, in consultation with the supreme court and the capitol area architectural and planning board, for preliminary planning and design competition for a judicial building that will utilize the existing historical society building and the site currently occupied by the mechanic arts high school gymnasium.

\$200,000 of this appropriation is from the general fund. The design competition must include a challenge to the competitors for maximum use of the existing historical society building. The design for reuse of that building, new construction, landscaping, and improving this site must not produce a total project cost that exceeds \$36,000,000.

The plans shall not involve the demolition of the existing mechanic

arts high school main building.

Sec. 3. ADMINISTRATION

Subdivision 1. To the commissioner of administration for the purposes more specifically described in the following subdivisions of this section

12,959,500

Subd. 2. Supplemental or prior commitments

2,133,400

The appropriations in this subdivision are from the general fund.

(a) Remodel central motor pool building for life safety

40,200

(b) Remove and replace PCB equipment statewide, phase I

1,086,100

This appropriation, combined with the balance remaining from the appropriation in Laws 1983, chapter 344, section 2, clause (a), shall be used to replace or retrofill PCB contaminated equipment in the priority order established in the remedial action plan.

(c) Remove or contain asbestos in state buildings, phase I

1,007,100

This appropriation shall be used to remove or encapsulate asbestos-containing materials which have been identified as constituting risk factor 5 in the evaluation study dated January, 1984, and its supplement, and risk factor 4 to the extent funds permit.

Subd. 3. Facility integrity and life safety

2,302,500

The appropriations in this subdivision are from the general fund, except that items (a) and (b) are from the trunk highway fund and item (h) is from the special revenue fund.

(a) Renovate mechanical and electrical systems in the transportation building and laboratory

1,500,000

None of this appropriation shall be expended on the mechanical and electrical system in the transportation building until a study of the system is

completed and the findings reported to the chairmen of the house appropriations and senate finance committees. Expenditures on the laboratory may proceed without the study.

(b) Provide fire code required venting, enclosed lobbies, and electric generator for transportation building 254,000

(c) Renovate laboratory ventilation system in health building 141,900

(d) Construct hazardous material storage facility and outside receiving facility at health building 110,500

(e) General purpose remodeling contingency

This contingency totaling \$550,000 is established from unexpended balances remaining in building fund accounts as itemized in committee workpapers.

This appropriation is available for individual project expenditure after consultation with the chairmen of the house appropriations and senate finance committees.

(f) Reset west entrance to Centennial building 136,500

(g) Install fire, smoke, and emergency warning system in Veterans Service building 59,600

(h) Seal coat Centennial parking ramp floors 100,000

This appropriation is from the account established in section 16.72, subdivision 7. Future sealcoating and routine maintenance projects shall be financed from the parking fees established pursuant to section 16.72.

Subd. 4. Energy conservation 1,992,600

(a) Energy conservation projects that have an estimated payback in energy savings in five years or less 1,897,400

Of this appropriation, \$1,775,000 is from the state building fund, \$31,400

is from the game and fish fund,  
and \$91,000 is from the trunk highway fund.

The construction paid for from this appropriation shall meet or exceed the interim and final energy conservation performance standards and guidelines for new commercial buildings promulgated by the United States secretary of energy under the Energy Conservation Standards for New Buildings Act of 1976, as amended, United States Code, title 33, section 6833.

(b) Modify and connect the Ford building heating system for district heating 95,200

Subd. 5. Program improvement and expansion 6,531,000

(a) Provide access for the handicapped to state buildings statewide 2,000,000

(b) Prepare a program and feasibility study of a combined services facility 100,000

This study shall assess the feasibility of including the information services bureau in the new facility.

(c) Remodel third floor of Centennial building 1,500,000

This appropriation may not be expended unless a report is submitted to the chairmen of the house appropriations and senate finance committees by October 1, 1984; a preliminary report is requested August 1, 1984.

The report shall include a plan for improvements in the handling and flow of tax documents within the department of revenue, including improved coordination and automation of the mailroom, data entry, and cashier functions. The report shall also include the proposed layout for the remodeled space.

(d) Construct Brainerd services center 2,831,000

This appropriation shall establish a consolidated government services center at the community college site in Brainerd. The center is intended to

include at least the local activities of the state departments of agriculture, labor and industry and corrections; the pollution control agency; and the consolidated programs of the department of natural resources.

(e) Prepare plans for renovation of mechanic arts high school building

100,000

This appropriation is to plan for the renovation of the mechanic arts high school building, excluding the gymnasium, to provide state agency office space. The preliminary plans for renovation must be reviewed by the capitol area architectural and planning board pursuant to Minnesota Statutes, section 15.50, subdivision 2.

(f) Land acquisition

By January 15, 1985, the commissioner shall present to the chairmen of the house appropriations and senate finance committees a report proposing criteria by which land located in or near the Capitol complex would be assessed as favorable for acquisition. In proposing these criteria, the commissioner shall consider including such factors as effects on property taxes, proposed programmatic uses, and specific geographical boundaries.

(g) Building project balances

The commissioner is directed to report to the chairmen of the house appropriations and senate finance committees by January 15 of each fiscal year. The report shall list each building project balance which was authorized more than four years earlier, its current status, whether any activity occurred during the year, and the commissioner's recommendation and rationale for continuance. The report shall also include those balances, and associated projects, which were canceled administratively during the previous 12 month period.

Sec. 4. CAPITOL AREA  
ARCHITECTURAL AND PLANNING BOARD



To the commissioner of administration  
for the purposes specified in this  
section

1,700,000

- |  |           |
|--|-----------|
| (a) Landscape capitol mall   | 1,200,000 |
| (b) Landscape John Ireland Boulevard   | 350,000   |
| (c) Preliminary engineering and<br>design for parking facilities in the<br>Capitol complex | 150,000   |

This appropriation is from the general fund. The general fund shall be reimbursed from the account established in Minnesota Statutes, section 16.72 as funds become available.

The commissioner of administration shall study and report to the legislature by January 1, 1985, recommendations for increasing state employee participation in the van pool program, so that the need for new state parking facilities in the capitol area may be reduced.

The board shall seek the cooperation of the school of architecture and landscape architecture at the University of Minnesota for (a) and (b) above.

The board shall emphasize the use of plant species native to Minnesota in (a) and (b) above.

The board shall seek private contributions for the landscaping projects in (a) and (b) above. Any contributions received shall be used to reduce the cost to the state.

#### Sec. 5. NATURAL RESOURCES

Subdivision 1. To the commissioner of administration or the commissioner of natural resources for the purposes more specifically described in the following subdivisions of this section

3,966,700

Subd. 2. To the commissioner of administration for the purposes specified in this subdivision

680,000

- |   |         |
|---|---------|
| (a) Complete office and storage space at Grand Rapids regional headquarters | 139,000 |
| (b) Construct seedling storage at General Andrews nursery                   | 74,000  |

(c) Expand storage building at  
Baudette area headquarters 50,000

(d) Construct New Ulm Shop  
and Warehouse 317,000

(e) Plan for consolidation at  
the Bemidji regional office of all  
natural resources employees in Bemidji,  
Cass Lake, and Guthrie 100,000

Subd. 3. To the commissioner  
of natural resources to reconstruct  
the state-owned dam at New London 126,700

Subd. 4. To the commissioner of  
natural resources for the purposes  
specified in this subdivision 3,160,000

(a) Construct convention  
center and dormitory facility at  
Deep Portage Conservation Reserve 800,000

This appropriation is for payment to Cass County. This appropriation is available only upon a determination by the commissioner of natural resources that the additional financing necessary to complete the project has been committed by nonstate sources. Cass County shall repay \$320,000 to the state over a period of not more than ten years from the date this appropriation is paid to the county. Repayments shall be made in equal installments deposited in the state treasury and credited to the state bond fund before November 1 each year.

(b) Develop River Bend Nature  
Center 200,000

This appropriation is for payment to the city of Faribault. This appropriation is available only upon a determination by the commissioner of natural resources that the additional financing necessary to complete the project has been committed by nonstate sources. The city of Faribault shall repay \$80,000 to the state over a period of not more than ten years from the date this appropriation is paid to the city. Repayments shall be made in equal installments deposited in the state treasury and credited to the

state bond fund before November 1 each year.

(c) Develop facilities at Long Lake Conservation Center

160,000

This appropriation is for payment to Aitkin County. This appropriation is available only upon a determination by the commissioner of natural resources that the additional financing necessary to complete the project has been committed by nonstate sources. Aitkin County shall repay \$64,000 to the state over a period of not more than ten years from the date this appropriation is paid to the county. Repayments shall be made in equal installments deposited in the state treasury and credited to the state bond fund before November 1 each year.

(d) Construct Winger Dam

2,000,000

This appropriation is for payment to the Lower Red River Watershed Management Board to construct the Winger dam on the Sand Hill River, Winger township, Polk County. This appropriation is available only upon a determination by the commissioner of natural resources that the additional financing necessary to complete the project has been committed by other sources. The Lower Red River Watershed Management Board shall repay \$800,000 from its property tax receipts to the state over a period of not more than ten years from the date this appropriation is paid to the board. Repayments shall be made in equal installments deposited in the state treasury and credited to the state bond fund before November 1 each year.

Notwithstanding sections 16A.41, 16.02, or any other law to the contrary, the commissioner of natural resources may pay to the city of Lanesboro up to \$60,000 of unexpended funds that were appropriated to the commissioner under Laws 1977, chapter 421, section 12, subdivision 3, for the acquisition of trails, upon receipt of a 30 year lease from the city of Lanesboro approved by the attorney general for use of an inter-

pretive trail center on the Root River trail.

Notwithstanding any other law to the contrary the commissioner of natural resources may use for the betterment of state trails, without a public hearing, up to \$24,081 of unexpended funds that were appropriated to the commissioner under Laws 1979, chapter 301, section 3, subdivision 1, for acquisition of state trails.

#### Sec. 6. IRON RANGE RESOURCES AND REHABILITATION BOARD

1,120,000

This appropriation is for construction of an outdoor amphitheater at the Iron Range Interpretative Center at Chisholm.

The board shall repay \$448,000 to the state bond fund over a period of not more than ten years from the date this appropriation is paid to the board. Repayments shall be made in equal installments deposited in the state treasury and credited to the state bond fund before November 1 each year.

#### Sec. 7. ZOOLOGICAL BOARD

To the commissioner of administration for a wolf and caribou exhibit

225,000

The appropriation in this section is from the general fund.

This appropriation is available only to match contributions received from nonstate sources in the amount of \$225,000. No money may be expended until the entire match has been received.

#### Sec. 8. ENERGY AND ECONOMIC DEVELOPMENT

Regional Solid Waste Disposal

1,400,000

This appropriation is for payment of a grant to the city of Bagley to develop a solid waste disposal, incineration, and district heating pilot project involving seven counties. The purpose of the project must be to deal with solid waste disposal as a rural problem

and provide more reliable energy to the incinerator site through a district heating system. The grant may not be paid until the commissioner of energy and economic development has determined that additional financing in the amount of \$10,000,000 has been committed by other sources.

This appropriation is from the general fund.

Sec. 9. MILITARY AFFAIRS

To the adjutant general for the purposes specified in this section

1,183,500

The construction paid for from this appropriation shall meet or exceed the interim and final energy conservation performance standards and guidelines for new commercial buildings promulgated by the United States secretary of energy under the Energy Conservation Standards for New Buildings Act of 1976, as amended, United States Code, title 33, section 6833.

(a) Replace roofs statewide 362,500

(b) Replace windows or close up openings in facilities 40 years of age or older 478,000

This appropriation is from the general fund.

(c) Rehabilitate and improve armory at Austin 77,800

This appropriation is from the general fund.

(d) Rehabilitate and improve armory at 600 Cedar Street, St. Paul 265,200

This appropriation is from the general fund.

(e) \$13,000 of the appropriation made in Laws 1983, chapter 344, section 5, clause (a), for installing a heating plant at Worthington may be used to install two heating boilers at Camp Ripley.

(f) Armory Studies

Prior to expenditure of the funds contained in this section, the department shall submit to the chairmen of the house

appropriations and senate finance committees an analysis of the current energy usage at the armories which are funded for improvements and the anticipated savings to be realized from these improvements.

The department of military affairs, with the assistance of the management analysis division of administration, will provide an analysis by February 1, 1985, of the options for multiple use or time-sharing of armories. This analysis will address space and support requirements, utilization strength, maintenance, and cost of the alternatives. The engineering and architectural component of this analysis will be provided by the building code division of the department of administration.

#### Sec. 10. VETERANS AFFAIRS

To the commissioner of administration for the purposes specified in this section

103,100

The appropriations in this section are from the general fund.

(a) Replace roof on three buildings at veterans home - Hastings

40,100

The construction paid for from this appropriation shall meet or exceed the interim and final energy conservation performance standards and guidelines for new commercial buildings promulgated by the United States secretary of energy under the Energy Conservation Standards for New Buildings Act of 1976, as amended, United States Code, title 33, section 6833.

(b) Repair cooling system and upgrade linen room in building 16 at veterans home - Minneapolis

63,000

The commissioner shall prepare a report which presents and analyzes alternative uses, including residential use, of buildings 1 through 5 on the Minneapolis campus which are compatible with the functions and programs of the veterans home. The report shall be submitted to the chairmen of the house appropriations

and senate finance committees by January 15, 1985.

**Sec. 11. TRANSPORTATION**

Subdivision 1. To the commissioner of transportation for the purposes more specifically described in the following subdivisions of this section

23,207,700

Subd. 2. Operating Facilities

7,207,700

The appropriations in this subdivision are from the trunk highway fund.

(a) Construct interstate rest area near Pine City

207,900

The commissioner of transportation shall not expend this appropriation until contracts have been awarded for the construction of a highway interchange at the junction of interstate highway 35 and county state aid highway 11 at Pine City.

(b) Construct addition to Oakdale district headquarters

986,000

The addition shall include office space for the state patrol, which shall relocate from rental space in Eagan; and shop and storage space for electronic communications, which shall relocate from rental space in St. Paul.

(c) Construct equipment storage building at New Ulm truck station

263,000

(d) Construct equipment storage building at Dresbach truck station

270,000

(e) Construct equipment storage building at Buffalo truck station

325,000

(f) Construct equipment storage building at Morris maintenance headquarters

900,000

This appropriation is available upon determination by the commissioner of administration that the commissioner of transportation has entered into a contract for the sale of the existing Morris maintenance equipment storage building. The contract for purchase of the existing Morris equipment storage building shall not be less than \$235,000. Funds received from the sale shall be deposited in the trunk highway fund.

(g) Construct St. Croix interstate rest

area and travel information center	292,500
(h) Construct St. Croix weigh station	1,052,000

The commissioner of transportation shall conduct an evaluation of the feasibility of utilizing weigh in motion facilities in conjunction with the construction and operation of the St. Croix weigh station.

The commissioner of public safety shall submit a report to the legislature regarding the utilization of the weigh stations located on trunk highway 61 near Winona and on trunk highway 3 near Farmington. The commissioner shall submit the report to the chairman of house appropriations and the chairman of senate finance by January 15, 1985.

(i) Construct interstate rest area near Mahtowa	207,900
(j) Construct equipment storage building at Pine River truck station	238,000
(k) Construct cold storage sheds statewide	65,000
(l) Construct highway information center at Chisholm	200,000

None of the costs of maintaining, staffing, and operating the highway information center at the Iron Range Interpretative Center shall be paid from the trunk highway fund.

(m) Construct rest area and travel information center near International Falls	654,400
(n) Construct rest area and travel information center at Pigeon River	956,000
(o) Construct equipment storage building for Chaska truck station	590,000

This appropriation is available upon determination by the commissioner of administration that the commissioner of transportation has entered into contract for the sale of the existing Chaska equipment storage building. Funds received from the sale shall be deposited in the trunk highway fund.

Subd. 3. Interstate Substitution

4,000,000

This appropriation is from the state



transportation fund to provide not to exceed one-half of the nonfederal share of right-of-way, preliminary and construction engineering, and construction costs of local projects that are paid for with interstate substitution money.

The balance of the appropriation in Laws 1981, chapter 361, section 4, subdivision 5, item (b) for interstate substitution projects may only be expended to provide not to exceed one-half of the nonfederal share of right-of-way, preliminary and construction engineering, and construction costs of local projects that are paid for with interstate substitution money.

Notwithstanding any other law to the contrary, the commissioner of transportation shall not provide funds from this appropriation for the purpose of preliminary planning, design, or construction of an intercampus bus expressway between Minneapolis and Saint Paul

Subd. 4. Railroad Assistance

12,000,000

This appropriation is from the state transportation fund for the purposes specified in Minnesota Statutes, sections 222.49 to 222.63.

Sec. 12. MINNESOTA HISTORICAL SOCIETY

To the Minnesota historical society for the purposes specified in this section

3,600,000

(a) Plan for construction of State History Center

400,000

This appropriation is to the capitol area architectural and planning board, for expenditure in consultation with the Minnesota Historical Society, for a design competition for a new state history center.

This appropriation is available for expenditure only after a site study has been presented to the chairmen of the house appropriations and senate finance committees and they have made their advisory recommendations on it.

The study shall be paid for by \$150,000

of the appropriation made in Laws 1983, chapter 344, section 2, clause (f), which remains from the appropriation to the capitol area architectural and planning board for the history center's design competition. The study shall be submitted no later than November 1, 1984. The capitol area architectural and planning board, acting with three members to be designated by the director of the Minnesota historical society, must make a final siting recommendation to the chairman of the house appropriation committee and the chairman of the senate finance committee and include their rationale.

The historical society, capitol area architectural and planning board, and the commissioner of administration shall cooperate with this study and provide staff assistance as requested.

This appropriation authorizes and continues the design competition now in progress for the state history center.

The design competition for a new history center, landscaping, and site improvements shall not produce a total projected cost that exceeds \$41,000,000.

The historical society shall evaluate and report to the legislature on the potential for private sector support for program enhancements for the state history center, including but not limited to facility furnishings and equipment.

(b) Develop Split Rock Lighthouse historic site	1,550,000
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(c) Develop Red River Valley Center	1,000,000
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This appropriation shall be expended in accordance with Minnesota Statutes, sections 138.92 and 138.93.

(d) Lake Superior Museum of Transportation and Industry	50,000
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This appropriation shall be expended in accordance with Minnesota Statutes, sections 138.92 and 138.93.

The appropriations in items (e) to (i) are from the general fund.

(e) Develop historic interpretive facili-	
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ties statewide	150,000
(f) Stabilize Grand Mound	75,000
(g) Historic site restoration and preventive maintenance	100,000
(h) Restore and preserve historical objects in Capitol building	250,000
(i) Repair state monuments, markers, and waysides	25,000

### Sec. 13. VOCATIONAL-TECHNICAL EDUCATION

Subdivision 1. To the state board of vocational-technical education for post-secondary vocational-technical construction in the school districts listed in this section

10,057,600

Independent School District No. 11, Anoka

1,046,400

This appropriation is to remodel warehouse and other space for other purposes. The total cost of the project shall not exceed \$1,231,000, whether paid from state, local, or federal money.

Independent School District No. 492, Austin

195,300

This appropriation is to remodel connecting links. The total cost of the project shall not exceed \$229,800, whether paid from state, local, or federal money.

Independent School District No. 31, Bemidji

138,400

(1) \$96,200 is to replace a roof.

The total cost of the project shall not exceed \$113,200, whether paid from state, local, or federal money. This appropriation is from the general fund.

(2) \$42,200 is to construct a vestibule.

The total cost of the project shall not exceed \$49,700, whether paid from state, local, or federal money. This appropriation is from the general fund.

Independent School District No. 181, Brainerd

124,000

This appropriation is for an addition to

the auto body shop. The total cost of the project shall not exceed \$145,900, whether paid from state, local, or federal money.

Independent School District No.  
891, Canby

22,700

This appropriation is to complete the replacement of a roof. The total cost of the project shall not exceed \$26,800, whether paid from state, local, or federal money. This appropriation is from the general fund.

Special Intermediate School District  
No. 917, Dakota County

34,100

This appropriation is to modify boilers. The total cost of the project shall not exceed \$40,200, whether paid from state, local, or federal money. This appropriation is from the general fund.

Independent School District No.  
709, Duluth

2,388,500

(1) \$2,125,000 is to construct additional space for electronics, health, data processing, and business.

The total cost of the project shall not exceed \$2,500,000, whether paid from state, local, or federal money.

(2) \$212,500 is to resurface a parking lot.

The total cost of the project shall not exceed \$250,000, whether paid from state, local, or federal money. This appropriation is from the general fund.

(3) \$51,000 is to install electronic heat and ventilation controls.

The total cost of the project shall not exceed \$60,000, whether paid from state, local, or federal money. This appropriation is from the general fund.

Independent School District No.  
697, Eveleth

439,500

This appropriation is to construct a commons area, kitchen and receiving area, and instrumentation laboratory. The total cost of the project shall not exceed

\$517,000, whether paid from state, local, or federal money.

Independent School District No. 423,  
Hutchinson

638,700

(1) \$500,000 or so much thereof as is necessary is for the costs to acquire the Crow River Vocational Cooperative Center Building

The total cost of this acquisition shall not exceed \$588,200, whether paid from state, local, or federal money.

(2) \$138,700 is to connect utility units to natural gas.

The total cost of the project shall not exceed \$163,200, whether paid from state, local, or federal money. This appropriation is from the general fund.

Independent School District No.  
77, Mankato

102,000

This appropriation is to construct a graphic arts classroom and laboratory. The total cost of the project shall not exceed \$120,000, whether paid from state, local, or federal money.

Special School District No. 1,  
Minneapolis

1,700,000

This appropriation is to acquire and to better the Aviation Center facility. The total cost of this project shall not exceed \$2,000,000, whether paid from state, local, or federal money.

Special School District No. 1, Minneapolis, may purchase the facility presently used by the Minneapolis Technical Institute for the Aviation Training Center. Renovation or expansion of this facility shall not proceed until such time as the purchase is complete and title has been transferred.

Enrollment in aviation mechanics programs at Minneapolis Technical Institute shall not be increased beyond the current level without submission of documentation that placement rates have improved. Requests to increase enrollment shall be reviewed by the chairmen of the House

Appropriations and Senate Finance Committees and the chairmen shall make recommendations on the requests. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Independent School District No.  
152, Moorhead

495,600

(1) \$303,900 is for a project for the air conditioning and refrigeration program.

Total costs of this project shall not exceed \$357,500, whether paid from state, local, or federal money.

(2) \$191,700 to reroof the 1971 addition.

The total cost of the project shall not exceed \$225,500, whether paid from state, local, or federal money. This appropriation is from the general fund.

Special Intermediate School  
District No. 916

998,100

(1) \$369,900 is for decking the refrigeration and heating, graphic arts, and mobile home repair shops.

The total cost of the project shall not exceed \$435,100, whether paid from state, local, or federal money.

(2) \$120,000 is to construct a warehouse.

The total cost of the project shall not exceed \$141,200, whether paid from state, local, or federal money.

(3) \$303,400 is to encapsulate asbestos.

The total cost of the project shall not exceed 356,900, whether paid from state, local, or federal money. This appropriation is from the general fund.

(4) \$35,500 is to add an air lock to the east entrance.

The total cost of the project shall not exceed \$41,800, whether paid from state, local, or federal money. This appropriation is from the general fund.

(5) \$169,300 is to insulate shop ceil-

ings.

The total cost of the project shall not exceed \$199,200, whether paid from state, local, or federal money. This appropriation is from the general fund.

Independent School District No.  
625, St. Paul

731,300

(1) \$270,600 is to remove asbestos.

The total cost of the project shall not exceed \$318,200, whether paid from state, local, or federal money. This appropriation is from the general fund.

(2) \$460,700 is to reroof the building and repair interior and exterior walls.

The total cost of the project shall not exceed \$542,000, whether paid from state, local, or federal money. This appropriation is from the general fund.

Independent School District No.  
793, Staples

76,500

This appropriation is to replace overhead doors. The total cost of the project shall not exceed \$90,000, whether paid from state, local, or federal money. This appropriation is from the general fund.

Independent School District No.  
347, Willmar

773,500

(1) \$680,000 is for additional agriculture program classrooms and labs.

The total cost of the project shall not exceed \$800,000, whether paid from state, local, or federal money.

(2) \$93,500 is for various energy conservation measures.

The total cost of the project shall not exceed \$110,000, whether paid from state, local, or federal money. This appropriation is from the general fund.

Independent School District No.  
861, Winona

153,000

This appropriation is to resurface a parking lot. The total cost of the project shall not exceed \$180,000, whether paid from state, local, or federal money. This ap-

propriation is from the general fund.

Sec. 14. COMMUNITY COLLEGES

Subdivision 1. To the commissioner of administration for the purposes more specifically described in the following subdivisions of this section

25,038,400

Subd. 2. Anoka-Ramsey Community College

4,300,000

This building fund appropriation is for the following:

(a) \$2,800,000 for improvements or expansion of the library, classrooms, college center, and physical education facilities.

(b) \$1,000,000 for the Cambridge Community College Center. Of this amount, \$185,000 or so much thereof as is necessary, is for the costs to acquire by direct purchase the present facility owned by the Cambridge Business Development Company. The remaining \$815,000 is for the costs to construct an additional building on the present site, additional parking, and equipment.

(c) \$500,000 to acquire by direct purchase the Advent Lutheran Church building and land which is adjacent to the Anoka-Ramsey Community College campus.

Subd. 3. Itasca Community College Planning for library, college center, classroom buildings and physical education building addition

175,000

Subd. 4. Minneapolis Community College

Construct classroom, library, college center, and plan for a fine arts building

8,600,000

Subd. 5. North Hennepin Community College

2,713,000

Construct a business technology building and improvements and plan for additions to the physical education facility.

Subd. 6. Rainy River Community College



Construct college center and physical education building addition 1,200,000

Subd. 7. Rochester Community College 2,850,000

This appropriation is to plan, construct, equip, and furnish a 30,000 gross square foot addition to Rochester Community College. This appropriation shall not be spent until a portion of the former Rochester state hospital is sold and all of the net proceeds are deposited in the state treasury and credited to the general fund.

“Net proceeds” means the gross proceeds less: (1) the accumulated operating costs associated with the heating, maintenance, and improvements for the property sold and provision for security for the period beginning December 29, 1982, and ending on the date of sale of the real property; (2) costs incurred by Olmsted County for roof repairs previously made to hospital buildings and road improvements made necessary because of the sale of the property; and (3) consultant fees and advertising costs related to the sale of the property.

The purpose of this addition is to house the Winona State University Center. This appropriation is from the state building fund.

It is intended that the Winona State University Center at Rochester shall be used jointly by Winona State University for upper division and graduate instruction and by Rochester Community College.

The chancellor of the community college system and the chancellor of the state university system or their designees shall participate jointly in the design and oversight of the building construction. Winona State University, in consultation with Rochester Community College, shall be responsible for scheduling instructional facilities. Rochester Community College shall be assured reasonable access to and use of the building.

Rochester Community College shall be responsible for the operation and maintenance of the physical plant. Winona

State University will reimburse Rochester Community College on a prorated basis for fuel, utilities, maintenance, and other attributable expenses consistent with the procedure agreed upon by the state university and community college system chancellors.

**Subd. 8. Vermilion Community College**

Construct college center and physical education building addition	1,900,000
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Subd. 9. Systemwide repairs and betterments	3,300,400
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The appropriations in this subdivision are from the general fund to the community college board.

Notwithstanding Minnesota Statutes, section 16.02, the community college board shall supervise and control the making of necessary repairs to all community college buildings and structures.

(a) Replace leaking roofs and repair leaking membranes	225,000
(b) Construct or remodel hazardous chemical storage areas	336,000
(c) Install emergency lighting	159,000
(d) Repair roads and parking lots	450,000
(e) Repair brick-paver sidewalks at Inver Hills Community College	132,400
(f) Automate building energy systems	700,000
(g) Systemwide removal of asbestos	1,100,000
(h) Replace transformers	198,000

**Sec. 15. STATE UNIVERSITIES**

Subdivision 1. To the State University Board for the purposes more specifically described in the following subdivisions of this section

19,505,000

Notwithstanding Minnesota Statutes, section 16.02, the state university board shall supervise and control the preparation of plans and specifications for the

construction, alteration, or enlargement of the state university buildings, structures, and improvements provided for in this section. The state university board shall advertise for bids and award contracts in connection with the improvements, supervise and inspect the work, approve necessary changes in the plans and specifications, approve estimates for payment, and accept the improvements when completed according to the plans and specifications.

Subd. 2. Bemidji Campus		1,280,000
(a) Plan to remodel or replace education and art building	230,000	
(b) Renovate the exterior and plan for the rehabilitation of Sattgast Hall	1,050,000	
Subd. 3. Mankato Campus		5,480,000
(a) Plan, construct, equip, and furnish classroom/laboratory building	5,400,000	
(b) Correct fire code deficiencies	80,000	
This appropriation is from the general fund.		
Subd. 4. Moorhead Campus		695,000
(a) Plan, construct, equip, and furnish addition to Nemzek Hall	490,000	
(b) Planning for construction of a library addition	205,000	
Subd. 5. St. Cloud Campus		4,305,000
(a) Preliminary planning for Stewart Hall	60,000	
(b) Plan and renovate Gray Campus Laboratory School	3,500,000	
(c) Install air conditioning system chiller loop	745,000	
Subd. 6. Southwest campus		115,000
Grade and plant trees to form a windbreak		
This appropriation is from the general fund.		
Subd. 7. Winona Campus		
(a) Plan, renovate, equip, and furnish Somsen Hall		4,000,000

This appropriation includes \$360,000 for planning and working drawings for the renovation of Somsen Hall.

(b) The State University System may seek nonstate funds from friends of Winona State University and others in the Winona area for the campus landscaping and site-work project. Once nonstate funds are obtained, the State University System may proceed with planning and construction of the project.

Subd. 8. Systemwide planning and coordination - building projects	100,000
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Subd. 9. Systemwide	3,530,000
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The appropriations in this subdivision are from the general fund.

(a) Install automatic emergency lighting	300,000
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(b) Replace transformers and capacitors	1,054,000
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(c) Remove asbestos systemwide	576,000
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(d) Replace roofs	1,300,000
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(e) Prepare systemwide study of need for new construction, major remodeling, library facilities, sports and physical education facilities, and industrial arts facilities	300,000
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#### Sec. 16. UNIVERSITY OF MINNESOTA

Subdivision 1. To the regents of the University of Minnesota for the purposes more specifically described in the following subdivisions of this section	57,981,000
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Subd. 2. Twin Cities Campus	46,803,000
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(a) Appleby Hall	420,000
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This appropriation is for working drawings to remodel and/or add on to Appleby Hall. The total cost of the project may not exceed \$7,000,000.

(b) Electrical engineering and computer science building	2,700,000
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This appropriation is for two purposes. The first purpose is for working drawings to build and equip a facility not to

exceed a total cost of \$40,000,000. The second purpose is for the preparation of a master building plan for physical facilities for the Institute of Technology.

(c) Prepare working drawings and construct animal facilities on the St. Paul campus or at the Rosemount Experiment Station	4,000,000
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Notwithstanding the provisions of Minnesota Statutes, sections 16.821 to 16.827, the Regents of the University of Minnesota are not required to abide by the state designer selection board act for the remodeling and renovation portions of the animal housing facilities.

(d) Green Hall Planning	656,000
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(e) Remodel Smith Hall	21,000,000
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(f) Repair roof and install energy conservation measures of Folwell Hall	855,000
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(g) Remodel Amundson Hall and Mines and Metallurgy building	1,200,000
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Of this appropriation \$60,000 is for preliminary planning for phase II construction.

(h) Remodel parts of Mayo building for department of microbiology and school of public health	8,160,000
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(i) Music Library	1,275,000
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(j) Music performance laboratory	1,638,000
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This amount must be matched by no less than an equal amount from nonstate sources.

(k) Teaching Greenhouse and Headhouse	800,000
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(l) Prepare preliminary plans for Minneapolis Campus recreational sports facilities and St. Paul Campus gymnasium improvements	210,000
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This appropriation is for preliminary plans to build and equip a facility not to exceed a total cost to the state of \$10,000,000. The plans are to include an assessment of the availability of recreational sports facilities in parks and schools which are physically close to the Minneapolis and St. Paul campuses.

The regents of the University of Minnesota may use nonstate funds for the construction of new facilities for intercollegiate football and to install an artificial playing surface in the Field House.

(m) Modify Williams Arena to correct life safety deficiencies 621,000

This appropriation is from the general fund.

(n) Repay bank loan for modifying Minneapolis Campus heating plant 1,000,000

This appropriation is from the general fund.

(o) Convert primary electrical system on the Minneapolis Campus 978,000

(p) Convert primary electrical system on the St. Paul Campus and air condition Goldstein Gallery 1,290,000

Subd. 3. Duluth Campus 6,570,000

(a) Recreational sports/physical education facilities 4,400,000

This amount is to be matched by at least \$487,000 from nonstate sources.

(b) Natural Resources Research Institute-Remodel and equip sage building 1,800,000

(c) Planning for remodeling and construction of engineering facilities 270,000

(d) Study heating plant and steam distribution 100,000

This appropriation is from the general fund.

Subd. 4. Morris Campus

Construct Greenhouse 200,000

Subd. 5. Crookston Campus 1,584,000

(a) Remodel Owen Hall 1,500,000

Of this amount, \$25,000 is to plan a partial replacement of the Dairy Facility at the Northwest Experiment Station, with 15 animal stations for use by the Technical College.

(b) Construct addition to coal

storage facilities 34,000

This appropriation is from the general fund.

(c) Food service building air conditioning 50,000

Subd. 6. Waseca Campus

Construct mechanized agriculture shops addition and east portion of ring road 1,200,000

Subd. 7. Hormel Institute, Austin

Complete, equip, and furnish the Animal Research Annex 237,000

Subd. 8. Northwest Experiment Station, Crookston

Remodel existing agricultural research center auditorium 150,000

Subd. 9. Rosemount Experiment Station

Construct addition to hazardous waste storage facilities 75,000

This appropriation is from the general fund.

Subd. 10. Southern Experiment Station, Waseca

Construct farm implement storage facility 114,000

Subd. 11. Southwest Experiment Station, Lamberton Acquire land

98,000

Subd. 12. Systemwide

950,000

(a) Remodel facilities to accommodate the physically handicapped 750,000

(b) Remodel facilities to meet life and fire safety standards 200,000

This appropriation is from the general fund.

Sec. 17. CORRECTIONS

Subdivision 1. To the commissioner of administration for the purposes more specifically described in the following subdivisions of this section 2,598,900

The appropriations in this section are from the general fund, unless otherwise indicated.

Subd. 2. Minnesota Correctional Facility - Lino Lakes

148,000

(a) Fire control system - "B" Building	119,000	
(b) Upgrade security surveillance	29,000	
Subd. 3. Minnesota Correctional Facility - Red Wing		240,000
(a) Roof replacement, Harvard and Stanford cottages	90,000	
(b) Repair roof, replace eaves and gutters, and tuckpoint chapel	50,000	
(c) Install sprinkler system in three maintenance buildings	100,000	
Subd. 4. Minnesota Correctional Facility - St. Cloud		554,900
(a) Roof replacement, power plant and administration building	41,300	
(b) Replace plumbing in cell houses A and B	184,000	
(c) Replace light fixtures in cells	47,000	
(d) Replace windows in two shops and administration building	43,000	
(e) Tuckpointing	137,600	
(f) Demolish farm buildings	2,000	
(g) Replace doors and locks in school building	100,000	
Item (g) is appropriated from the state building fund.		
Subd. 5. Minnesota Correctional Facility - Sauk Centre		186,000
(a) Repair roofs on four buildings	29,000	
(b) Install fire exit stairways from three residential cottages	30,000	
(c) Install carpet and ceiling tile in Mary Lyon School	21,000	
(d) Resurface recreation area and parking lot	10,000	
(e) Remodel Sullivan Cottage	96,000	
Subd. 6. Minnesota Correctional Facility - Stillwater		1,373,000
(a) OSHA, fire and life safety projects	120,000	
(b) Ventilation and heating in		



cell halls A and B	52,000	
(c) Replace plumbing in cell halls A and B	210,000	
(d) Enlarge and remodel communication room	68,000	
(e) Tuckpointing	553,000	
(f) Lock replacement in cell hall B	180,000	
(g) Renovate steam and return lines	190,000	
Subd. 7. Willow River Camp		97,000
(a) Pave camp road	50,000	
(b) Addition to administration building	47,000	
Sec. 18. PUBLIC WELFARE		
Subdivision 1. To the commissioner of administration for the purposes more specifically described in the following subdivisions of this section		4,730,400
The appropriations in this section are from the general fund, unless otherwise indicated.		
Subd. 2. Faribault State Hospital		344,400
(a) Reconstruct roads and parking areas	303,400	
Of the amount appropriated \$6,000 shall be for sealcoating.		
(b) Renovate power plant and laundry condensation system	41,000	
Subd. 3. Fergus Falls State Hospital		502,000
(a) For air conditioning in buildings 27 and 28	222,000	
(b) Replace boiler emission control unit with electrostatic precipitator	280,000	
Item (b) is appropriated from the state building fund.		
Subd. 4. Moose Lake State Hospital		810,000
(a) For purchase and installment of a new ventilation system in buildings 1, 2, 3, and 4	578,000	
(b) Renovate and replace plumbing and shower fixtures in buildings 51 and 52	53,000	

(c) Boiler conversion	179,000
Subd. 5. St. Peter State Hospital	
Demolish the old Minnesota Security Hospital building	300,000
Subd. 6. Roof Repair and Replacement	
	408,000
This appropriation shall be limited to projects at state hospitals in Anoka, Cambridge, Faribault, Fergus Falls, Moose Lake, and St. Peter.	
Subd. 7. Floor Covering	
	650,000
This appropriation shall be limited to projects for carpeting or alternative floor coverings at state hospitals in Brainerd, Cambridge, Faribault, Fergus Falls, Moose Lake, St. Peter, and Willmar.	
Subd. 8. Systemwide furniture replacement	
	400,000
Subd. 9. Road and parking lot repair	
	184,000
This appropriation shall be limited to projects for patching, resurfacing, and sealcoating at Ah Gwah Ching State Nursing Home and state hospitals in Anoka, Brainerd, Cambridge, Fergus Falls, Moose Lake, St. Peter, and Willmar.	
Subd. 10. Mechanical system renovation	
	450,000
This appropriation shall be used for various boiler heating and hot water projects at Oak Terrace State Nursing Home and state hospitals in Anoka, Brainerd, Faribault, Moose Lake, and Willmar.	
Subd. 11. Special Building Contingent	
	682,000
(a) Building renovation and structural corrections at Ah Gwah Ching State Nursing Home and state hospitals in Anoka, Brainerd, Cambridge, Faribault, Moose Lake, and Willmar	500,000
(b) Remodeling bathrooms at Faribault and Moose Lake State Hospitals and Ah Gwah Ching State	

Nursing Home

182,000

The appropriations for the projects in this subdivision shall be available only after a plan for the future use of state hospitals has been submitted by the state planning agency to the 1985 legislature and subsequent consideration of these projects with the chairmen of the senate finance committee and the house appropriations committee.

#### Sec. 19. BOND SALE EXPENSES

To the commissioner of finance for bond sale expenses under Minnesota Statutes, section 16A.641, subdivision 8

153,000

#### Sec. 20. INTEREST RATE REDUCTION EXPENSES

To the commissioner of finance for payments made under contracts for interest rate reduction measures as authorized by this act

7,230,000

#### Sec. 21. [BOND SALE; DEBT SERVICE.]

*To provide the money appropriated in this act from the state building fund the commissioner of finance upon request of the governor shall sell and issue bonds of the state in an amount up to \$139,540,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.63 to 16A.672, and by the Constitution, article XI, sections 4 to 7.*

#### Sec. 22. [TRANSPORTATION BONDS.]

*To provide the money appropriated in this act from the state transportation fund the commissioner of finance upon request of the governor shall sell and issue bonds of the state in an amount up to \$16,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 174.50, 174.51, and by the Constitution, article XI, sections 4 to 7.*

#### Sec. 23. [CONSULTATION REQUIRED.]

*No land shall be purchased and no buildings shall be purchased, constructed, or erected on lands of the University of Minnesota until the regents have first consulted with the chairman of the senate finance committee and the chairman of the house appropriations committee and obtained their recommendations, which are advisory only.*

#### Sec. 24. [REVIEW OF PLANS.]

*The commissioner of administration, the commissioner of transportation, the state university board, and the board of regents of the University of Minnesota shall not prepare final plans and specifications for any construction or major remodeling authorized by this act until the using agency or department has presented the program and schematic plans and cost estimates for all elements necessary to complete the project to the chairman of the house*

*appropriations committee and the chairman of the senate finance committee and the chairmen have made their recommendations thereon. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.*

**Sec. 25. [APPROPRIATIONS FOR CONSTRUCTION; TRANSFER.]**

*Upon the awarding of final contracts for the completion of a project for construction or other permanent improvement authorized by this act, the commissioners of administration and transportation, the state university board, and the board of regents of the University of Minnesota as to appropriations made to them may transfer any unencumbered balance in the project account to any other project enumerated in the same section of the appropriation act as the project about to be completed. The money transferred pursuant to this section is appropriated for the purposes for which transferred. The commissioners of administration and transportation and the board of regents of the University of Minnesota shall report to the chairman of the house appropriations committee and the chairman of the senate finance committee on any transfer made pursuant to this section.*

**Sec. 26. [APPROPRIATIONS FOR CONSTRUCTION; FEDERAL MONEY; EXCEEDING AUTHORIZED COST.]**

*The commissioner of administration, the commissioner of transportation, the state university board, and the board of regents of the University of Minnesota shall apply for the maximum federal share for each capital improvement project for which money is appropriated by this act. Encumbrance or expenditure of money in excess of the project authorization shall be made only after the commissioner of administration, the commissioner of transportation, and the board of regents, as appropriate, have consulted with the chairman of the house appropriations committee and the chairman of the senate finance committee and the chairmen have made their recommendations thereon. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.*

**Sec. 27. [METHODS OF ACQUISITION.]**

*Where money has been appropriated by this act to the commissioner of administration to acquire lands or sites for public buildings or real estate, acquisition may be by gift, purchase, or condemnation proceedings. Condemnation proceedings shall be under Minnesota Statutes, chapter 117.*

**Sec. 28. [APPROPRIATION REDUCTIONS; CANCELLATIONS.]**

*The appropriation in Laws 1981, chapter 4, section 9, subdivision 9, item (a), to remodel building 8 at Rochester state hospital, is reduced by \$68,000. The appropriation in Laws 1981, chapter 334, section 11, subdivision 3, for district heating at Moorhead state university, is reduced by \$2,485,000. The appropriation in Laws 1981, chapter 361, section 2, item (e), to construct a tunnel from the Historical Society building to the Mechanic Arts School building, is reduced by \$412,000. The appropriation in Laws 1981, chapter 361, section 2, item (g), for Fergus Falls State Hospital Power Plant Conversion, is reduced by \$2,550,000. The appropriation in Laws 1981, chapter 361, section 4, subdivision 5, for transportation projects, is reduced by \$58,900,000. The appropriation in Laws 1981, chapter 362, section 5, sub-*

division 3, to construct an agronomy and plant genetics, plant pathology, and soil science building, is reduced by \$1,400,000. The appropriation in Laws 1983, chapter 344, section 2, item (h), to acquire the MEA building, and in item (i), to renovate the MEA building, are canceled. The appropriation in Laws 1983, chapter 344, section 10, subdivision 2, item (b), to construct a music facility on the West Bank campus, is reduced by \$4,525,000.

#### Sec. 29. [BOND SALE REDUCTIONS.]

The bond sale authorization in Laws 1981, chapter 4, section 13, is reduced by \$68,000. The bond sale authorization in Laws 1981, chapter 334, section 12, is reduced by \$3,685,000. The bond sale authorization in Laws 1981, chapter 361, section 9, is reduced by \$2,962,000. The bond sale authorization in Laws 1981, chapter 361, section 10, is reduced by \$58,900,000. The bond sale authorization in Laws 1981, chapter 362, section 7, is reduced by \$1,400,000. The bond sale authorization in Laws 1982, chapter 639, section 13, is reduced by \$63,000. The bond sale authorization in Laws 1983, chapter 344, section 15, is reduced by \$7,660,000.

Sec. 30. Minnesota Statutes 1982, section 16.72, subdivision 7, is amended to read:

Subd. 7. [SURCHARGE FOR VEHICLES OCCUPIED BY ONE PERSON.] The commissioner of administration shall impose a surcharge of 25 percent for vehicles occupied by only one person parking in a state parking facility in the capitol area, as described by section 15.50, subdivision 2. The revenue from this additional charge shall be placed by the commissioner in a special account. For the benefit of employees employed in the capitol area, the money in the account is appropriated to the commissioner and shall be used by the commissioner in the following order of priority: (1) to acquire or lease commuter vans pursuant to section 16.756 ~~and~~; (2) within such limits and upon such conditions as the commissioner determines to be necessary, to reimburse state departments or agencies for costs resulting from agreements with the metropolitan transit commission or other operators pursuant to section 473.409; and (3) to be used for maintaining and improving parking lots or facilities owned or operated by the state. The commissioner may adopt rules necessary to administer the provisions of this subdivision, subdivision 5, and section 473.409. The rules may exempt from the surcharge vehicles operated by persons who the commissioner determines have job requirements that make car pooling impractical.

#### Sec. 31. [16A.011] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to chapter 16A.

Subd. 2. [ALLOTMENT.] "Allotment" means a limit placed by the commissioner on the amount to be spent or encumbered during a period of time pursuant to an appropriation.

Subd. 3. [APPROPRIATION.] "Appropriation" means an authorization by law to expend or encumber an amount in the treasury.

*Subd. 4. [COMMISSIONER.] "Commissioner" means the commissioner of finance.*

*Subd. 5. [ENCUMBRANCE.] "Encumbrance" means the commitment of a portion or all of an allotment in order to meet an obligation that is expected to be incurred to pay for goods or services received by the state or to pay a grant.*

*Subd. 6. [TREASURER.] "Treasurer" means the state treasurer.*

*Subd. 7. [TREASURY.] "Treasury" means the state treasury.*

Sec. 32. Minnesota Statutes 1982, section 16A.54, is amended to read:

16A.54 [GENERAL FUND DEFINED.]

*Except as provided in section 16A.671, subdivision 3, the term "general fund" appearing in any existing or hereafter enacted law relating to revenues deposited in or expenditures appropriated from the state treasury means such moneys as have been deposited in the state treasury for the usual, ordinary, running, and incidental expenses of the state government and does not include moneys deposited in the state treasury for a special or dedicated purpose.*

Sec. 33. [16A.631] [STATE BUILDING FUND.]

*The state building fund is established to receive state bond proceeds appropriated to agencies to acquire and to better public lands and buildings and other public improvements of a capital nature, as authorized by the Constitution, article XI, section 5, clause (a).*

Sec. 34. [16A.641] [STATE BONDS; APPROPRIATIONS.]

*Subdivision 1. [AUTHORITY.] When authorized by a law enacted in accordance with the Constitution, article XI, sections 5 and 7, the commissioner of finance may sell and issue general obligation bonds of the state evidencing public debt incurred for any purpose stated in those sections. The full faith, credit, and taxing powers of the state are irrevocably pledged for the prompt and full payment of the bonds and interest.*

*Subd. 2. [REPORT.] Before a sale of general obligation bonds, the commissioner shall report the amount of bonds to be issued and a detailed list of the projects or a statement of the program to be financed to the chairmen of the house appropriations and tax committees and of the senate finance and tax committees, and the minority leaders of the house and senate, for their advisory recommendation. The recommendation is positive if not received within ten days.*

*Subd. 3. [SERIES OF BONDS.] Bonds authorized by a law may be issued in more than one series, and bonds authorized by more than one law may be combined in a single series, as determined by order of the commissioner. The order must state the principal amount of the bonds to be issued under each law, and the aggregate principal amount and the maturity dates and amounts of the bonds included in the series that are to be issued for the purpose of each special fund.*

*Subd. 4. [SALE AND ISSUANCE.] State bonds must be sold and issued upon sealed bids in the manner and on the terms and conditions determined*

by the commissioner in accordance with the laws authorizing them and subject to the approval of the attorney general, but not subject to chapter 14. For each series, in addition to provisions required by subdivision 3, the commissioner may determine:

- (1) the time, place, and notice of sale and method of comparing bids;
- (2) the price, not less than par for highway bonds;
- (3) the principal amount and date of issue;
- (4) the interest rates and payment dates;
- (5) the maturity amounts and dates, not more than 20 years from the date of issue, subject to subdivision 5;
- (6) the terms, if any, on which the bonds may or must be redeemed before maturity, including notice, times, and redemption prices; and
- (7) the form of the bonds and the method of execution, delivery, payment, registration, conversion, and exchange, in accordance with section 16A.672.

*Subd. 5. [PLANNING MATURITIES.] In issuing each series of state bonds the commissioner shall try to establish the maturities and other terms so that transfers to the state bond fund required in each year of the then current biennium under subdivision 10 may be made with the least practical effect on orderly spending plans for other appropriations from the general fund.*

*Subd. 6. [CERTIFICATION.] The commissioner of finance shall ascertain from state records and certify to the holders of each series of state bonds, subject to the approval of the attorney general, that all conditions exist and all actions have been taken that are needed to make the bonds valid and binding general obligations of the state in accordance with their terms. The commissioner shall also certify for the state the facts, estimates, and circumstances on the date of issue that lead the commissioner reasonably to expect that the proceeds will not be used in a way that would make the bonds arbitrage bonds under section 103(c) of the Internal Revenue Code and related federal regulations.*

*Subd. 7. [CREDIT OF PROCEEDS.] (a) Proceeds of bonds issued under each law must be credited by the commissioner to a special fund, as provided in this subdivision.*

*(b) Accrued interest and any premium received on sale of the bonds must be credited to the state bond fund created by the Constitution, article XI, section 7.*

*(c) Proceeds of state building bonds must be credited to the state building fund under section 16A.631.*

*(d) Proceeds of state highway bonds must be credited to the trunk highway fund under the Constitution, article XIV, section 6.*

*(e) Proceeds of bonds issued for programs of grants or loans to political subdivisions must be credited to special funds established by laws stating the purposes of the grants or loans, and the standards and criteria under which an executive agency is authorized to make them.*

*(f) Proceeds of refunding bonds must be credited to the state bond fund as provided in section 16A.66, subdivision 1.*

*Subd. 8. [APPROPRIATION OF PROCEEDS.] (a) The proceeds of bonds issued under each law are appropriated for the purposes described in the law and in this subdivision. This appropriation may never be canceled.*

*(b) Before the proceeds are received in the proper special fund, the commissioner may transfer to that fund from the general fund amounts not exceeding the expected proceeds. The commissioner shall return these amounts to the general fund by transferring proceeds when received. The amounts of these transfers are appropriated from the general fund and from the bond proceeds.*

*(c) Actual and necessary travel and subsistence expenses of employees and all other expenses incidental to the sale, printing, execution, and delivery of bonds must be paid from the proceeds. The proceeds are appropriated for this purpose.*

*(d) Bond proceeds remaining in a special fund after the purposes for which the bonds were issued are accomplished or abandoned, as certified by the head of the agency administering the special fund, or as determined by the commissioner, unless devoted under the appropriation act to another purpose designated in the act, shall be transferred to the state bond fund.*

*Subd. 9. [SPECIAL ACCOUNTS; APPROPRIATION.] (a) The commissioner of finance shall establish separate accounts in the state bond fund for:*

*(1) state building bonds, and for other state bonds issued for each program of grants to political subdivisions for a particular class of capital expenditures, to record debt service payments and receipts of amounts appropriated from the general fund under subdivision 10;*

*(2) state highway bonds, to record debt service payments, receipts of amounts appropriated for debt service from the trunk highway fund pursuant to the Constitution, article XIV, section 6, and additional receipts, if any, of amounts appropriated from the general fund under subdivision 10;*

*(3) state bonds issued for each capital loan and for each program of capital loans to agencies or political subdivisions, to record debt service payments, receipts of loan repayments appropriated for debt service or reimbursement of debt service by the law authorizing the loan or program, and any additional receipts of amounts appropriated from the general fund under subdivision 10; and*

*(4) refunding bonds, as provided in section 16A.66, subdivision 1.*

*(b) All money credited, transferred, or appropriated to the state bond fund and all income from the investment of that money is appropriated to the commissioner for the payment of principal and interest on state bonds.*

*Subd. 10. [APPROPRIATION FROM GENERAL FUND.] There is annually appropriated to the state bond fund from the general fund the amount that, added to the amount in the state bond fund on November 1 each year, is needed to pay the principal of and interest on all state bonds due and to become due through July 1 in the second ensuing year. The money appropriated must be available in the state bond fund each year before the tax oth-*



erwise required by the Constitution, article XI, section 7, is levied.

*Subd. 11. [CONSTITUTIONAL TAX LEVY.] Under the Constitution, article XI, section 7, the state auditor must levy each year on all taxable property within the state a tax sufficient, with the amount then on hand in the state bond fund, to pay all principal and interest on state bonds due and to become due to and including July 1 in the second ensuing year. If levied, this tax must be assessed and extended against real property used for the purposes of a homestead, as well as other taxable property, notwithstanding section 273.13, subdivisions 6 and 7. The tax is not subject to limitation of rate or amount. However, the amount of money appropriated from other sources as provided in subdivision 10, and actually received and on hand prior to the levy in any year, reduces the amount of the tax otherwise required to be levied. The proceeds of the tax must be credited to the state bond fund.*

*Subd. 12. [SUPPLEMENTAL APPROPRIATION FROM GENERAL FUND.] If the proceeds of the tax levied under subdivision 11 are ever insufficient to make the principal and interest payments on state bonds when due, the balance must be paid out of the general fund. The amount needed to pay the balance is appropriated from the general fund to the commissioner.*

Sec. 35. [16A.651] [INTEREST RATE REDUCTION.]

*The commissioner may enter into contracts providing for the issuance of letters of credit, put options, or other contractual rights deemed necessary or desirable to reduce the interest rate on state general obligation bonds to be issued by the commissioner, and may pay the cost of the contracts from bond proceeds, including premiums and accrued interest, received from purchasers. The amount of bonds authorized to be issued by the commissioner under any other law adopted before the effective date of this section is increased by up to five percent in order to provide all or a portion of the money required to be paid under the contracts. The expenditure of bond proceeds for this purpose is deemed to be an expenditure for the primary purpose for which the bonds covered by the contract are authorized to be issued by the Constitution and applicable law. So much of the proceeds of bonds issued by the commissioner as is necessary to pay the costs of the letters of credit, put options, or other contractual rights is appropriated for this purpose.*

Sec. 36. Minnesota Statutes 1982, section 16A.66, as amended by Laws 1983, chapter 301, sections 96, 97, and 98, is amended to read:

16A.66 [MINNESOTA STATE REFUNDING BONDS.]

~~Subdivision 1. [AUTHORITY; REDUCTION OF TAX AND APPROPRIATION FOR REFUNDED BONDS.] For the purpose of refunding state bonds of any series heretofore or hereafter authorized, including interest on them, The commissioner of finance may, with approval by resolution of the executive council, issue state bonds of the state of Minnesota in the manner and upon the terms and conditions prescribed in this in accordance with section and in the Constitution, article XI, section 7. For the prompt and full payment of all such refunding bonds and the interest thereon the full faith and credit and taxing powers of the state are irrevocably pledged 16A.641 to refund any outstanding state bonds and interest on them. The proceeds of such refunding bonds shall be credited to the account established within the state bond fund created by the Constitution, and within that fund to such separate~~

bookkeeping account as shall have been created for the payment of the bonds to be refunded and the interest thereon, and shall be credited only against the appropriations in section 16A.641, subdivisions 9 and 10 and the tax otherwise required by the constitution to be levied with respect to the refunded bonds and interest.

Subd. 2. [SPECIAL PROVISIONS FOR SALE AND ISSUANCE.] Unless otherwise expressly provided in the law authorizing the issuance of any series of bonds, such authorization shall include authorization to the commissioner to issue refunding bonds for the purpose of refunding the same in the manner and upon the terms and conditions prescribed in this section. Any act directing the issuance of bonds for any purpose shall, together with this section, constitute complete authority for the issuance of bonds to refund the same, and such refunding bonds shall not be subject to the restrictions or limitations contained in any other law.

Subd. 3. Such Refunding bonds shall be issued and sold upon sealed bids, or may be sold publicly, or directly to the state board of investment without bids, or may be exchanged for bonds refunded by agreement with the their holders thereof, and shall be prepared, executed, and delivered, and when issued shall be secured, in the same manner in all respects way as provided by law and the Constitution for the refunded bonds refunded thereby. The proceeds of the refunding bonds may be deposited, invested, and applied to accomplish the refunding in the manner and upon the conditions as provided in section 475.67, subdivisions 5 to 10. The interest rate on refunding bonds may exceed that on the refunded bonds refunded when in the judgment of if the commissioner and council purpose of refunding is nevertheless necessary or desirable for the purpose of extending to extend the maturities and reducing to reduce the annual amount of the property tax or other funds needed annually to pay and to secure the bonds and interest debt.

Subd. 4 3. [APPROPRIATION.] Such moneys as are required The money needed to carry out the purposes of this section are is appropriated annually therefor.

Subd. 5. Prior to each sale of general obligation bonds, the commissioner of finance shall report to the chairmen of the house appropriations and senate finance committees, house and senate tax committees, and the minority leaders of the house and senate, the amount of bonding to be issued and a detailed list of the projects which are to be financed and shall receive their recommendations. These recommendations are advisory only; failure to reply within ten days is deemed a positive response.

Sec. 37. Minnesota Statutes 1982, section 16A.671, is amended to read:

#### 16A.671 [CERTIFICATES OF INDEBTEDNESS.]

Subdivision 1. [AUTHORIZATION.] For the purpose of assuring To ensure that cash or cash equivalent assets will be is available at all times during each biennium when needed to pay all warrants drawn on the general fund pursuant to under appropriations and allotments for expenditure for any purpose during that biennium, the governor may authorize the commissioner of finance (1) to issue certificates of indebtedness in anticipation of the collection of taxes levied for and other revenues appropriated to the general fund, for expenditure during each biennium; and (2) to issue additional certificates to refund outstanding certificates or and interest thereon, under the provisions of on them, under the constitution, article XI, section 6.

Subd. 2. [ADVISORY RECOMMENDATION.] Before certificates of

indebtedness are initially sold and issued pursuant to any authorization, except for the purpose of refunding by any of the methods authorized in subdivision 6, the governor shall ~~secure~~ seek the advisory recommendation of the legislative advisory commission as to or, if there is no commission, the executive council, on (1) the necessity thereof of issuing them, (2) the terms and conditions of the sale and issuance, and (3) the maximum amount to be issued and outstanding under the authorization. ~~When certificates of indebtedness are to be sold and issued pursuant to subdivision 5, clause (b) or (c), the governor shall secure a recommendation before the line of credit is established or the underwriting or placement agreement is entered into, but need not secure~~ If the commission or council does not make a recommendation promptly, the recommendation is negative. An additional recommendation is not required for refunding outstanding certificates or for each issuance of certificates of indebtedness pursuant to that in accordance with an approved line of credit, underwriting, or placement agreement. ~~The recommendation of the commission shall be advisory only. The failure of the commission to make a recommendation promptly is a negative recommendation. If there is no legislative advisory commission, the governor shall request an advisory recommendation from the executive council.~~

Subd. 2 3. [DEFINITIONS.] As used in this section, the following terms have the meanings given them:

(a) "Allotment" means a limitation placed by the commissioner of finance pursuant to law, upon the amount to be expended or encumbered during any period during a biennium pursuant to an appropriation.

(b) "Appropriation" means an authorization by law to expend or encumber an amount in the general fund during a biennium, including but not limited to:

- (1) Direct appropriations;
- (2) Open and standing appropriations;

(3) Appropriations of sums sufficient for stated purposes, the amounts of which shall be deemed to be as estimated by the commissioner of finance from time to time; and

(4) Appropriations of amounts to be paid or transferred in financial records from the general fund to any special or dedicated fund.

(c) (a) "General fund" means all cash and investments from time to time received and held in the state treasury, except proceeds of state bonds and amounts received and held in special or dedicated funds created by the state constitution, or by or pursuant to federal laws or regulations thereunder, or by bond or trust instruments, pension contracts, or other agreements of the state or its agencies with private persons, entered into pursuant to state law.

(d) (b) "Maximum current cash flow requirement" means a the commissioner's written estimate by the commissioner of finance of the largest of the amounts by which, on a particular designated date in each month of the term for which certificates are to be issued, the sum of (1) the warrants then outstanding against the general fund plus (2) those that must be drawn thereon on the fund before the same date in the following month, in payment of claims due for expenditure pursuant to under all appropriations and allotments, will exceed the amount of cash or cash equivalent assets held in the general fund on the first of these dates, excluding the proceeds of the certificates to be issued.

Subd. 3 4. [LIMITATIONS OF AMOUNT.] The principal amount of cer-

tificates of indebtedness to be issued at any time shall ~~must~~ not exceed the ~~smallest~~ smaller of the following:

(a) (1) An amount which, with interest thereon to maturity, added to the then outstanding amount of certificates, ~~less the amount thereof, if any, which will be not simultaneously paid from the proceeds, and interest thereon to maturity and retired,~~ will equal the then unexpended balance of all money which will be credited to the general fund during the current biennium under existing laws, as estimated by the commissioner of finance; or

(b) (2) The maximum current cash flow requirement.

Subd. 4 5. [TERMS.] The commissioner of finance may establish by order in accordance with the provisions of this section, ~~and with the approval of the attorney general, but not subject to the provisions of sections 14.02, 14.04 to 14.36, 14.38, 14.44 to 14.45, and 14.57 to 14.62,~~ the principal amount of each series of certificates of indebtedness; the time or times and terms of sale; the denominations and form; whether registered or payable to bearer; with or without interest coupons; the interest rate or rates or the basis of computation of a variable rate; the maturity date or dates and amounts; the provisions, if any, for redemption at times and prices and upon notice specified; a place or places of payment which may be suitable financial institutions within or outside the state; any provisions for registration of ownership of principal; or both principal and interest; and for transfer and exchange; and any other terms the commissioner may determine with the approval of the attorney general. All certificates shall mature not later than the end of the biennium in which they are issued ~~chapter 14, the terms of each series of certificates of indebtedness including:~~

(1) the manner of sale under subdivision 6;

(2) the price, principal amount, and date of issue;

(3) the interest rate or rates and payment dates, or the basis of computation of a variable rate;

(4) the maturity date or dates, within the current biennium except as provided in subdivision 10;

(5) the terms, if any, of redemption before maturity;

(6) the form and method of execution, delivery, payment, registration, conversion, and exchange, under section 16A.672.

Subd. 5 6. [SALE.] Certificates of indebtedness may be sold by the commissioner of finance ~~upon public advertisement for competitive bids, or: in any of the ways listed in paragraphs (a) to (e).~~

(a) They may be sold to the state board of investment without advertisement for bids; upon terms at least as favorable as those on which, in the judgment of the board; direct obligations of the United States government of comparable maturities can at the time be purchased from funds under its control; including the special or dedicated funds described in clause (e) of subdivision 2; other than pension funds; The commissioner may advertise for competitive bids.

(b) The commissioner may negotiate contracts with a suitable bank or banks within or outside the state for a line in or out of state to establish lines of credit whereby, for an agreed compensation; The contracts must provide

that the commissioner may issue certificates of indebtedness may be issued from time to time up to a maximum outstanding amount within an agreed period, bearing interest at a fixed or variable interest rate and. The certificates must be subject to redemption at par plus accrued interest at any time at the commissioner's option of the commissioner; or.

(c) The commissioner may negotiate contracts with a firm or firms of underwriters for the that will purchase of certificates of indebtedness or to act as an agent agents in the placement of certificates of indebtedness, which issued within an agreed period, up to a maximum amount outstanding. The certificates may be sold to the underwriters or investors (1) at a specified an agreed discount representing with the interest included in the face amount payable at maturity, or (2) bearing interest at a stated interest rate on a stated principal the face amount, payable on one or more dates. For the further security of the these certificates of indebtedness the commissioner may negotiate a agreements for lines of credit agreement pursuant to under paragraph (b), providing for the payment thereof to pay the certificates with interest to maturity, if necessary, by the issuance of new certificates of indebtedness to the bank or banks extending the under the lines of credit.

Subd. 6. [EXECUTION.] Certificates of indebtedness shall be executed by the signatures of the commissioner of finance and the state treasurer under their official seals, and any attached interest coupons by the signature of the commissioner. The signatures and seals may be printed, lithographed, photoeoped, or stamped, except that at least one officer shall sign manually on the face of each certificate, unless the commissioner designates and the certificate on its face requires a suitable financial institution to authenticate the certificate by the manual signature of its authorized representative.

Subd. 6a. [FISCAL AGENT BANK.] (d) The commissioner may enter into an agreement make contracts for agreed fees with a suitable bank or banks located within or outside the in or out of state to authenticate, issue, pay principal and interest on, cancel or, and otherwise deal as fiscal agents of the state with certificates of indebtedness issued pursuant to this section, for an agreed compensation under paragraphs (a), (b), or (c).

(e) The commissioner may sell certificates of indebtedness to the state board of investment without advertising for bids. The board must determine that the terms are not less favorable than those available at the time for the purchase of direct obligations of the federal government or its agencies, of comparable maturities. The board may purchase the certificates with any money under its control except money in a pension fund.

Subd. 7. [APPROPRIATION OF PROCEEDS.] The proceeds of all certificates of indebtedness issued pursuant to this section are appropriated to must be deposited in the general fund, and shall be available for expenditure pursuant to spending under any appropriation from that fund for any purpose, including those referred subject to in subdivision 8 9.

Subd. 8. [APPROPRIATION AND ACCOUNTING FOR PAYMENT OF CERTIFICATES AND COSTS EXPENSES FROM THE GENERAL FUND.] The principal of and interest and premium, if any, on all certificates of indebtedness issued hereunder, and all expenses incidental to the sale, guaranty of sale, placement, printing, execution, authorization, registration, and delivery thereof, including but not limited to actual and necessary travel and subsistence expenses of state officers and employees, and costs arising from lines of credit obtained with respect to outstanding debt shall be paid from the general fund and shall be included in the computation of current cash flow

requirements and of amounts available for allotment pursuant to appropriations, and The amounts necessary needed for these the purposes in this subdivision are appropriated and must be paid from the general fund. These appropriations are irrevocable and shall not be canceled. They must be included in the computation of current cash flow requirements and of amounts available for allotment. The purposes of the appropriations are:

(1) payment of the principal of and interest and premium, if any, on all certificates when due;

(2) actual and necessary travel and subsistence expenses of state officers and employees and other expenses incidental to the sale or placement, printing, execution, and delivery of certificates; and

(3) costs of lines of credit.

*Subd. 9. [PRIORITY OF CERTIFICATE PAYMENTS; COVENANTS.]*

(a) ~~The proceeds of certificates of indebtedness issued in whole or in part to refund outstanding certificates and interest as authorized in the constitution are available only for that purpose until the refunded certificates and interest are paid.~~

(b) ~~The commissioner of finance may enter into a covenant by order, on behalf of the state, for the security of the holders of any certificates of indebtedness, for the segregation of, to segregate cash and cash equivalent assets in a special account within the general fund for the payment of interest, principal, and premium, if any, in the amounts and at the times in advance of the due dates that the commissioner determines to be advisable for the state in marketing the certificates of indebtedness, and to take action required act under section 16A.15, subdivision 1, to enable the performance of perform the covenant. The amount in the account is available only to pay the principal of and interest and premium, if any, on the certificates referred to in the order.~~

*Subd. 9 10. [BIENNIAL CASH DEFICIENCY COVENANT TO REFUND.]* ~~If cash and cash equivalent amounts held assets in the general fund on the date on which any certificates of indebtedness come due, in excess of the amount of outstanding warrants then outstanding, are is not sufficient to pay all such any certificates of indebtedness and any or interest when due thereon, the deficiency may be paid by the issuance of, the commissioner may issue refunding certificates of indebtedness maturing not later than December 1 in the ensuing next calendar year to pay the deficiency. The commissioner, With the approval of the governor, the commissioner may enter into a covenant on behalf of the state that such, in the order issuing any certificates, to offer refunding certificates of indebtedness will be offered for sale in the event if a deficiency is anticipated expected.~~

*Subd. 11. [CONSTITUTIONAL TAX LEVY.]* ~~If cash and cash equivalent amounts held assets in the general fund in excess of the amount of outstanding warrants, on December 1 immediately following the close of the a biennium, in excess of warrants then outstanding, are is not sufficient to pay:~~

(1) all such refunding certificates of indebtedness and any ;

(2) all other certificates of indebtedness outstanding at the end of the biennium and not refunded; with; and

(3) all interest then accrued thereon, on the certificates referred to in clauses (1) and (2);

the state auditor shall levy upon all taxable property in the state a the tax

required by the constitution, article XI, section 6, collectible in the ~~ensuing~~ next calendar year and sufficient to pay the same all amounts described in clauses (1), (2), and (3) on or before December 1 in the ~~ensuing~~ collection year with interest to the date or dates of payment.

Sec. 38. Minnesota Statutes 1983 Supplement, section 16A.672, is amended to read:

16A.672 [BONDS AND CERTIFICATES OF INDEBTEDNESS.]

Subdivision 1. [~~GENERAL AUTHORITY.~~] ~~Notwithstanding any contrary provision of other law, The commissioner of finance and the state treasurer shall have the powers specified in this section with respect to the issuance, form, execution, delivery, registration of transfer and exchange, and payment of may issue, execute, deliver, register, and pay bonds and certificates of indebtedness heretofore or hereafter in the form and manner provided in this section, when authorized to be issued or issued by the state under section 16A.641 or 16A.671.~~

Subd. 2. [~~FORM OF OBLIGATIONS APPLICATION OF COMMERCIAL CODE.~~] ~~The bonds or certificates of indebtedness may be issued in bearer form with interest coupons attached, with or without provision for registration as to principal only, or in fully registered form, in one or more denominations, and with provisions for conversion of form, exchange of denominations, and transfer of ownership as prescribed by the commissioner of finance. All bonds and certificates of indebtedness, when issued according to orders of the commissioner of finance, shall be are securities within the meaning of under sections 336.8-101 to 336.8-408, and. The commissioner of finance and the state treasurer may do on behalf of for the state all acts and things which are permitted or required of issuers of securities whatever may or must be done under those sections 336.8-101 to 336.8-408 and are consistent to comply with the orders authorizing them. The bonds or certificates may be issued:~~

(1) *in one or more denominations;*

(2) *in bearer form, with interest coupons attached; and*

(3) *with provision for registration as to principal only; or*

(4) *in fully registered form; and*

(5) *with provision for registration of conversion and exchange of forms and denominations, transfer of ownership, and replacement of lost or damaged bonds.*

Subd. 3. [~~PREPARATION AND EXECUTION.~~] ~~The (a) Bonds or and certificates of indebtedness may be printed, lithographed, or otherwise reproduced in the style and form the commissioner prescribes, but the form shall. They may state in a general way the purpose for which they are issued and the security provided for their payment or may incorporate the authorizing order by reference.~~

Subd. 3. [~~EXECUTION OF OBLIGATIONS.~~] ~~The bonds and certificates of indebtedness shall (b) They must be executed by the commissioner of finance and attested by the state treasurer under their official seals. Facsimile The signatures and seals of either or both of these officers may, as the commis-~~

sioner of finance deems appropriate, be printed, lithographed, stamped, engraved, or otherwise reproduced. Every facsimiles, but no bond and or certificate issued, whether initially or upon transfer, exchange, or replacement, shall be is valid for any purpose unless it is manually signed on its face by one of these officers, the commissioner or treasurer or by a duly authorized representative of a bank or trust company designated named by order of the commissioner of finance, whether at or after the time of initial issue, as registrar or otherwise as an agent of the state to authenticate it.

Subd. 4. [DELIVERY OF OBLIGATIONS.] The commissioner of finance may appoint name a bank or trust company within or outside in or out of the state to act as delivery the state's agent on behalf of the state, and to deliver the bonds or certificates of indebtedness to the initial purchaser upon payment therefor of the purchase price.

Subd. 5. [REGISTRAR.] The commissioner of finance, in the order for the issuance of to issue any bonds or certificates of indebtedness, may designate name a corporate registrar to perform on behalf of act for the state the duties of a registrar as set forth in under sections 336.8-101 to 336.8-408, including but not limited to authentication and delivery and to authenticate and deliver obligations upon initial issuance and upon registration of transfer, exchange, or conversion into another form. Any The registrar shall must be an incorporated bank or trust company, within or outside in or out of the state, authorized by the laws of the United States or of the state in which it is located to perform these duties.

Subd. 6. [PAYMENT OF OBLIGATIONS.] The order authorizing the issuance of any bonds or certificates of indebtedness to be issued may provide for the payment of principal and interest in the manner and by the means contain provisions that the commissioner deems considers necessary to ensure full and prompt payment of principal and interest when due, and. The order may provide for the payment at the office of a bank or trust company within or outside in or out of the state. In the case of fully registered bonds or certificates of indebtedness, The order may provide that the interest coming due on any interest payment date shall be is payable to the person or entity who is shown as the registered owner on of the bond or certificate in the register on a specified date preceding the interest payment date, by check, draft, or other transfer to the order of the registered that owner.

Subd. 7. [AGREEMENTS.] The commissioner of finance may enter into make agreements containing terms which are necessary or desirable to carry out the authority given him in this section, pursuant to applicable orders of the commissioner issued under this section. The agreements may provide for the payment of compensation paying for services to be performed and expenses to be incurred on behalf of the state, and may provide for their payment from the:

- (1) proceeds of the bonds or certificates of indebtedness, or from;
- (2) other money appropriated to the commissioner of finance, or from;
- (3) charges to be imposed on the holders of the bonds or certificates of indebtedness,; or from
- (4) a combination of these sources in clauses (1), (2), and (3).

Subd. 8. [APPROPRIATIONS.] As much of The proceeds of the bonds or



certificates as necessary is under subdivision 7 are appropriated for this purpose as necessary to pay expenses incurred under that subdivision.

Subd. 8 9. [APPROPRIATION.] There is appropriated annually to the commissioner of finance from the general fund in the state treasury an amount of The money sufficient needed to pay when due all the compensation and expenses due to of registrars, delivery agents, and paying agents for state bonds and certificates of indebtedness under the terms of agreements entered into according to subdivision 7 is appropriated annually to the commissioner from the general fund.

Subd. 9 10. [APPROVAL BY ATTORNEY GENERAL.] No An agreement described in under subdivision 7 shall become is not effective until it has been approved as to form and execution by the state attorney general or his designee.

Subd. 10 11. [REGISTRATION DATA PRIVATE NOT PUBLIC INFORMATION.] All Information contained in any register maintained by the state treasurer or a corporate registrar with respect to the of ownership of state bonds or certificates of indebtedness constitutes is nonpublic data as defined in under section 13.02, subdivision 9, or private data on individuals as defined in under section 13.02, subdivision 12. The information is not public and is accessible open only to the individual, corporation, or other entity which is the subject of it, except as disclosure:

(a) (1) is necessary for the performance of the duties of the registrar, the state commissioner of finance, the state treasurer, or the state legislative auditor; to perform a duty; or

(b) (2) is requested by an authorized representative of the state commissioner of revenue or, the state attorney general, or of the United States commissioner of internal revenue of the United States for the purpose of ascertaining to determine the application of any estate, inheritance, or other a tax; or

(c) (3) is required under section 13.03, subdivision 4.

Sec. 39. Minnesota Statutes 1982, section 16A.675, is amended to read:

**16A.675 [BONDS AND NOTES; NONLIABILITY OF INDIVIDUALS PERSONS EXECUTING OBLIGATIONS NOT LIABLE.]**

Neither the commissioner of finance nor any No officer or other person executing state bonds or notes shall be certificates is liable personally on the bonds or notes or be subject to any personal liability them or accountability accountable by reason of the issuance of issuing them.

Sec. 40. Minnesota Statutes 1982, section 85A.04, subdivision 3, is amended to read:

Subd. 3. [ZOO GIFT STORE CONCESSION ACCOUNT.] A working capital concession account is established for the gift store of the Minnesota zoological garden. Concessions are the sale of all goods and services other than admissions, parking, food concessions, and equipment rentals. All concession receipts from the gift store operation shall be deposited in the state treasury and credited to the account and are appropriated for the purposes of the gift store concession operations. Gift store Concession expenses, including inventory, personnel costs, space rental, and overhead, shall be paid from the account. The unencumbered balance in the account on June 30 of each year in excess of the value of the inventory of the gift store on June 30,

~~1981 shall be calculated and disbursed as follows: For the periods years ending June 30, 1982, and June 30, 1983, the entire amount net income from concession operations reported on the income statement in the Minnesota zoological garden annual financial report shall be transferred to the general fund; For the year ending June 30, 1984, and each year thereafter, the amount attributable to the period July 1, 1982, to June 30, 1983, shall be transferred to the general fund and the remainder net income shall be retained by the zoological garden. Any The amount so retained shall be dedicated to is appropriated for capital improvements at the zoological garden and are appropriated for that purpose. If improvements or expansions are planned for the gift store operation to be paid with gift store receipts, the plan must be first approved by the governor after receiving the recommendation of the legislative advisory commission. The board shall include a report on the capital improvements in the report required by section 85A.02, subdivision 12.~~

Sec. 41. Minnesota Statutes 1982, section 115.03, subdivision 1, is amended to read:

Subdivision 1. The agency is hereby given and charged with the following powers and duties:

(a) To administer and enforce all laws relating to the pollution of any of the waters of the state;

(b) To investigate the extent, character, and effect of the pollution of the waters of this state and to gather data and information necessary or desirable in the administration or enforcement of pollution laws, and to make such classification of the waters of the state as it may deem advisable;

(c) To establish and alter such reasonable pollution standards for any waters of the state in relation to the public use to which they are or may be put as it shall deem necessary for the purposes of this chapter and, with respect to the pollution of waters of the state, chapter 116;

(d) To encourage waste treatment, including advanced waste treatment, instead of stream low-flow augmentation for dilution purposes to control and prevent pollution;

(e) To adopt, issue, reissue, modify, deny, or revoke, enter into or enforce reasonable orders, permits, variances, standards, regulations, schedules of compliance, and stipulation agreements, under such conditions as it may prescribe, in order to prevent, control or abate water pollution, or for the installation or operation of disposal systems or parts thereof, or for other equipment and facilities;

(1) Requiring the discontinuance of the discharge of sewage, industrial waste or other wastes into any waters of the state resulting in pollution in excess of the applicable pollution standard established under this chapter;

(2) Prohibiting or directing the abatement of any discharge of sewage, industrial waste, or other wastes, into any waters of the state or the deposit thereof or the discharge into any municipal disposal system where the same is likely to get into any waters of the state in violation of this chapter and, with respect to the pollution of waters of the state, chapter 116, or standards or regulations promulgated or permits issued pursuant thereto, and specifying the schedule of compliance within which such prohibition or abatement

must be accomplished;

(3) Prohibiting the storage of any liquid or solid substance or other pollutant in a manner which does not reasonably assure proper retention against entry into any waters of the state that would be likely to pollute any waters of the state;

(4) Requiring the construction, installation, maintenance, and operation by any person of any disposal system or any part thereof, or other equipment and facilities, or the reconstruction, alteration, or enlargement of its existing disposal system or any part thereof, or the adoption of other remedial measures to prevent, control or abate any discharge or deposit of sewage, industrial waste or other wastes by any person;

(5) Establishing, and from time to time revising, standards of performance for new sources taking into consideration, among other things, classes, types, sizes, and categories of sources, processes, pollution control technology, cost of achieving such effluent reduction, and any non-water quality environmental impact and energy requirements. Said standards of performance for new sources shall encompass those standards for the control of the discharge of pollutants which reflect the greatest degree of effluent reduction which the agency determines to be achievable through application of the best available demonstrated control technology, processes, operating methods, or other alternatives, including, where practicable, a standard permitting no discharge of pollutants. New sources shall encompass buildings, structures, facilities, or installations from which there is or may be the discharge of pollutants, the construction of which is commenced after the publication by the agency of proposed regulations prescribing a standard of performance which will be applicable to such source. Notwithstanding any other provision of the law of this state, any point source the construction of which is commenced after May 20, 1973 and which is so constructed as to meet all applicable standards of performance for new sources shall, consistent with and subject to the provisions of section 306(d) of the Amendments of 1972 to the Federal Water Pollution Control Act, not be subject to any more stringent standard of performance for new sources during a ten-year period beginning on the date of completion of such construction or during the period of depreciation or amortization of such facility for the purposes of section 167 or 169, or both, of the Federal Internal Revenue Code of 1954, whichever period ends first. Construction shall encompass any placement, assembly, or installation of facilities or equipment, including contractual obligations to purchase such facilities or equipment, at the premises where such equipment will be used, including preparation work at such premises;

(6) Establishing and revising pretreatment standards to prevent or abate the discharge of any pollutant into any publicly owned disposal system, which pollutant interferes with, passes through, or otherwise is incompatible with such disposal system;

(7) Requiring the owner or operator of any disposal system or any point source to establish and maintain such records, make such reports, install, use, and maintain such monitoring equipment or methods, including where appropriate biological monitoring methods, sample such effluents in accordance with such methods, at such locations, at such intervals, and in such a manner as the agency shall prescribe, and providing such other information

as the agency may reasonably require;

(8) Notwithstanding any other provision of this chapter, and with respect to the pollution of waters of the state, chapter 116, requiring the achievement of more stringent limitations than otherwise imposed by effluent limitations in order to meet any applicable water quality standard by establishing new effluent limitations, based upon section 115.01, subdivision 5, clause (b), including alternative effluent control strategies for any point source or group of point sources to insure the integrity of water quality classifications, whenever the agency determines that discharges of pollutants from such point source or sources, with the application of effluent limitations required to comply with any standard of best available technology, would interfere with the attainment or maintenance of the water quality classification in a specific portion of the waters of the state. Prior to establishment of any such effluent limitation, the agency shall hold a public hearing to determine the relationship of the economic and social costs of achieving such limitation or limitations, including any economic or social dislocation in the affected community or communities, to the social and economic benefits to be obtained and to determine whether or not such effluent limitation can be implemented with available technology or other alternative control strategies. If a person affected by such limitation demonstrates at such hearing that, whether or not such technology or other alternative control strategies are available, there is no reasonable relationship between the economic and social costs and the benefits to be obtained, such limitation shall not become effective and shall be adjusted as it applies to such person;

(9) Modifying, in its discretion, any requirement or limitation based upon best available technology with respect to any point source for which a permit application is filed after July 1, 1977 upon a showing by the owner or operator of such point source satisfactory to the agency that such modified requirements will represent the maximum use of technology within the economic capability of the owner or operator and will result in reasonable further progress toward the elimination of the discharge of pollutants;

(f) To require to be submitted and to approve plans and specifications for disposal systems or point sources, or any part thereof and to inspect the construction thereof for compliance with the approved plans and specifications thereof;

(g) To prescribe and alter rules and regulations, not inconsistent with law, for the conduct of the agency and other matters within the scope of the powers granted to and imposed upon it by this chapter and, with respect to pollution of waters of the state, in chapter 116, provided that every rule or regulation affecting any other department or agency of the state or any person other than a member or employee of the agency shall be filed with the secretary of state;

(h) To conduct such investigations, issue such notices, public and otherwise, and hold such hearings as are necessary or which it may deem advisable for the discharge of its duties under this chapter and, with respect to the pollution of waters of the state, under chapter 116, including, but not limited to, the issuance of permits, and to authorize any member, employee, or agent appointed by it to conduct such investigations or, issue such notices and hold such hearings;

(i) For the purpose of water pollution control planning by the state and pursuant to the Federal Water Pollution Control Act, as amended, to establish and revise planning areas, adopt plans and programs and continuing planning processes, including, but not limited to, basin plans and areawide waste treatment management plans, and to provide for the implementation of any such plans by means of, including, but not limited to, standards, plan elements, procedures for revision, intergovernmental cooperation, residual treatment process waste controls, and needs inventory and ranking for construction of disposal systems;

(j) To train water pollution control personnel, and charge such fees therefor as are necessary to cover the agency's costs. All such fees received shall be paid into the state treasury and credited to the water pollution control training fund of the agency, from which the agency shall have the power to make disbursements to pay expenses relating to such training;

(k) To impose as additional conditions in permits to publicly owned disposal systems appropriate measures to insure compliance by industrial and other users with any pretreatment standard, including, but not limited to, those related to toxic pollutants, and any system of user charges ratably as is hereby required under state law or said Federal Water Pollution Control Act, as amended, or any regulations or guidelines promulgated thereunder; ~~and~~

(l) To set a period not to exceed five years for the duration of any National Pollutant Discharge Elimination System permit; *and*

*(m) To require a governmental subdivision that owns or operates a wastewater disposal system to have a plan to address its ability to pay the costs of making major repairs to the existing system and planning and constructing an adequate replacement system at the end of the existing system's expected useful life.*

Sec. 42. Minnesota Statutes 1982, section 116.16, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] In this section and ~~section~~ sections 116.17 and 116.18:

(1) Agency means the Minnesota pollution control agency created by this chapter;

(2) Municipality means any county, city, and town, the metropolitan water control commission established in chapter 473 and the metropolitan council when acting under the provisions of that chapter or an Indian tribe or an authorized Indian tribal organization, and any other governmental subdivision of the state responsible by law for the prevention, control, and abatement of water pollution in any area of the state;

(3) Pollution control fund means the Minnesota state water pollution control fund created by subdivision 1;

(4) Bond account means the Minnesota state water pollution control bond account created in the state bond fund by section 116.17, subdivision 4;

(5) Terms defined in section 115.01 have the meanings therein given them;

(6) The eligible cost of any municipal project, except as otherwise provided in ~~clause~~ clauses (7) and (8), includes (a) preliminary planning to determine

the economic, engineering, and environmental feasibility of the project; (b) engineering, architectural, legal, fiscal, economic, sociological, project administrative costs of the agency and the municipality, and other investigations and studies; (c) surveys, designs, plans, working drawings, specifications, procedures, and other actions necessary to the planning, design, and construction of the project; (d) erection, building, acquisition, alteration, remodeling, improvement, and extension of disposal systems; (e) inspection and supervision of construction; and (f) all other expenses of the kinds enumerated in section 475.65.

(7) For state grant purposes hereunder, the eligible cost for grant applicants shall be the eligible cost as determined by the United States environmental protection agency under the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1314, et seq.

*(8) Notwithstanding clause (7), for state grants under the state independent grants program, the eligible cost includes the acquisition of land for stabilization ponds and the provision of reserve capacity sufficient to serve the reasonable needs of the municipality for 20 years in the case of treatment works and 40 years in the case of sewer systems. Notwithstanding clause (7), for state grants under the state independent grants program, the eligible cost does not include the provision of collector sewers as defined in agency rules, the provision of service to seasonal homes, or cost increases from contingencies that exceed three percent of as-bid costs or cost increases from unanticipated site conditions that exceed an additional two percent of as-bid costs.*

Sec. 43. Minnesota Statutes 1982, section 116.16, subdivision 4, is amended to read:

Subd. 4. [DISBURSEMENTS.] Disbursements from the fund shall be made by the state treasurer upon order of the commissioner of finance at the times and in the amounts requested by the agency in accordance with the applicable state and federal laws and regulations and the state appropriation acts law governing such disbursements; except that no appropriation or loan of state funds for any project shall be disbursed to any municipality until and unless the agency has by resolution determined the total estimated cost of the project, and ascertained that financing of the project is assured by:

(1) A grant to the municipality by an agency of the federal government within the amount of funds then appropriated to that agency and allocated by it to projects within the state; or

(2) A grant of funds appropriated by state law; or

(3) A loan authorized by state law; or

(4) The appropriation of proceeds of bonds or other funds of the municipality to a fund for the construction of the project; or

(5) Any or all of the means referred to in paragraphs (1) to (4); and

(6) An irrevocable undertaking, by resolution of the governing body of the municipality, to use all funds so made available exclusively for the construction of the project, and to pay any additional amount by which the cost of the project exceeds the estimate, by the appropriation to the construction fund of additional municipal funds or the proceeds of additional bonds to be

issued by the municipality; and

(7) Conformity of the project and of the loan or grant application with the state water pollution control plan as certified to the federal government and with all other conditions under *applicable state and federal laws and regulations law* for a grant of state or federal funds of the nature and in the amount involved.

Sec. 44. Minnesota Statutes 1982, section 116.16, subdivision 5, is amended to read:

Subd. 5. [RULES.] (a) The agency shall promulgate *permanent rules and may promulgate temporary rules* for the administration of grants and loans authorized to be made from the fund or from federal funds under the Federal Water Pollution Control Act, as amended, which rules, however, shall not be applicable to the issuance of bonds by the commissioner of finance as provided in section 116.17. The rules shall contain as a minimum:

(1) procedures for application by municipalities;

(2) conditions for the administration of the grant or loan;

(3) criteria for *eligibility the ranking of projects in order of priority* for grants or loans, *including those specified in subdivision 6 based on factors including the extent and nature of pollution, technological feasibility, assurance of proper operation, maintenance and replacement, and participation in multi-municipal systems; and*

(4) such other matters as the agency and the director find necessary to the proper administration of the grant program.

(b) *Except as otherwise provided in sections 116.16 to 116.18, the rules for the administration of state independent grants must comply, to the extent practicable, with provisions relating directly to protection of the environment contained in the Federal Water Pollution Control Act, as amended, and regulations and guidelines of the United States environmental protection agency promulgated under the act, except provisions regarding allocation contained in section 205 of the act and regulations and guidelines promulgated under section 205 of the act. This provision does not require approval from federal agencies for the issuance of grants or for the construction of projects under the state independent grants program.*

Sec. 45. Minnesota Statutes 1982, section 116.16, subdivision 9, is amended to read:

Subd. 9. [APPLICATIONS.] Applications by municipalities for grants or loans from the fund shall be made to the director of the agency on forms requiring information prescribed by rules of the agency. The director shall certify to the agency those applications which appear to meet the criteria set forth in sections 116.16 to 116.18 and the rules promulgated hereunder, and the agency shall award grants or loans on the basis of the criteria and priorities established in its rules and in sections 116.16 to 116.18. *A municipality that is designated under agency rules to receive state or federal funding for a project and that does not make a timely application for or that refuses the funding is not eligible for either state or federal funding for that project in that fiscal year or the subsequent year.*

Sec. 46. Minnesota Statutes 1982, section 116.16, is amended by adding a

subdivision to read:

*Subd. 9a. [SUBSEQUENT GRANTS.] A municipality awarded a final grant of funding for a project under the program established by the 1972 Federal Water Pollution Control Act amendments or the state independent grants program is not eligible for additional funding to replace that project under the federal program or the state program, unless the funding is necessary as a result of subsequent changes in state water quality standards, effluent limits, or technical design requirements, or for a municipality awarded the final grant before October 1, 1984, if the funding is necessary for the provision of increased capacity.*

Sec. 47. Minnesota Statutes 1982, section 116.18, as amended by Laws 1983, chapter 301, section 117, is amended to read:

**116.18 [WATER POLLUTION CONTROL FUNDS; APPROPRIATIONS AND BONDS.]**

Subdivision 1. [APPROPRIATION FROM THE FUND.] The sum of ~~\$155,000,000~~ \$167,000,000, or so much thereof as may be necessary, is appropriated from the Minnesota state water pollution control fund in the state treasury to the pollution control agency, for the period commencing on July 23, 1971 and ending June 30, 1985, to be granted and disbursed to municipalities and agencies of the state in aid of the construction of projects conforming to section 116.16, in accordance with the rules, priorities, and criteria therein described. ~~Except as otherwise provided in this subdivision and in subdivision 2, these state funds shall be expended at 15 per centum of the eligible cost of construction and shall be expended only~~

*Subd. 2. [STATE MATCHING GRANTS PROGRAM ENDING SEPTEMBER 30, 1984.] (a) For projects tendered, by September 30, 1984, a grant of federal funds under section 201(g), section 202, section 203 or section 206(f) of the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1314 et seq. United States Code, title 33, sections 1251 to 1376, at 75 per centum of the eligible cost for construction of the treatment works, state money appropriated under subdivision 1 must be expended at 15 percent of the eligible cost of construction, except as otherwise provided in this subdivision; provided, that not less than ten percent of the cost shall be paid by the municipality or agency constructing the project. In the event that a municipality is tendered federal and state grants in a percentage cumulatively exceeding 90 per centum of the eligible cost of construction, the state pollution control agency shall reduce the grant to the municipality under this chapter to the extent necessary to assure that not less than ten percent of the cost shall be paid by the municipality. It is the purpose of this appropriation that a grant of state funds for each project approved in each of the fiscal years ending June 30, 1971 through 1985, shall be made in an amount not less than that required in federal law and regulations as a condition for the grant of federal funds for the project and for all other water pollution control projects for which federal grants are allocated in the same year, in the maximum amount permissible under law and regulations.*

Notwithstanding any other provision, the agency may, in its discretion, and after consideration of the amount of state funds required to match federal funds, make a grant of state funds not exceeding 15 per centum to a municipality that would qualify for a grant of federal funds but desires to initiate



construction of a project without a federal grant. The agency may limit the scope and eligible cost of the project.

(b) If a municipality is tendered a grant of federal funds under section 201, paragraph (g), section 202, section 203 or section 206, paragraph (f) of the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1314 et seq. *United States Code, title 33, sections 1251 to 1376*, at 85 percent of the eligible cost for construction of treatment works utilizing innovative or alternative wastewater treatment processes and techniques, state funds shall be expended at nine percent of the eligible cost of construction; provided, that not less than six percent of the eligible cost of construction shall be paid by the municipality or agency constructing the project. In the event that a municipality is tendered federal and state grants in a percentage cumulatively exceeding 94 percent of the eligible cost of construction, the state pollution control agency shall reduce the grant to the municipality under this chapter to the extent necessary to assure that the municipality receives no more than 94 percent of the eligible cost of construction.

~~Subd. 2. [ADDITIONAL PURPOSES OF APPROPRIATION.]~~ (c) If the pollution control agency, acting in accordance with section 116.16, subdivision 4 and rules promulgated by the agency establishing criteria for financial hardship cases, determines that the prevention, control, and abatement of water pollution and the public health of the state requires the construction of a project by a municipality or agency that is unable to provide 10 percent of the eligible cost thereof, the funds appropriated in subdivision 1 may be expended to reduce or eliminate its contribution to the eligible cost.

*Subd. 2a. [STATE MATCHING GRANTS PROGRAM BEGINNING OCTOBER 1, 1984.] For projects tendered, on or after October 1, 1984, a grant of federal money under section 201(g), section 202, 203, or 206(f) of the Federal Water Pollution Control Act, as amended, United States Code, title 33, sections 1251 to 1376, at 55 percent or more of the eligible cost for construction of the treatment works, state money appropriated under subdivision 1 must be expended for up to 15 percent of the eligible cost of construction for municipalities for which the construction would otherwise impose significant financial hardship; provided, that not less than 25 percent of the eligible cost must be paid by the municipality or agency constructing the project. If a municipality is tendered federal and state grants in a percentage cumulatively exceeding 75 percent of the eligible cost of construction, the state pollution control agency shall reduce the grant to the municipality under this chapter to the extent necessary to ensure that not less than 25 percent of the eligible cost will be paid by the municipality. The amounts of the matching grants must be based on per connection capital cost, median household income, and per capita adjusted assessed valuation.*

*Subd. 3a. [STATE INDEPENDENT GRANTS PROGRAM.] (a) The agency may award independent grants for projects for 50 percent or, if the agency requires advanced treatment, 65 percent of the eligible cost of construction. The agency may award independent grants for up to an additional 15 percent or, if the agency requires advanced treatment, up to an additional ten percent of the eligible cost of construction to municipalities for which the construction would otherwise impose significant financial hardship; the amounts of the additional grants shall be based on per connection capital cost, median household income, and per capita adjusted assessed valuation.*

*These grants may be awarded in separate steps for planning and design in addition to actual construction. Not more than 20 percent of the total amount of grants awarded under this subdivision in any single fiscal year may be awarded for projects for the control of combined sewer overflow as defined by federal regulation. Until December 31, 1990, not more than 20 percent of the total amount of grants awarded under this subdivision in any single fiscal year may be awarded to a single grantee.*

*(b) Up to ten percent of the money to be awarded as grants under this subdivision in any single fiscal year shall be set aside for municipalities having substantial economic development projects that cannot come to fruition without municipal wastewater treatment improvements. The agency shall forward its municipal needs list to the commissioner of energy and economic development at the beginning of each fiscal year, and the commissioner shall review the list and identify those municipalities having substantial economic development projects. After the first 90 percent of the total available money is allocated to municipalities in accordance with agency priorities, the set-aside shall be used by the agency to award grants to remaining municipalities that have been identified.*

*(c) Grants may also be awarded under this subdivision to reimburse municipalities willing to proceed with projects and apply to be reimbursed in the subsequent year conditioned upon appropriation of sufficient money under subdivision 1 for that year. The maximum amount of the reimbursement the agency may commit in any single fiscal year is equal to the amount newly appropriated under subdivision 1 for that year.*

Subd. 4. [BOND AUTHORIZATION.] For the purpose of providing money appropriated in subdivision 1 for expenditure from the Minnesota state water pollution control fund through grants to municipalities and agencies of the state for the acquisition and betterment of public land, buildings, and improvements of a capital nature needed for the prevention, control, and abatement of water pollution, the commissioner of finance is authorized upon request of the pollution control agency to sell and issue Minnesota state water pollution control bonds in the amount of ~~\$144,000,000~~ \$156,000,000, in the manner and upon the conditions prescribed in section 116.17 and in the Constitution, Article XI, Sections 4 to 7. The proceeds of the bonds, except as provided in section 116.17, subdivision 5, are appropriated and shall be credited to the Minnesota state water pollution control fund. The amount of bonds issued pursuant to this authorization shall not exceed at any time the amount needed to produce a balance in the water pollution control fund equal to the aggregate amount of grants then approved and not previously disbursed, plus the amount of grants to be approved in the current and the following fiscal year, as estimated by the pollution control agency.

Subd. 5. [FEDERAL AND OTHER FUNDS.] All federal and other funds made available for any purpose of the water pollution control fund are also appropriated to that fund.

Subd. 6. [CONTINUANCE OF APPROPRIATIONS.] None of the appropriations made in this section shall lapse until the purpose for which it is made has been accomplished or abandoned. The amount of each grant approved for disbursement from the water pollution control fund shall be and remain appropriated for that purpose until the grant is fully disbursed or part

or all thereof is revoked by the pollution control agency.

Sec. 48. Minnesota Statutes 1983 Supplement, section 116J.926, subdivision 3, is amended to read:

Subd. 3. [MUNICIPAL OBLIGATION.] A loan shall not be made to a municipality until it has entered into an agreement with the state providing that the municipality shall make payments of principal and interest at least equal in the aggregate to the principal amount of the loan plus interest at the rate payable on the state bonds. The annual amounts of the payments shall be determined by the commissioner of finance, and need not coincide with the principal and interest payments on the bonds. However, the amounts due each year shall be payable prior to the times transfers are required to be made pursuant to section ~~16A.65~~ 16A.641. The agreement shall obligate the municipality to levy an ad valorem property tax equal to the amounts necessary to make the payments. The amount required to be levied may be reduced by any other available amounts contained in a special fund dedicated to payment of the loan obligation.

Sec. 49. Minnesota Statutes 1982, section 136.40, subdivision 6, is amended to read:

Subd. 6. [APPROPRIATIONS TO STATE UNIVERSITY BOND ACCOUNT.] All loan payments to be deposited in the state bond fund in accordance with subdivision 2 shall be credited to the state university bond account therein. In order to reduce the amount of taxes otherwise required to be levied, in accordance with section ~~16A.65~~ 16A.641, there shall also be transferred to the state university bond account from the general fund in the state treasury, on November 1 in each year, a sum of money sufficient in amount, when added to the balance then on hand therein, to pay all Minnesota state university bonds and interest thereon due and to become due to and including July 1 in the second ensuing year. All money so credited and all income from the investment thereof is annually appropriated for the payment of such bonds and interest thereon, and shall be available in the state university bond account prior to the levy of the tax in any year required by the Constitution, Article 11, Section 7. The legislature may also appropriate to the state university bond account any other moneys in the state treasury not otherwise appropriated, for the security of Minnesota state university bonds in the event that sufficient money should not be available in the account from the sources herein appropriated, prior to the levy of such tax in any year. The commissioner of finance and treasurer are directed to make the appropriate entries in the accounts of the respective funds.

Sec. 50. Minnesota Statutes 1982, section 475A.03, subdivision 1, is amended to read:

Subdivision 1. The governing body of any municipality, upon compliance with the terms of sections 475A.01 to 475A.06 and approval of the commissioner of finance may, after July 1, 1971 and before May 1, 1984, include in general obligation bonds of the municipality issued for the purpose of providing funds for acquisition to acquire or betterment of to better public lands and buildings and other public improvements of a capital nature, or bonds issued to refund guaranteed bonds, the following statement or such modification thereof consistent with sections 475A.01 to 475A.06 as the secretary shall prescribe:

The payment of this bond and the interest thereon is secured by the state municipal bond guaranty fund in accordance with the Minnesota municipal debt service aid law.

The bonds may also include the designation "secured by the state municipal bond guaranty fund", and the notice of sale of such bonds may include a reference to such guaranty.

Sec. 51. Minnesota Statutes 1982, section 475A.05, subdivision 1, is amended to read:

Subdivision 1. For the purpose of providing money to be loaned to municipalities ~~for the acquisition to acquire and betterment of to better~~ public lands and buildings and other public improvements of a capital nature, when needed to pay the principal of or interest on bonds issued for this purpose, or bonds issued to refund such guaranteed bonds, the municipal bond guaranty loan fund is created as a separate bookkeeping account in the general books of account of the state. All proceeds of state bonds credited to this fund, *all amounts transferred from the general fund*, all guaranty fees received, and all repayments of principal and interest on loans made from the fund are appropriated for construction and other permanent improvement and shall be available until the purposes for which the appropriation was made have been accomplished, except that at any time when the balance on hand in the state municipal bond guaranty fund exceeds ten percent of the principal amount of all then outstanding bonds secured by the fund, the state may reappropriate to the general fund the balance in excess of this amount.

Sec. 52. Minnesota Statutes 1982, section 475A.05, is amended by adding a subdivision to read:

*Subd. 1a. [GENERAL FUND APPROPRIATION.] In order to eliminate the need to sell Minnesota state municipal aid bonds, there is annually appropriated from the general fund to the commissioner of finance for transfer to the municipal bond guaranty loan fund the amounts needed to meet the state's obligations under sections 475A.01 to 475A.06, not to exceed a total of \$4,330,000. This subdivision does not prevent the sale of state municipal aid bonds to the extent that the amount available for transfer from the general fund is not sufficient to meet all the state's obligations under sections 475A.01 to 475A.06.*

Sec. 53. Minnesota Statutes 1982, section 475A.06, subdivision 7, is amended to read:

Subd. 7. The commissioner of finance is authorized to sell and issue Minnesota state municipal aid bonds in an aggregate principal amount not to exceed ~~\$20,000,000~~ \$4,330,000, the proceeds of which, except as provided in subdivision 1, are appropriated to the state municipal bond guaranty fund for the purpose of providing funds to be loaned to municipalities for the acquisition and betterment of public lands and buildings and other public improvements of a capital nature, when needed to pay the principal of or interest on bonds issued for this purpose or bonds issued to refund such guaranteed bonds, in accordance with the provisions of sections 475A.01 to 475A.06. The bonds shall be sold, issued, and secured as provided in subdivisions 1 to 6 and in Article XI, Section 7 of the Constitution.

Sec. 54. Laws 1983, chapter 344, section 6, subdivision 8, is amended to

read:

Subd. 8. ~~Split Rock~~ *Baptism River Rest Area* 620,000

Sec. 55. [REPEALER.]

*Minnesota Statutes 1982, sections 16A.63; 16A.64, as amended by Laws 1983, chapter 301, sections 94 and 95; 16A.65; and 116.16, subdivisions 6 and 7; and Laws 1981, chapter 275; Laws 1981, chapter 334, section 11, subdivision 4; Laws 1982, chapter 639, section 5, are repealed.*

Sec. 56. [EFFECTIVE DATE.]

*This act is effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to capital improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; reducing and canceling certain appropriations; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1982, sections 16.72, subdivision 7; 16A.54; 16A.66, as amended; 16A.671; 16A.675; 85A.04, subdivision 3; 115.03, subdivision 1; 116.16, subdivisions 2, 4, 5, 9, and by adding a subdivision; 116.18, as amended; 136.40, subdivision 6; 475A.03, subdivision 1; 475A.05, subdivision 1, and by adding a subdivision; 475A.06, subdivision 7; Minnesota Statutes 1983 Supplement, sections 16A.672; 116J.926, subdivision 3; Laws 1983, chapter 344, section 6, subdivision 8; proposing new law coded in Minnesota Statutes, chapter 16A; and repealing Minnesota Statutes 1982, sections 16A.63; 16A.64, as amended by Laws 1983, chapter 301, sections 94 and 95; 16A.65; and 116.16, subdivisions 6 and 7; and Laws 1981, chapter 275; Laws 1981, chapter 334, section 11, subdivision 4; Laws 1982, chapter 639, section 5."

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

House Conferees: (Signed) David Battaglia, Lyndon R. Carlson, Dick Welch, Henry J. Kalis, Douglas W. Carlson

Senate Conferees: (Signed) Gene Waldorf, Ronald R. Dicklich, Keith Langseth, Clarence M. Purfeerst, Glen Taylor

Mr. Waldorf moved that the foregoing recommendations and Conference Committee Report on H.F. No. 2314 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. 2314 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 59 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Laidig	Olson	Sieloff
Anderson	Frank	Langseth	Pehler	Solon
Belanger	Frederick	Lantry	Peterson, D.C.	Spear
Berg	Frederickson	Lessard	Peterson, D.L.	Storm
Bernhagen	Freeman	Luther	Peterson, R.W.	Stumpf
Bertram	Hughes	McQuaid	Petty	Taylor
Brataas	Isackson	Mehrkens	Pogemiller	Ulland
Chmielewski	Johnson, D.E.	Merriam	Ramstad	Vega
Davis	Johnson, D.J.	Moe, D. M.	Reichgott	Waldorf
DeCramer	Jude	Moe, R. D.	Renneke	Wegscheid
Dicklich	Knaak	Nelson	Samuelson	Willet
Diessner	Kronebusch	Novak	Schmitz	

Messrs. Benson and Kamrath voted in the negative.

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

### SPECIAL ORDER

H.F. No. 2051: A bill for an act relating to agriculture; authorizing the energy and economic development authority to purchase, make, or participate in farm loans and to issue bonds or notes for this purpose; amending Minnesota Statutes 1982, sections 116J.88, by adding a subdivision; 116J.90, by adding subdivisions; Minnesota Statutes 1983 Supplement, sections 116J.88, subdivisions 7 and 7a; and 116J.90, subdivision 3.

### SUSPENSION OF RULES

Mr. Stumpf 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. 2051 and that the rules of the Senate be so far suspended as to give H.F. No. 2051, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

Mr. Stumpf moved to amend H.F. No. 2051, as amended pursuant to Rule 49, adopted by the Senate April 18, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1457.)

Page 1, after line 11, insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 116J.88, is amended by adding a subdivision to read:

*Subd. 4a.* [LENDER.] “*Lender*” means a financial institution that participates in a loan-to-lender program of the authority.

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

*Subd. 4b.* [LOAN-TO-LENDER.] “*Loan-to-lender*” means a loan of money to a financial institution.

Sec. 3. Minnesota Statutes 1983 Supplement, section 116J.90, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] The authority may make or purchase or participate with financial institutions in making or purchasing business loans, *small business loans, energy loans, pollution control loans, and farm loans*

upon the conditions described in this section, and may enter into commitments therefor. *In addition, the authority may engage in loans-to lenders programs with respect to farm loans to the extent set forth in this section.*"

Page 2, line 12, strike "BUSINESS" and reinstate the stricken "FARM"

Page 2, line 13, strike "business loans" and reinstate the stricken "farm loans"

Page 3, after line 32, insert:

"Sec. 11. Minnesota Statutes 1982, section 116J.90, is amended by adding a subdivision to read:

*Subd. 7. [.....] The authority may make to financial institutions loans-to-lenders to provide funds to lenders to make or participate in making, or to reimburse lenders for having made or participating in having made, farm loans of a nature and for purposes as may be approved by the authority. In connection with a loan to a lender, the authority may adopt a plan for the various loan-to-lender programs it may determine to pursue. In connection with a loan-to-lender program, in addition to any other powers the authority has, the authority has the following powers:*

*(a) The authority may limit the type of loan to be included within a loan-to-lender program and may specify the necessary characteristics of loans to be included in the program.*

*(b) The authority may specify the type of lenders that may participate in a loan-to-lender program.*

*(c) The authority may invest in, purchase, participate in the purchase, make commitments for the purchase or participation in the purchase, and take assignments from lenders of loans.*

*(d) The authority may make loans and commitments for loans-to-lenders.*

*(e) The authority may require that no loan or interest in a loan purchased from a lender is eligible for purchase or commitment to purchase by the authority unless, at or before the time of transfer of the loan to the authority, the lender certifies that in its judgment the loan would in all respects be a prudent investment at the purchase price paid.*

*(f) The authority may require, as a condition of a loan to a lender, that the lender invests the proceeds of the loan to a lender in loans of a given type, nature, and purpose and upon the terms and conditions and secured as the authority may require.*

*(g) The authority may require, as a condition of purchase or commitment to purchase loans or interest in loans, that these loans are made upon the terms and conditions and secured as the authority may require, and that the proceeds of the purchase, or their equivalent, be invested in loans upon the terms and conditions and secured as the authority may require.*

*(h) In conjunction with the purchase of these loans or interest in these loans from lenders, the authority may require the lender to furnish collateral security in an amount as the authority shall determine to be necessary to assure the payment of these loans and interest in these loans as the loans become due. This collateral security may consist of obligations, mortgages, or security*

*interests satisfactory to the authority.*

*(i) The authority may require that each loan to a lender is a general obligation of the lender and may be additionally secured as to payment of both principal and interest by a pledge of and lien upon collateral security in an amount and of the types as the authority determines to be necessary to assure the payment of these loans and the interest on these loans as the loans become due and payable.*

*(j) Subject to any agreement with holders of bonds, the authority may collect, enforce the collection of, and foreclose on any collateral required by (h) and (i) of this subdivision and acquire or take possession of the collateral and sell it at public or private sale, with or without public bidding, and otherwise deal with the collateral as may be necessary to protect the interest of the authority in the collateral.*

*(k) In addition to the other powers granted by (j), the authority may, with respect to loan purchases and loans-to-lenders, collect and pay reasonable fees and charges and establish the terms and conditions of loan purchases and loans-to-lenders, including, without limitation, terms and conditions as to:*

*(1) reinvestment and commitments to reinvest by lenders of the proceeds of loan purchase or loans;*

*(2) the type, term, interest rate, purchase price, and conditions of loans to be purchased by the authority and of loans to be made by lenders;*

*(3) the warranties, representations, and services of lenders;*

*(4) restrictions as to the interest rates of loans or the return realized from loans to protect against the realization by lenders of excessive financial returns or benefits as determined by prevailing market conditions;*

*(5) consent to the modification of the rate of interest, time of payment of an installment of principal or interest, or other terms of a loan, loan-to-lender, or agreement of any kind to which the authority is a party;*

*(6) include in a loan or loan-to-lender the amounts necessary to pay financing charges, consultant, advisory, and legal fees, and other expenses, including interest charges, as are necessary or incidental to the loan or loan-to-lender;*

*(7) make and execute agreements, contracts, and other instruments necessary or convenient in accordance with the provisions of this subdivision, including contracts with any person, firm, public corporation, governmental agency, or other entity; and*

*(8) other matters related to the purchases of loans and loans-to-lenders deemed necessary by the authority to accomplish the purposes of this subdivision.*

*(l) The authority may require in the case of a lender that any required collateral is lodged with a bank or trust company, located either within or outside the state, designated by the authority as custodian for the collateral. In the absence of this requirement, the authority may require that each lender enters into an agreement with the authority, that contains provisions as the authority deems necessary to identify, maintain, and service the collateral, and that provides that the lender holds the collateral as trustee for the benefit*



*of the authority and is held accountable as the trustee of an express trust for the application and disposition of the collateral, including the income and proceeds from the collateral, solely for the uses and purposes as provided in the agreement. A copy of the agreement and any revisions or supplements to it, which revisions or supplements may, among other things, add to, delete from, or substitute items of collateral pledged by the agreement, must be filed with the secretary of state to perfect the security interest of the authority in the collateral. No filing, recording, possession, or other action under article 9 of the uniform commercial code, or any other law of this state may be required to perfect the security interest of the authority in the collateral. The security interest of the authority in the collateral is deemed perfected, and the trust for the benefit of the authority so created is binding on and after the time of the filing with the secretary of state against all parties having prior unperfected or subsequent security interests or claims of any kind in tort, in contract, or otherwise against the lender. The authority may also establish additional requirements as it deems necessary with respect to the pledging, assigning, setting aside, or holding of collateral and the making of substitutions for the collateral or additions to the collateral and the disposition of income and receipts from the collateral."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "authorizing a loan-to-lender program;"

Page 1, line 8, after "7a" insert ", and by adding subdivisions"

Page 1, line 9, delete "subdivision" and insert "subdivisions 1 and"

The motion prevailed. So the amendment was adopted.

Mr. Pogemiller moved to amend H.F. No. 2051, as amended pursuant to Rule 49, adopted by the Senate April 18, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1457.)

Page 3, after line 32, insert:

"Sec. 8. [474.25] [FEDERAL LIMITATION ACT.]

*The allocation of bonding authority provided by chapter 474 to the iron range resources and rehabilitation commissioner with respect to a federal limitation act is reduced by \$1,250,000 for calendar year 1984 and is reduced by \$500,000 for calendar year 1985. The allocation of bonding authority provided by chapter 474 for entitlement issuers with respect to a federal limitation act is reduced by \$1,250,000 for calendar year 1984 and is reduced by \$500,000 for calendar year 1985. The allocation of bonding authority provided by chapter 474 to local issuers who are not entitlement issuers with respect to a federal limitation act is reduced by \$1,250,000 for calendar year 1984 and is reduced by \$500,000 for calendar year 1985. The allocation of bonding authority provided by chapter 474 to the department of energy and economic development with respect to a federal limitation act is increased by \$3,750,000 for calendar year 1984 and \$1,500,000 for calendar year 1985. Until August 31 the department of energy and economic development shall make available at least \$5,000,000 for 1984 and \$6,000,000 for 1985 of its*

*allocation of bonding authority for farm loans authorized by section 116J.90. For the November allocation in each year the commissioner shall approve applications from the department for farm loans to be made pursuant to section 116J.90 in an amount up to \$1,000,000 or the amount remaining to be allocated, whichever is less, prior to approving other applications."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "allocating bonding authority pursuant to a federal limitation act;"

Page 1, line 9, before the period, insert "; proposing new law coded in Minnesota Statutes, chapter 474"

The motion prevailed. So the amendment was adopted.

H.F. No. 2051 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 50 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kamrath	Merriam	Schmitz
Anderson	Diessner	Knaak	Moe, R. D.	Sieloff
Belanger	Frank	Knutson	Nelson	Solon
Benson	Frederick	Kronebusch	Pehler	Storm
Berg	Frederickson	Laidig	Peterson, C.C.	Stumpf
Bertram	Freeman	Langseth	Peterson, D.C.	Taylor
Brataas	Hughes	Lantry	Peterson, D.L.	Vega
Chmielewski	Isackson	Lessard	Pogemiller	Waldorf
Dahl	Johnson, D.E.	Luther	Ramstad	Wegscheid
Davis	Jude	Mehrkens	Reichgott	Willet

Messrs. Dieterich and Petty voted in the negative.

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

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Messages From the House.

### MESSAGES FROM THE HOUSE

Mr. President:

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

S.F. No. 1563: A bill for an act relating to labor; extending the statute of limitation on certain actions to recover wages or overtime; clarifying child labor penalties; amending Minnesota Statutes 1982, section 541.07; Minnesota Statutes 1983 Supplement, section 181A.12, subdivision 1.

Senate File No. 1563 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 18, 1984

Mr. Chmielewski moved that the Senate do not concur in the amendments by the House to S.F. No. 1563, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1743:

H.F. No. 1743: A bill for an act relating to occupations and professions; removing an auctioneer's exemption from real estate brokers and salespersons licensing; amending Minnesota Statutes 1983 Supplement, section 82.18.

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

Sparby, Sarna and Heinitz have been appointed as such committee on the part of the House.

House File No. 1743 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 18, 1984

Mr. Merriam moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1743, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1279:

H.F. No. 1279: A bill for an act relating to crimes; clarifying the crime of contributing to the delinquency of a minor; providing for the admissibility of certain statements as evidence; expanding the definitions of sexual contact and coercion; increasing the age limit of minor victims protected under criminal sexual conduct offenses; clarifying certain terms; amending Minnesota Statutes 1982, sections 595.02; 609.341, subdivisions 11 and 14; 609.346; 609.347, subdivision 3; 609.364, subdivision 9; and 626.556, subdivision 8; Minnesota Statutes 1983 Supplement, sections 260.315; 609.342; and 609.343; proposing new law coded in Minnesota Statutes, chapter 260.

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

Levi, Vanasek and Clark, J. have been appointed as such committee on the part of the House.

House File No. 1279 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 18, 1984

Mr. Petty moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1279, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

### RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

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

### APPOINTMENTS

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

S.F. No. 1563: Messrs. Chmielewski, Frederick and Lessard.

H.F. No. 1279: Messrs. Petty, Merriam and Sieloff.

H.F. No. 1743: Messrs. Merriam; Johnson, D.E. and Stumpf.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

### MEMBERS EXCUSED

Ms. Reichgott was excused from the Session of Tuesday, April 17, from 9:00 p.m. to 12:10 a.m. today. Messrs. Dahl, Purfeerst and Waldorf were excused from the Session of today at 10:00 a.m. Ms. Berglin was excused from the Session of today from 11:00 to 11:15 a.m. Ms. Reichgott was excused from the Session of today from 11:30 a.m. to 12:10 p.m. and from 12:30 to 1:00 p.m. Mr. Pehler was excused from the Session of today from 11:15 a.m. to 1:15 p.m. Mr. Peterson, R.W. was excused from the Session of today from 11:00 a.m. to 2:30 p.m. Mr. Frank was excused from the Session of today from 11:40 a.m. to 12:20 p.m. Mr. Pogemiller was excused from the Session of today from 12:00 noon to 1:15 p.m. Ms. Peterson, D.C. was excused from the Session of today from 12:00 noon to 3:30 p.m. Mr. Wegscheid was excused from the Session of today from 1:20 to 2:30 p.m. Mr. Laidig was excused from the Session of today from 4:00 to 5:45 p.m. Ms. Berglin, Mr. Benson and Mrs. Lantry were excused from the Session of today at 5:00 p.m. Mr. Hughes was excused from the Session of today from 6:00 to 6:45 p.m.

### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Thursday, April 19, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

**EIGHTY-SECOND DAY**

St. Paul, Minnesota, Thursday, April 19, 1984

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

**CALL OF THE SENATE**

Mr. Frank 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 J. Nielsen.

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

Adkins	Diessner	Kroening	Olson	Sieloff
Anderson	Dieterich	Kronebusch	Pehler	Solon
Belanger	Frank	Laidig	Peterson, C.C.	Spear
Benson	Frederick	Langseth	Peterson, D.C.	Storm
Berg	Frederickson	Lantry	Peterson, D.L.	Stumpf
Berglin	Freeman	Lessard	Peterson, R.W.	Taylor
Bernhagen	Hughes	Luther	Petty	Ulland
Bertram	Isackson	McQuaid	Pogemiller	Vega
Brataas	Johnson, D.E.	Mehrkens	Purfeerst	Waldorf
Chmielewski	Johnson, D.J.	Merriam	Ramstad	Wegscheid
Dahl	Jude	Moe, D.M.	Reichgott	Willet
Davis	Kamrath	Moe, R.D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	
Dicklich	Knutson	Novak	Schmitz	

The President declared a quorum present.

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

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

The following communications were received.

April 16, 1984

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

The Honorable Jerome M. Hughes  
President of the Senate

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

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1984	Date Filed 1984
1350		379	April 11	April 11
1127		380	April 11	April 11
1832		381	April 14	April 16

Sincerely,

Joan Anderson Growe  
Secretary of State

April 17, 1984

The Honorable Jerome M. Hughes  
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. 1396, 416, 868, 1139, 1757, 1770 and 2148.

Sincerely,

Rudy Perpich, Governor

April 18, 1984

The Honorable Jerome M. Hughes  
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. 1041.

Sincerely,

Rudy Perpich, Governor

April 18, 1984

The Honorable Jerome M. Hughes  
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. 7.

Sincerely,

Rudy Perpich, Governor

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 1622, 1807, 1977, 1546, 1859, 1732, 2076, 1589 and 1794.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 18, 1984

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1621:

H.F. No. 1621: A bill for an act relating to veterans; allowing certain veterans organizations to use space in the Veterans Service Building; amending

Minnesota Statutes 1982, section 197.58.

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

Metzen, Quinn and Redalen have been appointed as such committee on the part of the House.

House File No. 1621 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 18, 1984

Mrs. Adkins moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1621, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1427:

H.F. No. 1427: A bill for an act relating to retirement; altering the investment authority for police and firefighter's relief associations; making various changes in the benefits for various retirement funds and plans; making conforming changes in benefit calculations; amending Minnesota Statutes 1982, sections 3.082; 69.775; 352.113, subdivision 3; 352.95, subdivision 1a; 353.34, by adding a subdivision; 354.62, subdivision 2; 422A.18, subdivision 3; 424.24, subdivision 2; and 490.129; Minnesota Statutes 1983 Supplement, sections 69.77, subdivision 2; 352.113, subdivision 2; 352.115, subdivision 8; and 356.61; Laws 1947, chapter 43, section 23, as amended; Laws 1963, chapter 643, section 20; Laws 1973, chapters 359, section 5, subdivision 2; and 432, section 4; Laws 1977, chapter 275, section 1; and Laws 1981, chapter 68, section 43; proposing new law coded in Minnesota Statutes, chapter 423A; repealing Laws 1971, chapter 184; Laws 1973, chapter 283; Laws 1978, chapter 617; Laws 1981, chapter 224, sections 255 and 256; Laws 1982, chapter 578, article II, section 1, subdivision 7, and section 3.

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

Sarna, Metzen and Wigley have been appointed as such committee on the part of the House.

House File No. 1427 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 18, 1984

Mr. Frank moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1427, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part

of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 756:

H.F. No. 756: A bill for an act relating to notaries public; changing the term of office; increasing the required bond amount; authorizing appointment of out-of-state notaries; requiring designation of the clerk of district court of the county in which appointment is sought as agent for out-of-state notaries; amending Minnesota Statutes 1982, sections 359.01; and 359.02.

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

Norton, McKasy and Coleman have been appointed as such committee on the part of the House.

House File No. 756 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 18, 1984

Mr. Jude moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 756, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 432:

H.F. No. 432: A bill for an act relating to soil and water conservation; prohibiting in certain counties practices which cause accelerated erosion or sedimentation; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 40.

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

Redalen, Schreiber and Knuth have been appointed as such committee on the part of the House.

House File No. 432 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 18, 1984

Mr. Davis moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 432, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.



Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1532:

H.F. No. 1532: A bill for an act relating to agriculture; designating milk as the official state drink; proposing new law coded in Minnesota Statutes, chapter 1.

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

Krueger, Graba and Uphus have been appointed as such committee on the part of the House.

House File No. 1532 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 18, 1984

Mr. Bertram moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1532, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

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

S.F. No. 1563: A bill for an act relating to labor; extending the statute of limitation on certain actions to recover wages or overtime; clarifying child labor penalties; amending Minnesota Statutes 1982, section 541.07; Minnesota Statutes 1983 Supplement, section 181A.12, subdivision 1.

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

O'Connor, Begich and Evans.

Senate File No. 1563 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 18, 1984

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. 1760: A bill for an act relating to governmental operations; requesting the regents of the University of Minnesota to conduct a job evaluation study and report to the legislature.

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

Carlson, L.; Swanson and Bishop.

Senate File No. 1760 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 18, 1984

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. 1393, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1393 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 18, 1984

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 1393

A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; modifying the foundation aid formula; granting certain powers and duties to school boards, school districts, the state board of education, the commissioner of education, the department of education, the state board of vocational-technical education, the state director of vocational-technical education, the higher education coordinating board, and others; providing for an equalized summer school aid and levy; increasing the community education aid and levy; modifying the vocational instructional aid payment formula; establishing a schools of excellence program; requiring an arts education study; expanding in-service and instructional effectiveness training programs; improving the planning, evaluation, and reporting process; establishing assessment programs; establishing a research and development grant program; appropriating money; amending Minnesota Statutes 1982, sections 121.908, by adding a subdivision; 121.935, subdivisions 2 and 6; 121.936, subdivision 1; 122.532, by adding a subdivision; 123.36, subdivision 10; 123.74; 123.741, as amended; 123.742, as amended; 124.19, by adding a subdivision; 124.20; 124.201, subdivision 1; 124.214, subdivision 1; 124.565, subdivision 7; 136A.02, subdivision 6; 275.125, by adding subdivisions; 465.721; 471.61, subdivisions 1 and 2a; Minnesota Statutes 1983 Supplement, sections 120.17, subdivision 3b; 121.601; 121.608; 121.609; 121.904, subdivision 4a; 123.36, subdivision 13; 123.743; 124.155, subdivision 1; 124.195, subdivisions 1, 9, and 10; 124.201, subdivisions 2, 4, and 5; 124.2122; 124.2126, subdivision 3; 124.2138; 124.271, subdivision 2b; 124.5615, subdivision 5; 124.5629; 124A.06, subdivision 1; 124A.12, subdivision 1; 124A.14, subdivision 1; 124A.16, subdivision 4; 125.032, subdivision 2; 129B.32, subdivision 3; 129B.36, by adding a subdivision; 136C.04, by adding a subdivision; 275.125, subdivisions 2e, 2k, 8, 8a, 9b, 11a, and 11c; 298.28, subdivision 1; 466.06; 475.61, subdivision 3; Laws 1976, chapter 20, section 5, subdivision 1; Laws 1983, chapter 314, article 6, section 34, subdivision 12; article 7, section 45; article 8, section 23; and article 9, section 14, subdivision 3; proposing new law coded in Minnesota Statutes, chapters 121, 123, 124, and 136C; repealing Minnesota Statutes 1982, sections 124.201, as amended;

124.32, subdivisions 1a, 1e, and 2a; 125.60, subdivision 2a; and 275.125, subdivision 2g; and Minnesota Statutes 1983 Supplement, sections 124.32, subdivision 5a; and 275.125, subdivisions 2i and 2j.

April 18, 1984

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

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 1393, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 1393 be further amended as follows:

Delete everything after the enacting clause and insert:

#### ARTICLE I

#### FOUNDATION AID

##### Section 1. [124.175] [AFDC PUPIL COUNT.]

*Each year by March 1, the department of public welfare shall certify to the department of education, for each school district, the number of pupils from families receiving aid to families with dependent children who were enrolled in a public school on October 1 of the preceding year.*

Sec. 2. Minnesota Statutes 1982, section 124.19, is amended by adding a subdivision to read:

*Subd. 6. [INSTRUCTIONAL HOURS.] To be eligible for full entitlement of foundation aid, a district must provide to students the minimum number of instructional hours per day prescribed in the rules of the state board, except as provided for in subdivision 5 of this section. Part of the school day may be provided in employment-related or community-based instruction, but only within a program which receives annual approval by the local district board, is in compliance with state board rules, and is on file with the commissioner of education. The information on the employment-related or community-based instruction submitted to the commissioner shall contain at least an estimate of the number of students involved, a description of the alternative instruction, and the percentage of the students' instructional year involved.*

Sec. 3. Minnesota Statutes 1983 Supplement, section 124.2122, subdivision 1, is amended to read:

Subdivision 1. [FORMULA ALLOWANCE.] "Foundation aid formula allowance" or "formula allowance" means the amount of revenue per pupil unit used in the computation of foundation aid for a particular school year and in the computation of permissible levies for use in that school year. ~~The formula allowance shall be \$1,346 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year.~~ The formula allowance shall be \$1,475 for the 1982 payable 1983 levies and for foundation aid for the 1983-1984 school year. The formula allowance shall be \$1,475 for the 1983 payable 1984 levies and for foundation aid for the 1984-1985 school year. *The formula allowance shall be \$1,585 for the 1984 payable 1985 levies and for foundation aid for the 1985-1986 school year.*

Sec. 4. Minnesota Statutes 1983 Supplement, section 124.2122, subdivision 2, is amended to read:

Subd. 2. [BASIC MAINTENANCE MILL RATE.] "Basic maintenance mill rate" means the mill rate applicable to the adjusted assessed valuation of a district, used in the computation of basic foundation aid for a particular school year and of the basic maintenance levy for use in that school year. ~~The basic maintenance mill rate shall be .024 for 1981 payable 1982 levies minimum aid and for foundation aid for the 1982-1983 school year.~~ The basic maintenance mill rate shall be .024 for the 1982 payable 1983 levies and for foundation aid for the 1983-1984 school year. The basic maintenance mill rate shall be .024 for the 1983 payable 1984 levies and for foundation aid for the 1984-1985 school year. *The basic maintenance mill rate shall be .0235 for the 1984 payable 1985 levies and for foundation aid for the 1985-1986 school year.*

Sec. 5. Minnesota Statutes 1983 Supplement, section 124.2126, subdivision 3, is amended to read:

Subd. 3. [MINIMUM AID.] A qualifying district's minimum aid for each school year shall equal its minimum guarantee for that school year, minus the sum of:

(1) The amount of the district's state school agricultural tax credit aid for that school year;

(2) The amount by which property taxes of the district for use in that school year are reduced by the homestead credit provisions in section 273.13, subdivisions 6, 7, and 14a;

(3) The amount by which property taxes of the district for use in that school year are reduced by the taconite homestead credit provisions in section 273.135;

(4) The amount by which property taxes of the district for use in that school year are reduced by the attached machinery provisions in section 273.138, subdivision 6;

(5) The amount by which property taxes of the district for use in that school year are reduced by the state paid wetlands credit provisions in section 273.115;

(6) The amount by which property taxes of the district for use in that school year are reduced by the state paid native prairie credit provisions in section 273.116;

~~(7) The amount by which property taxes of the district for use in that school year are reduced by the credit for reduced assessment provisions in section 273.139;~~

~~(8) The amount by which property taxes of the district for use in that school year are reduced by the state reimbursed disaster or emergency reassessment provisions in section 273.123; and~~

~~(9) (8) The amount by which property taxes of the district for use in that school year are reduced by the metropolitan agricultural preserve provisions in section 473H.10.~~

Sec. 6. Minnesota Statutes 1983 Supplement, section 124.2138, is

amended to read:

124.2138 [REVENUE EQUITY AID SUBTRACTION.]

Subdivision 1. [BASIC MAINTENANCE LEVY EQUITY.] (1) ~~In any year when~~ If the amount of the maximum levy limitation under section 275.125, subdivision 2a, for fiscal year 1985 for any district, or for fiscal year 1986 or after for a nonagricultural district under section 275.125, subdivision 2a, exceeds the district's basic foundation revenue for the corresponding fiscal year, an amount shall be deducted as provided in this subdivision from special state aids of chapter 124 receivable for the same fiscal year, and from state payments on behalf of the district for the same fiscal year authorized in sections 354.43, subdivision 1; 354A.12, subdivision 2; and 355.46, subdivision 3, clause (b). However, the aid authorized in sections 124.2137 and 124.646 shall not be reduced.

(2) The amount of the deduction shall equal the difference between:

(a) the sum of the amount of the district's maximum levy limitation under section 275.125, subdivision 2a, plus the amount of any reductions to that levy limitation pursuant to section 275.125, subdivisions 2c, clause (1)(b), and 9, and

(b) the district's basic foundation revenue.

However, for fiscal year 1985, the amount of the deduction shall be one-sixth of the difference between clauses (a) and (b); for fiscal year 1986, the amount of the deduction shall be one-third of the difference between clauses (a) and (b); for fiscal year 1987, the amount of the deduction shall be one-half of the difference between clauses (a) and (b); for fiscal year 1988, the amount shall be two-thirds of the difference between clauses (a) and (b); and for fiscal year 1989, the amount of the deduction shall be five-sixths of the difference between clauses (a) and (b).

Subd. 2. [TRANSPORTATION LEVY EQUITY.] (1) ~~In any fiscal year in which~~ If the transportation levy for fiscal year 1985 in any district, or for fiscal year 1986 and thereafter in a nonagricultural district attributable to that fiscal year, of 1.75 mills times the adjusted assessed valuation of the district exceeds the transportation aid computation under section 124.225, subdivisions 8b, 8i, 8j, and 8k, an amount shall be deducted as provided in this subdivision from special state aids of chapter 124 receivable for the same fiscal year, and from state payments on behalf of the district for the same fiscal year authorized in sections 354.43, subdivision 1; 354A.12, subdivision 2; and 355.46, subdivision 3, clause (b), to the extent that those special state aids and state payments have not been reduced pursuant to subdivision 1 of this section. However, aid authorized in sections 124.2137 and 124.646 shall not be reduced.

(2) The amount of the deduction shall equal the difference between:

(a) 1.75 mills times the adjusted assessed valuation of the district for the levy attributable to that fiscal year, and

(b) the sum of the district's transportation aid computation pursuant to section 124.225, subdivisions 8b, 8i, 8j, and 8k, less the amount of any aid reduction due to an insufficient appropriation as provided in section 124.225, subdivision 8a.

However, for fiscal year 1985, the amount of the deduction shall be one-sixth of the difference between clauses (a) and (b); for fiscal year 1986, the amount of the deduction shall be one-third of the difference between clauses (a) and (b); for fiscal year 1987, the amount of the deduction shall be one-half of the difference between clause (a) and (b); for fiscal year 1988, the amount of the deduction shall be two-thirds of the difference between clauses (a) and (b); and for fiscal year 1989, the amount of the deduction shall be five-sixths of the difference between clauses (a) and (b).

Subd. 3. In any fiscal year in which the state payments on behalf of a district authorized in sections 354.43, subdivision 1; 354A.12, subdivision 2; and 355.46, subdivision 3, clause (b), are reduced under this section, the commissioner of education shall certify the amounts of the required reductions to the district. The district shall pay employer contributions in the amount of the reduction of these payments to the commissioner, which amount shall be placed in the general fund.

Subd. 4. [NONAGRICULTURAL DISTRICT DEFINED.] *For the purposes of this section, nonagricultural district means a district where the assessed valuation of agricultural land identified in section 273.13, subdivisions 4, 6, and 6a, comprises less than 60 percent of the assessed valuation of the district.*

Sec. 7. Minnesota Statutes 1983 Supplement, section 124A.06, subdivision 1, is amended to read:

Subdivision 1. [COST DIFFERENTIAL TIER ALLOWANCE.] "Cost differential tier allowance" means the amount of revenue per actual pupil unit used to compute the cost differential tier aid for a school year and levy for use in the same school year. A district's cost differential tier allowance shall be the result of the following computation:

(a) Divide the amount of aid the district would have received for the 1980-1981 school year if Minnesota Statutes, 1979 Supplement, section 124.224, as amended by section 124.2124, subdivision 1, had been effective for the 1980-1981 school year by the actual pupil units in the district in the 1980-1981 school year.

(b) *For the 1984-1985 school year, multiply the result in clause (a) by one. For the 1985-1986 school year and school years thereafter, multiply the result in clause (a) by two.*

(c) Divide the formula allowance for the school year by \$1265.

(d) Multiply the result in clause (b) by the result in clause (c).

(e) Subtract 1.25 from the training and experience index, and multiply the difference by \$300 for the 1984-1985 school year, or \$400 for the 1985-1986 school year and thereafter.

(f) Select the greater of the result in clause (e) or zero.

(g) Add the results of clauses (d) and (f).

Sec. 8. Minnesota Statutes 1983 Supplement, section 124A.12, subdivision 1, is amended to read:

Subdivision 1. [FOURTH TIER ALLOWANCE.] "Fourth tier allow-

ance" means the amount of revenue per actual pupil unit used to compute the fourth tier aid for a particular school year and the corresponding levy for that school year. The fourth tier allowance is \$100 for the 1984-1985 school year. For the 1985-1986 school year and thereafter, the fourth tier allowance is the result of the following computation:

(a) Subtract 1.25 from the training and experience index, and multiply the difference by \$150.

(b) Select the greater of the result in clause (a) or zero.

(c) Add \$100 to the result of clause (b).

Sec. 9. Minnesota Statutes 1983 Supplement, section 124A.14 is amended to read:

124A.14 [FIFTH TIER AID WITH 50 PERCENT EQUALIZING FACTOR.]

Subdivision 1. [TOTAL TIER ALLOWANCE.] "Total tier allowance" shall mean the sum of the cost differential tier allowance, second tier allowance, third tier allowance, and fourth tier allowance, as defined in this chapter.

Subd. 2. [PREVIOUS FORMULA AMOUNT.] "Previous formula amount" shall mean:

(a) the sum of the grandfather revenue, replacement revenue, discretionary revenue, and low fund balance revenue the district would have received for the 1984-1985 school year if the provisions of Minnesota Statutes 1982, sections 124.2123, 124.2124, 124.2125, and 124.2128 had been effective for the 1984-1985 school year, divided by

(b) the 1984-1985 actual pupil units.

(c) The computations in this subdivision shall be made assuming that the district would have been entitled to and would have levied the maximum allowable under Minnesota Statutes 1982, section 275.125, subdivision 7a, and that no levy or aid reduction would have been made according to Minnesota Statutes 1982, section 275.125, subdivision 7c.

Subd. 3. [MINIMUM INCREASE.] "Minimum increase" shall mean the amount equal to \$25 times the 1984-1985 total pupil units, divided by the 1984-1985 actual pupil units.

Subd. 4. [FIFTH TIER ALLOWANCE.] "Fifth tier allowance" means the amount of revenue per actual pupil unit used to compute the fifth tier aid for a particular school year and the corresponding levy for that school year. The fifth tier allowance shall equal the result of the following computation:

(a) Determine the revenue the district would have received for the 1984-1985 school year from grandfather revenue, replacement revenue, and low fund balance revenue, if the provisions of Minnesota Statutes 1982, sections 124.2123, 124.2124, and 124.2128 had been effective for the 1984-1985 school year.

(b) Determine the discretionary revenue the district would have received for the 1984-1985 school year if the provisions of Minnesota Statutes 1982, section 124.2125 had been effective for the 1984-1985 school year. Assume the

district had been entitled to and had levied the maximum allowable under section 275.125, subdivisions 7a, and no aid or levy reductions were made according to section 275.125, subdivision 7c.

(c) Determine the amount of revenue equal to \$25 times the total pupil units in the 1984-1985 school year.

(d) Add the results in clauses (a), (b), and (c).

(e) Determine the estimated revenue the district would receive for the 1984-1985 school year from the first to fourth tier revenue for the 1984-1985 school year.

(f) Subtract the result of clause (e) from the result of clause (d).

(g) Divide the amount in clause (f) by the 1984-1985 actual pupil units previous formula amount plus the minimum increase minus the total tier allowance for the current year. If this result is less than zero, the fifth tier allowance shall equal zero.

Subd. 2 5. [FIFTH TIER REVENUE.] A district's fifth tier revenue for each school year shall equal the fifth tier allowance times its actual pupil units for that school year.

Subd. 3 6. [FIFTH TIER AID.] A district's fifth tier aid shall be the result of the following computation:

(1) Subtract the amount of the fifth tier levy from the amount of the fifth tier revenue.

(2) Divide the actual fifth tier levy by the permitted fifth tier levy.

(3) Multiply the result in clause (1) by the result in clause (2).

Sec. 10. Minnesota Statutes 1983 Supplement, section 124A.16, is amended to read:

#### 124A.16 [COMMENCEMENT OF TIER REVENUE.]

Subdivision 1. [TOTAL TIER ALLOWANCE DEFINITIONS.] "Total tier allowance," "previous formula amount," and "minimum increase" shall mean the sum of the allowances from the tiers specified in sections 124A.06, 124A.08, 124A.10, 124A.12, and 124A.14 have the meanings given them in section 124A.14.

Subd. 2. [PREVIOUS FORMULA AMOUNT.] "Previous formula amount" shall mean the revenue per actual pupil unit from the previous formula as specified in section 124A.14, subdivision 1, clauses (a) and (b).

Subd. 3. [MINIMUM INCREASE.] "Minimum increase" shall mean the amount equal to \$25 times the total pupil units in the 1984-1985 school year, divided by the actual pupil units in the 1984-1985 school year.

Subd. 4. The total revenue per actual pupil unit permitted from the tiers specified in sections 124A.06, 124A.08, 124A.10, 124A.12, and 124A.14 shall equal the sum of the previous formula amount plus the greater of:

(a) the minimum increase; or

(b) 25 percent of the difference between the total tier allowance and the previous formula amount in the 1984-1985 school year, 50 percent of the



difference in the 1985-1986 school year, 75 percent of the difference in the 1986-1987 school year, or 100 percent of the difference in the 1987-1988 school year and subsequent school years.

Subd. 5 3. The revenue permitted by this section shall be accorded to the lowest numbered tiers, beginning with the cost differential tier.

Subd. 6 4. The permitted total revenue per actual pupil unit specified in subdivision 4 2 shall be determined prior to the reduction according to section 275.125, subdivision 7e.

Sec. 11. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 2e, is amended to read:

Subd. 2e. [BASIC MAINTENANCE LEVY; DISTRICTS OFF THE FORMULA.] (1) In any year when the amount of the maximum levy limitation under subdivision 2a for any district, exceeds the product of the district's foundation aid formula allowance for the year in which the levy is recognized as revenue times the estimated number of ~~actual~~ and AFDC total pupil units for that district for that school year, the levy limitation for that district under subdivision 2a shall be limited to the greater of the dollar amount of the levy the district certified in 1977 under Minnesota Statutes 1978, section 275.125, subdivision 2a, clause (1), or the following difference but not to exceed the levy limitation under subdivision 2a:

(a) the sum of

(i) the product of the district's foundation aid formula allowance for the school year in which the levy is recognized as revenue, times the estimated number of ~~actual~~ and AFDC total pupil units for that district for that school year, plus

(ii) the amount ~~of~~ by which special state aids of chapter 124 receivable for the same school year, excluding aid authorized in sections 124.2137 and 124.646, are estimated to be reduced pursuant to section 124.2138, subdivision 1, plus

(iii) the amount ~~of~~ by which state payments on behalf of the district for the same school year authorized in sections 354.43, subdivision 1; 354A.12, subdivision 2; and 355.46, subdivision 3, clause (b), are estimated to be reduced pursuant to section 124.2138, subdivision 1, less

(b) the estimated amount of any payments which would reduce the district's foundation aid entitlement as provided in section 124.2132, subdivision 4 in the school year in which the levy is recognized as revenue.

~~(1) However, for fiscal year 1985, the amounts in clauses (a)(ii) and (a)(iii) shall be multiplied by one-sixth; for fiscal year 1986, the amounts in clauses (a)(ii) and (a)(iii) shall be multiplied by one-third; for fiscal year 1987, the amounts in clauses (a)(ii) and (a)(iii) shall be multiplied by one-half; for fiscal year 1988, the amounts in clauses (a)(ii) and (a)(iii) shall be multiplied by two-thirds; and for fiscal year 1989, the amounts in clauses (a)(ii) and (a)(iii) shall be multiplied by five-sixths.~~

(2) A levy made by a district pursuant to this subdivision shall be construed to be the levy made by that district pursuant to subdivision 2a, for purposes of statutory cross-reference.

Sec. 12. Minnesota Statutes 1983 Supplement, section 298.28, subdivision 1, is amended to read:

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

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

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

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

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

(b) 23 cents per taxable ton, less any amount distributed under part (d), shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 in direct proportion to school district tax levies as follows: each district shall receive that portion of the total distribution which its certified levy for the prior year, computed pursuant to section 275.125, comprises of the sum of certified levies for the prior year for all qualifying districts, computed pursuant to section 275.125. For purposes of distributions pursuant to this part, certified levies for the prior year computed pursuant to section 275.125 shall not include the amount of any increased levy authorized by referendum pursuant to section 275.125, subdivision 2d.

(c) On July 15, 1982 and on July 15 in subsequent years, an amount equal to the increase derived by increasing the amount determined by clause (3)(b) in the same proportion as the increase in the steel mill products index over the base year of 1977 as provided in section 298.24, subdivision 1, clause (a), shall be distributed to any school district described in clause (3)(b) where a levy increase pursuant to section 275.125, subdivision 2d, is authorized by

referendum, according to the following formula. Each district shall receive the product of:

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

(ii) the lesser of:

(A) one, or

(B) the ratio of the amount certified pursuant to section 275.125, subdivision 2d, in the previous year, to the product of two mills times the district's taxable valuation in the second previous year.

If the total amount provided by clause (3)(c) is insufficient to make the payments herein required then the entitlement of \$150 per pupil unit shall be reduced uniformly so as not to exceed the funds available. Any amounts received by a qualifying school district in any fiscal year pursuant to clause (3)(c) shall not be applied to reduce foundation aids which the district is entitled to receive pursuant to sections 124.2121 to 124.2128 or the permissible levies of the district. Any amount remaining after the payments provided in this paragraph shall be paid to the commissioner of finance who shall deposit the same in the taconite environmental protection fund and the northeast Minnesota economic protection trust fund as provided in section 298.28, subdivision 1, clause 10.

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

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

(a) 15.5 cents per taxable ton shall be distributed to the county in which the taconite is mined or quarried or in which the concentrate is produced, less any amount which is to be distributed pursuant to part (b). The commissioner shall follow the apportionment formula prescribed in clause (1).

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

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

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

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

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

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

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

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

(10) the proceeds of the tax imposed by section 298.24 which remain after the distributions in clauses (1) to (9) and parts (a) and (b) of this clause have been made shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection trust fund created in section 298.292 as follows: In 1981 and each year thereafter, two-thirds to the taconite environmental protection fund and one-third to the northeast Minnesota economic protection trust fund. The proceeds shall be placed in the respective special accounts in the general fund.

(a) In 1978 and each year thereafter, there shall be distributed to each city, town, school district, and county the amount that they received under section 294.26 in calendar year 1977; provided, however, that the amount distributed in 1981 to the unorganized territory number 2 of Lake County and the town of Beaver Bay based on the between-terminal trackage of Erie Mining Company will be distributed in 1982 and subsequent years to the unorganized territory number 2 of Lake County and the towns of Beaver Bay and Stony River based on the miles of track of Erie Mining Company in each taxing district.

(b) In 1978 and each year thereafter, there shall be distributed to the iron range resources and rehabilitation board the amounts it received in 1977 under section 298.22.

On or before October 10 of each calendar year each producer of taconite or iron sulphides subject to taxation under section 298.24 (hereinafter called "taxpayer") shall file with the commissioner of revenue and with the county auditor of each county in which such taxpayer operates, and with the chief clerical officer of each school district, city or town which is entitled to participate in the distribution of the tax, an estimate of the amount of tax which would be payable by such taxpayer under said law for such calendar year; provided such estimate shall be in an amount not less than the amount due on the mining and production of concentrates up to September 30 of said year plus the amount becoming due because of probable production between September 30 and December 31 of said year, less any credit allowable as hereinafter provided. Such estimate shall list the taxing districts entitled to participate in the distribution of such tax, and the amount of the estimated tax which would be distributable to each such district in the next ensuing calendar year on the basis of the last percentage distribution certified by the commissioner of revenue. If there be no such prior certification, the taxpayer shall set forth its estimate of the proper distribution of such tax under the law, which estimate may be corrected by the commissioner if he deems it improper, notice of such correction being given by him to the taxpayer and the public officers receiving such estimate. The officers with whom such report is so filed shall use the amount so indicated as being distributable to each taxing district in computing the permissible tax levy of such county, city or school district in the year in which such estimate is made, and payable in the next ensuing calendar year, except that in 1978 and 1979 two cents per taxable ton, and in 1980 and thereafter, one cent per taxable ton of the amount distributed under clause (4)(c) shall not be deducted in calculating the permissible levy. Such taxpayer shall then pay, at the times payments are required to be made pursuant to section 298.27, as the amount of tax payable under section 298.24, the greater of (a) the amount shown by such estimate, or (b) the amount due under said section as finally determined by the commissioner of revenue pursuant to law. If, as a result of the payment of the amount of such estimate, the taxpayer has paid in any calendar year an amount of tax in excess of the amount due in such year under section 298.24, after application of credits for any excess payments made in previous years, all as determined by the commissioner of revenue, the taxpayer shall be given credit for such excess amount against any taxes which, under said section, may become due from the taxpayer in subsequent years. In any calendar year in which a general property tax levy subject to sections 275.125 or 275.50 to 275.59 has been made, if the taxes distributable to any such county, city or school district are greater than the amount estimated to be paid to any such county, city or school district in such year, the excess of such distribution shall be held in a special fund by the county, city or school district and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.125 or 275.50 to 275.59, of such county, city or school district payable in such year. If the amounts distributable to any such county, city or school district, after final determination by the commissioner of revenue under this section are less than the amounts indicated by such estimates, such county, city or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.125 or 275.50 to 275.59 an amount sufficient to pay such cer-

tificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

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

Sec. 13. [ISOLATED SCHOOL AID.]

*In the 1984-1985 school year, a district having more than 2,500 square miles in area and operating six or more secondary schools shall receive aid equal to \$50 times the actual pupil units in that school year.*

Sec. 14. [AID SUBTRACTION INCREASE.]

*The legislature intends that, as a result of changes in school district levy limitations in this article, articles 2 and 4, the aid subtraction required by section 124.155 will be increased by an estimated \$2,283,000 for fiscal year 1985.*

Sec. 15. [REPEALER.]

*Minnesota Statutes 1982, section 124.212, subdivision 1, is repealed.*

Sec. 16. [APPROPRIATION.]

*There is appropriated from the general fund to the department of education the sum of \$166,500 for isolated school aid for fiscal year 1985.*

Sec. 17. [EFFECTIVE DATE.]

*Section 12 is effective for the distribution required to be made on July 15, 1984, and for distributions thereafter.*

## ARTICLE 2

### SUMMER PROGRAMS

Section 1. Minnesota Statutes 1982, section 124.20, is amended to read:

124.20 [AID FOR SUMMER SCHOOL PROGRAMS AND FLEXIBLE SCHOOL YEAR CLASSES.]

Subdivision 1. [PROGRAMS.] Foundation aid for (1) summer school classes programs which are not a part of the regular school term in hospitals, sanatoriums, and home instruction programs, (2) inter-session classes of flexible school year programs, and (3) summer school classes programs in elementary and secondary schools, and (4) summer school instruction in teachers college laboratory schools or in the university laboratory school, shall be paid under the provisions of this section.

Subd. 2. [DEFINITIONS.] For the purposes of computing foundation aid for summer school programs and inter-session classes of flexible school year

programs, the following phrases shall have the meanings given them.

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

(2) "Summer school program instructional revenue allowance" means an amount equal to the product of the number of summer school program pupil units in a district, times the foundation aid formula allowance as defined in section 124.2122 for the preceding regular school year.

(3) For summer programs in 1982, "summer school revenue allowance" means an amount equal to the product of the number of summer school pupil units in a district, times 89 percent of the foundation aid formula allowance as defined in section 124.2122 for the preceding regular school year. "Summer educational improvement revenue allowance" means an amount equal to the product of 0.005, times the number of actual pupil units in the district in the preceding regular school year, times the foundation aid formula allowance as defined in section 124.2122 for the preceding regular school year.

(4) "Total summer program revenue allowance" means an amount equal to the sum of a district's summer program instructional revenue allowance and summer educational improvement revenue allowance.

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

*Subd. 4. [SUMMER PROGRAM AID.] In fiscal year 1986 and each year thereafter, a district shall receive summer program aid equal to the difference between:*

*(1) the product of*

*(a) the ratio of the district's actual levy to its permitted levy, pursuant to section 275.125, subdivision 2k, certified in the calendar year before the summer program is offered; times*

*(b) the district's total summer program revenue allowance; and*

*(2) the levy certified by the district pursuant to section 275.125, subdivision 2k, in the calendar year before the summer program is offered.*

*Subd. 5. [AID ADJUSTMENT.] The department of education shall adjust the summer program aid paid each year to reflect adjustments which were made or could have been made to the levy because of a difference between estimated and actual pupil membership. The department shall also adjust summer program levy limitations for districts where actual pupil membership differs from estimated pupil membership.*

*Subd. 6. [AUTHORIZED USE OF SUMMER PROGRAM AID AND LEVY.] (a) Beginning with the 1985 summer program, a school board may use the proceeds of the aid and levy received pursuant to this section and section 275.125, subdivision 2k, only for summer programs that are offered for credit or required for graduation or that provide academic enrichment or remediation. The proceeds may not be used for recreational sports, leisure activities, entertainment, recreational activities, crafts, hobbies, or any other classes of a similar nature. Summer programs for a handicapped pupil shall relate to the pupil's individual education plan.*

*(b) The proceeds may also be used for expenditures during the summer for curriculum development, staff development, parent or community involvement, experimental educational delivery systems, and other measures designed to improve education in the district.*

Sec. 2. Minnesota Statutes 1982, section 124.201, subdivision 1, is amended to read:

Subdivision 1. [PROGRAMS.] *For fiscal years 1984 and 1985, foundation aid for handicapped pupils enrolled in (1) summer school classes which are not a part of the regular school term in hospitals, sanatoriums, and home instruction programs, (2) inter-session classes of flexible school year programs, and (3) summer school classes in elementary and secondary schools, and (4) summer school instruction in teachers college laboratory schools or in the university laboratory school, shall be paid under the provisions of this section.*

Sec. 3. Minnesota Statutes 1983 Supplement, section 124.201, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] *For the purposes of computing foundation aid for handicapped pupils enrolled in summer school and intersession classes of flexible school year programs, the following phrases shall have the meanings given them.*

(1) "Summer school pupil units" means full-time equivalent pupil units for summer school classes and intersession classes of flexible school year programs computed under the provisions of section 124.17. Only pupils who are handicapped and who are appropriately served at levels 4, 5, or 6 of the continuum of placement model described in state board rules shall be included in the computation of summer school pupil units *for the purposes of computing summer school foundation aid for payment in fiscal years 1984 and 1985.*

(2) "Summer school revenue allowance" means an amount equal to the product of the number of summer school pupil units in a district, times the foundation aid formula allowance as defined in section 124.2122 for the preceding regular school year.

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

Sec. 4. Minnesota Statutes 1983 Supplement, section 124.201, subdivision 4, is amended to read:

Subd. 4. [AID FOR 1983 SUMMER SCHOOL SESSION.] *In fiscal year 1984 a district shall receive summer school aid for the 1983 summer school session equal to the difference between:*

(1) the product of

(a) the ratio of the district's actual levy to its permitted levy pursuant to section 275.125, subdivision 2j, clause (a), certified in calendar year 1983; times

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

(2) the levy certified by the district pursuant to section 275.125, subdivi-



sion ~~2k~~ 2j, clause (a), in calendar year 1983.

Sec. 5. Minnesota Statutes 1983 Supplement, section 124.201, subdivision 5, is amended to read:

Subd. 5. [SUMMER SCHOOL AID.] In fiscal year 1985 ~~and each year thereafter~~, a district shall receive summer school aid equal to the difference between:

(1) the product of

(a) the ratio of the district's actual levy to its permitted levy, pursuant to section 275.125, subdivision ~~2k~~ 2j, *clause (b)*, certified in ~~the calendar year before the summer school program is offered~~ 1983; times

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

(2) the levy certified by the district pursuant to section 275.125, subdivision ~~2k~~ 2j, *clause (b)* in ~~the calendar year before the summer school program is offered~~ 1983.

Sec. 6. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 2k, is amended to read:

Subd. 2k. [~~HANDICAPPED SUMMER SCHOOL PROGRAM LEVY.~~] In 1984 and each year thereafter, a district may levy for summer ~~school programs for handicapped pupils~~ *programs* an amount equal to the following product:

(a) The district's estimated *total* summer ~~school program~~ revenue allowance as defined in section ~~124.201~~ 124.20, subdivision 2, ~~clause (2)~~ for the summer ~~school program~~ session to be held in the calendar year after the calendar year when the levy is certified, times

(b) the lesser of

(1) one, or

(2) the ratio of

(i) the quotient derived by dividing the adjusted assessed valuation of the district in the second preceding year by the total pupil units in the district in the current *regular* school year, to

(ii) the equalizing factor for the current regular school year.

Sec. 7. Minnesota Statutes 1982, section 275.125, is amended by adding a subdivision to read:

Subd. 2l. [EXCESS LEVY; 1985 SUMMER PROGRAMS.] *In addition to the levy authorized in subdivision 2k, a district for which the summer program instructional revenue allowance for the 1985 summer program is less than an amount equal to \$20 times the number of actual pupil units in the district in the regular 1984-1985 school year prior to the summer program may levy an amount computed as follows:*

(a) *\$20 times the number of actual pupil units in the district in the regular 1984-1985 school year, minus*

(b) *the amount of the summer program instructional revenue allowance for the 1985 summer program.*

*This levy shall be used for the same purposes for which the summer program instructional revenue allowance may be used.*

Sec. 8. [REPEALER.]

*Subdivision 1. Minnesota Statutes 1982, section 275.125, subdivisions 2g and 2h, and Minnesota Statutes 1983 Supplement, section 275.125, subdivision 2i, are repealed.*

*Subd. 2. Minnesota Statutes 1982, section 124.201, as amended by Laws 1983, chapter 314, article 3, sections 3, 4, 5, 6, and 7; and by sections 2, 3, 4, and 5 of this article; and Minnesota Statutes 1983 Supplement, section 275.125, subdivision 2j, are repealed.*

Sec. 9. [EFFECTIVE DATE.]

*Section 1 is effective September 1, 1984, for summer programs to be held in 1985 and thereafter. Section 8, subdivision 2, is effective May 1, 1985.*

### ARTICLE 3

#### SPECIAL EDUCATION

Section 1. Minnesota Statutes 1983 Supplement, section 120.17, subdivision 3b, is amended to read:

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

(a) Parents and guardians shall receive prior written notice of:

(1) any proposed formal educational assessment or proposed denial of a formal educational assessment of their child;

(2) a proposed placement of their child in, transfer from or to, or denial of placement in a special education program; or

(3) the proposed provision, addition, denial or removal of special education services for their child;

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

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

(d) Parents, guardians and the district shall have an opportunity to obtain an impartial due process hearing initiated and conducted in the school district where the child resides, if after at least one conciliation conference the parent or guardian continues to object to:

(1) a proposed formal educational assessment or proposed denial of a for-

mal educational assessment of their child;

(2) the proposed placement of their child in, or transfer of their child to a special education program;

(3) the proposed denial of placement of their child in a special education program or the transfer of their child from a special education program;

(4) the proposed provision or addition of special education services for their child; or

(5) the proposed denial or removal of special education services for their child.

At least five calendar days before the hearing, the objecting party shall provide the other party with a brief written statement of the objection and the reasons for the objection.

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

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

The local decision shall:

(1) be in writing;

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

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

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

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

state board.

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

If the decision is appealed, a written transcript of the hearing shall be made by the school district and shall be accessible to the parties involved within five calendar days of the filing of the appeal. The ~~commissioner~~ *hearing review officer* shall issue a final decision based on an impartial review of the local decision and the entire record within 30 calendar days after the filing of the appeal. The ~~commissioner~~ *hearing review officer* shall seek additional evidence if necessary and may afford the parties an opportunity for written or oral argument; provided any hearing held to seek additional evidence shall be an impartial due process hearing but shall be deemed not to be a contested case hearing for purposes of chapter 14. The ~~commissioner~~ *hearing review officer* may grant specific extensions of time beyond the 30-day period at the request of any party.

The final decision shall:

- (1) be in writing;
- (2) include findings and conclusions; and
- (3) be based upon the standards set forth in subdivision 3a and in the rules of the state board.

(g) The decision of the ~~commissioner~~ *hearing review officer* shall be final unless appealed by the parent or guardian or school board to the court of appeals. The judicial review shall be in accordance with chapter 14.

(h) *The commissioner of education, having delegated general supervision of special education to the appropriate staff, shall be the hearing review officer except for appeals in which:*

- (1) *the commissioner has a personal interest in or specific involvement with the student who is a party to the hearing;*
- (2) *the commissioner has been employed as an administrator by the district that is a party to the hearing;*
- (3) *the commissioner has been involved in the selection of the administrators of the district that is a party to the hearing;*
- (4) *the commissioner has a personal, economic, or professional interest in the outcome of the hearing other than the proper administration of the federal and state laws, rules, and policies;*
- (5) *the appeal challenges a state or local policy which was developed with substantial involvement of the commissioner; or*
- (6) *the appeal challenges the actions of a department employee or official.*

*For any appeal to which the above exceptions apply, the state board of education shall name an impartial and competent hearing review officer.*

*In all appeals, the parent or guardian of the handicapped student or the district that is a party to the hearing may challenge the impartiality or com-*

*petence of the proposed hearing review officer by applying to the state board of education.*

(h) (i) Pending the completion of proceedings pursuant to this subdivision, unless the district and the parent or guardian of the child agree otherwise, the child shall remain in his current educational placement and shall not be denied initial admission to school.

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

## Sec. 2. [REPEALER.]

*Minnesota Statutes 1982, section 124.32, subdivisions 1a, 1e, and 2a; and Minnesota Statutes 1983 Supplement, section 124.32, subdivision 5a, are repealed.*

## ARTICLE 4

### COMMUNITY EDUCATION

#### Section 1. [121.882] [EARLY CHILDHOOD AND FAMILY EDUCATION PROGRAMS.]

*Subdivision 1. [ESTABLISHMENT.] A district that provides a community education program may establish an early childhood and family education program. Two or more districts, each of which provides a community education program, may cooperate to jointly provide an early childhood and family education program.*

*Subd. 2. [PROGRAM CHARACTERISTICS.] Early childhood and family education programs are programs for children in the period of life from birth to kindergarten and for the parents of such children. The programs may include the following:*

(1) *programs to educate parents about the physical, mental, and emotional development of children;*

(2) *programs to enhance the skills of parents in providing for their children's learning and development;*

(3) *learning experiences for children and parents;*

(4) *activities designed to detect children's physical, mental, emotional, or behavioral problems that may cause learning problems;*

(5) *educational materials which may be borrowed for home use;*

(6) *information on related community resources; or*

(7) *other programs or activities.*

*The programs shall not include activities for children that do not require substantial involvement of the children's parents.*

*Subd. 3. [SEPARATE ACCOUNTS.] The district shall maintain a separate account within the community education fund for money for early childhood and family education programs.*

*Subd. 4. [PARTICIPANTS' FEES.] A district may charge a reasonable fee*

*but it shall waive the fee for a participant unable to pay.*

*Subd. 5. [ADDITIONAL FUNDING.] A district may receive funds from any governmental agency or private source.*

*Subd. 6. [COORDINATION.] A district is encouraged to coordinate the program with its special education and vocational education programs and with related services provided by other governmental agencies and nonprofit agencies.*

*Subd. 7. [DISTRICT ADVISORY COUNCILS.] The school board shall appoint an advisory council from the area in which the program is provided. A majority of the council shall be parents participating in the program. The council shall assist the board in developing, planning, and monitoring the early childhood and family education program. The council shall report to the school board and the community education advisory council.*

*Subd. 8. [TEACHERS.] A school board shall employ necessary qualified teachers for its early childhood and family education programs.*

*Subd. 9. [ASSISTANCE.] The department of education shall provide assistance to districts with programs described in this section.*

*Subd. 10. [RULES.] The state board of education may adopt rules about program facilities, staff, services, and procedures.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 124.271, subdivision 2b, is amended to read:

*Subd. 2b. [AID; 1985 AND AFTER.] (1) ~~In fiscal year 1985 and~~ Each fiscal year ~~thereafter, each~~ a district which is operating a community education program in compliance with rules promulgated by the state board shall receive community education aid ~~in~~. For fiscal year 1985, the aid shall be an amount equal to the difference obtained by subtracting*

*(a) an amount equal to .8 mill times the adjusted assessed valuation used to compute the community education levy limitation for the levy attributable to that school year, from*

*(b) the greater of*

*(i) \$7,000, or*

*(ii) \$5 times the population of the district.*

*For fiscal year 1986 and each fiscal year thereafter, the aid shall be an amount equal to the difference obtained by subtracting*

*(a) an amount equal to .8 mill times the adjusted assessed valuation used to compute the community education levy limitation for the levy attributable to that school year, from*

*(b) the greater of*

*(i) \$7,000, or*

*(ii) \$5.25 times the population of the district.*

*(2) However, for any district which certifies less than the maximum permissible levy under the provisions of section 275.125, subdivision 8, clause (4) (1), the district's community education aid under clause (1) of this sub-*

division shall be reduced by multiplying the aid amount computed pursuant to clause (1) of this subdivision by the ratio of the district's actual levy under section 275.125, subdivision 8, clause (4) (1), to its maximum permissible levy under section 275.125, subdivision 8, clause (4) (1). For purposes of computing the aid reduction pursuant to this clause, the amount certified pursuant to section 275.125, subdivision 8, clause (4) (1), shall not reflect reductions made pursuant to section 275.125, subdivision 9.

(3) In addition to the amount in clause (1), in fiscal year 1985 and each fiscal year thereafter a district which makes a levy for community education programs pursuant to section 275.125, subdivision 8, shall receive additional aid of 50 cents per capita.

Sec. 3. [24.2711] [EARLY CHILDHOOD AND FAMILY EDUCATION AID.]

*Subdivision 1. [DEFINITION OF MAXIMUM REVENUE.] Beginning for fiscal year 1986 and each year thereafter the "maximum revenue" for early childhood and family education programs for a school year means the amount of revenue equal to the product of five percent of the foundation aid formula allowance for the current school year, times the greater of (a) 150, or (b) the number of people under five years of age residing in the district on September 1 of the preceding school year.*

*Subd. 2. [POPULATION.] For the purposes of subdivision 1, data reported to the department of education according to the provisions of section 120.095 may be used to determine the number of people under five years of age residing in the district. The commissioner, with the assistance of the state demographer, shall review the number reported by any district operating an early childhood and family education program. If requested, the district shall submit to the commissioner an explanation of its methods and other information necessary to document accuracy. If the commissioner determines that the district has not provided sufficient documentation of accuracy, the commissioner may request the state demographer to prepare an estimate of the number of people under five years of age residing in the district and may use this estimate for the purposes of subdivision 1.*

*Subd. 3. [AID.] In fiscal year 1986 and thereafter, if a district complies with the provisions of section 1 of this article, it shall receive early childhood and family education aid equal to:*

*(a) the difference between the maximum revenue, according to subdivision 1, and the permitted levy attributable to the same school year, according to section 275.125, subdivision 8b, times*

*(b) the ratio of the district's actual levy to its permitted levy attributable to the same school year, according to section 275.125, subdivision 8b.*

*Subd. 4. [USE OF REVENUE RESTRICTED.] The proceeds of the aid authorized by this section and the levy authorized by section 275.125, subdivision 8b, shall be used only for early childhood and family education programs.*

Sec. 4. Minnesota Statutes 1983 Supplement, section 125.032, subdivision 2, is amended to read:

Subd. 2. [EXCEPTIONS.] A person who teaches in a community educa-

tion program which qualifies for aid pursuant to section 124.26 shall continue to meet licensure requirements as a teacher. A person who teaches in an early childhood and family education program which is offered through a community education program and which qualifies for per capita aid pursuant to section 124.271 or *early childhood and family education aid pursuant to section 3 of this article* shall continue to meet licensure requirements as a teacher. A person who teaches in a community education course which is offered for credit for graduation to persons under 18 years of age shall continue to meet licensure requirements as a teacher. A person who teaches a driver training course which is offered through a community education program to persons under 18 years of age shall be licensed by the board of teaching. A license which is required for an instructor in a community education program pursuant to this subdivision shall not be construed to bring an individual within the definition of a teacher for purposes of section 125.12, subdivision 1, or section 125.17, subdivision 1, clause (a). ~~A community education instructor shall not be defined as a teacher pursuant to section 179.63, subdivision 13, or be a member of a teacher bargaining unit solely as a result of that individual's employment in a community education program.~~

Sec. 5. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 8, is amended to read:

Subd. 8. [COMMUNITY EDUCATION LEVY.] (1) ~~Except as provided in clauses (2) and (3), in 1982 a district which has established a community education advisory council pursuant to section 121.88, may levy the amount raised by .9 mill times the most recent adjusted assessed valuation of the district, but no more than \$5 times the population of the district. This amount shall be reduced to \$4.75 per capita for districts which will qualify for aid in fiscal year 1984 equal to 25 cents per capita pursuant to section 124.271, subdivision 2a, clause (1)(b).~~

(2) ~~In 1982 districts which received total revenue in fiscal year 1983 from community education aid and levy in excess of \$5 times the population of the district, may levy the amount of the fiscal year 1983 revenue less \$5 times the population of the district in addition to the amount in clause (1).~~

(3) ~~In 1982 districts which will qualify for aid pursuant to section 124.271, subdivision 2a, clause (1)(c) may levy the greater of the following:~~

(a) ~~\$5 per capita minus \$7,000; or~~

(b) ~~the amount of their fiscal year 1983 revenue from community education aid and levy minus \$7,000.~~

(4) ~~In 1983 and Each year thereafter, a district which has established a community education advisory council pursuant to section 121.88, may levy the amount raised by .8 mill times the most recent adjusted assessed valuation of the district, but no more than the greater of~~

(a) ~~\$5 \$5.25 times the population of the district, or~~

(b) ~~\$7,000.~~

(5) (2) ~~In addition to the levy authorized in clause (4) (1), in 1983 a district may levy an additional amount for community education programs equal to the difference obtained by subtracting~~

(a) ~~the sum in fiscal year 1984 of~~



(i) the district's estimated maximum permissible revenue for fiscal year 1985 from community education aid under section 124.271, subdivision 2a 2b, clause (1), and

(ii) the community education levy authorized in clause ~~(4)~~ (1) of this subdivision, from

(b) the sum in fiscal year 1983 of

(i) the district's maximum permissible revenue from community education aid under section 124.271, subdivision 2, excluding any reductions from community education aid made pursuant to Laws 1981, Third Special Session chapter 2, article 2, section 2, clause (mm), and Laws 1982, Third Special Session chapter 1, article 3, section 6, and

(ii) the maximum community education levy authorized in this subdivision for the district for the levy made in 1981, payable in 1982, before any reduction in the levy pursuant to subdivision 9.

~~(6)~~ (3) In 1984 and each year thereafter, in addition to the levy authorized in clause ~~(4)~~ (1), a district may levy an amount equal to the amount the district was entitled to levy pursuant to clause ~~(5)~~ (2) in 1983.

~~(7)~~ (4) The levies authorized in this subdivision shall be used for community education, including nonvocational adult programs, recreation and leisure time activity programs, and programs authorized by sections 121.85 to 121.88 and 129B.06 to 129B.09, and section 1 of this article. A school district may levy pursuant to this subdivision only after it has filed a certificate of compliance with the commissioner of education. The certificate of compliance shall certify that the governing boards of the county, municipality and township in which the school district or any part thereof is located have been sent 15 working days written notice of a meeting and that a meeting has been held to discuss methods of increasing mutual cooperation between such bodies and the school board. The failure of a governing board of a county, municipality or township to attend the meeting shall not affect the authority of the school district to levy pursuant to this subdivision.

~~(8)~~ (5) The population of the district for purposes of this subdivision is the population determined as provided in section 275.14 or as certified by the department of education from the most recent federal census.

Sec. 6. Minnesota Statutes 1982, section 275.125, is amended by adding a subdivision to read:

*Subd. 8b. [EARLY CHILDHOOD AND FAMILY EDUCATION LEVY.] A district may levy for its early childhood and family education program. The amount levied shall not exceed the lesser of:*

*(a) .4 mill times the adjusted assessed valuation of the district for the year preceding the year the levy is certified, or*

*(b) the maximum revenue as defined in section 3 of this article, subdivision 1, for the school year for which the levy is attributable.*

Sec. 7. Laws 1983, chapter 314, article 9, section 14, subdivision 3, is amended to read:

Subd. 3. [EARLY CHILDHOOD AND FAMILY EDUCATION PRO-

GRAMS.] For early childhood and family education programs pursuant to sections 129B.06 to 129B.09, there is appropriated:

\$1,028,000.....1984.

The appropriation for fiscal year 1984 includes \$209,000 for grants for fiscal year 1983 payable in fiscal year 1984, and \$819,000 for grants for fiscal year 1984. The amount of the appropriation for grants for fiscal year 1984 is the total appropriation for these grants.

The council on quality education shall prorate this amount among the eligible districts in proportion to the ratio of the district's grant for fiscal year 1983 to the total amount of grants made for fiscal year 1983. However, the total amount of revenue received by a district for fiscal year 1984 pursuant to this subdivision and Minnesota Statutes, section 124.271, subdivision 2a, clause (2) shall not exceed the amount of the district's grant for fiscal year 1983; *if any district's aid is reduced because of this limitation, the amount of the reduction shall be prorated among the districts not subject to this limitation.*

Sec. 8. [EARLY CHILDHOOD AND FAMILY EDUCATION AID FOR FISCAL YEAR 1985.]

*Each district that provided an early childhood and family education program funded by the council on quality education during the 1982-1983 school year is entitled to receive aid in fiscal year 1985 to continue the program. The aid shall be in addition to community education aid. The aid shall equal (a) \$11,000, minus (b) the amount of aid received pursuant to Minnesota Statutes 1983 Supplement, section 124.271, subdivision 2b, clause (3). However, a district that has not established a community education program shall receive no aid under this section.*

Sec. 9. [REPEALER.]

*Minnesota Statutes 1982, sections 129B.06; 129B.07; 129B.08; and 129B.09, as amended by Laws 1983, chapters 260, section 29, and 314, articles 6, section 33, and 9, sections 8 and 9, are repealed.*

Sec. 10. [APPROPRIATION; EARLY CHILDHOOD AND FAMILY EDUCATION.]

*There is appropriated from the general fund to the department of education for fiscal year 1985 the sum of \$116,500. Of this sum \$101,500 is for aid to districts for fiscal year 1985 according to section 8 of this article. The aid shall be paid at 100 percent of the entitlement for fiscal year 1985. The remaining \$15,000 is for the department of education for personnel service contracts to provide assistance to districts.*

Sec. 11. [EFFECTIVE DATE.]

*Section 4 is effective the day following final enactment. Sections 1, 3, and 9 are effective July 1, 1985.*

## ARTICLE 5

### VOCATIONAL EDUCATION

Section 1. Minnesota Statutes 1982, section 120.05, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] (1) Elementary school means any school with building, equipment, courses of study, class schedules, enrollment of pupils ordinarily in grades one through six or any portion thereof and staff meeting the standards established by the state board of education.

(a) The state board of education shall not close a school or deny any state aids to a district for its elementary schools because of enrollment limitations classified in accordance with the provisions of subdivision 2, clause (1).

(2) Middle school means any school other than a secondary school giving an approved course of study in a minimum of three consecutive grades above fourth but below tenth with building, equipment, courses of study, class schedules, enrollment and staff meeting the standards established by the state board of education.

(3) Secondary school means any school with building, equipment, courses of study, class schedules, enrollment of pupils ordinarily in grades seven through twelve or any portion thereof and staff meeting the standards established by the state board of education.

(4) A vocational center school is one serving a group of secondary schools with approved areas of secondary vocational training and offering vocational secondary and adult programs necessary to meet local needs and meeting standards established by the state board of education.

(5) An area ~~vocational technical~~ vocational technical school is a school organized according to section ~~121.21~~, and operated according to the standards established by the state board of vocational technical education.

Sec. 2. Minnesota Statutes 1982, section 120.06, is amended to read:

120.06 [ADMISSION TO PUBLIC SCHOOL.]

Subdivision 1. [AGE LIMITATIONS; PUPILS.] All schools supported in whole or in part by state funds are public schools. Admission to a public school, *except an area vocational technical institute*, is free to any person who resides within the district which operates the school, who is under 21 years of age, and who satisfies the minimum age requirements imposed by this section. Notwithstanding the provisions of any law to the contrary, the conduct of all students under 21 years of age attending a public secondary school shall be governed by a single set of reasonable rules and regulations promulgated by the local board of education. No person shall be admitted to any public school after September 1, 1971, (1) as a kindergarten student, unless he is at least five years of age on September 1 of the calendar year in which the school year for which he seeks admission commences; or (2) as a first grade student, unless he is at least six years of age on September 1 of the calendar year in which the school year for which he seeks admission commences or has completed kindergarten; except that any school board may establish a policy for admission of selected pupils at an earlier age.

Sec. 3. Minnesota Statutes 1982, section 121.09, is amended to read:

121.09 [ADMINISTRATION; EXCEPTIONS.]

The commissioner shall administer all laws and rules promulgated by the board relating to libraries and other public educational institutions, except such laws as may relate to the University of Minnesota ~~and to the~~, state universities ~~and~~, community colleges, ~~and area vocational technical insti-~~

tutes.

Sec. 4. Minnesota Statutes 1982, section 121.21, is amended to read:

121.21 [~~AREA VOCATIONAL-TECHNICAL~~ VOCATIONAL TECHNICAL SCHOOLS.]

Subdivision 1. The board of any independent or special district may petition the state board of *vocational technical education* to classify one or more of its schools as an area ~~vocational-technical~~ *vocational technical* school.

Subd. 2. Upon receipt of such petition, the state board shall examine the petition and any supporting evidence which it may require. The state board shall conduct hearings, and may investigate school records and such other facts relating to ~~vocational-technical~~ *vocational technical* training as it may deem appropriate.

Subd. 3. It is the purpose of this section to more nearly equalize the educational opportunities in certain phases of ~~vocational-technical~~ *vocational technical* education to persons of the state who are of the age and maturity to profitably pursue training for a specific occupation. If the state board finds, as a result of its inquiry, that the establishment of an area ~~vocational-technical~~ *vocational technical* school, according to the petition, would further the educational interests of all the people of the state, and is in accordance with the plans and program of the state department for the vocational and technical education of the people, it may approve the petition.

Subd. 4. If the petition is approved, the school shall be established by the district and classified by the state board as an area ~~vocational-technical~~ *vocational technical* school and conducted under the general supervision of the state board in accordance with the *policy and rules and regulations* of the state board. Notwithstanding the provisions of subdivision 3 and of this subdivision, after June 30, 1975 no area ~~vocational-technical~~ *vocational technical* school shall be established unless specific legislation has authorized its establishment.

Subd. 4a. No district shall expend funds from any source for the acquisition or betterment of lands or buildings or for capital improvements needed for an area ~~vocational-technical~~ *vocational technical* school without the approval of the state board and authorization by specific legislative act if that acquisition, betterment or capital improvement requires the expenditure of \$250,000 or more, or adds more than 1,000 gross square feet to a post-secondary vocational facility, or requires the issuance of school district bonds. No acquisition or betterment of lands or buildings or capital improvement which requires the expenditure of \$50,000 or more but less than \$250,000 or which changes the perimeter walls of an existing facility shall be carried out without the approval of the state board. No acquisition or betterment of lands or buildings or capital improvement which requires the expenditure of less than \$50,000, which does not change a perimeter wall and which does not require the issuance of school district bonds, shall be carried out without the approval of the ~~commissioner~~ *state director* of *vocational technical* education. As used in this subdivision, the terms "acquisition" and "betterment", as applied to lands and buildings, and "capital improvement" shall have the meanings ascribed to them in chapter 475, but shall not include the acquisition or betterment of machinery or equipment.

Subd. 6. The state board for vocational education shall promulgate, pursuant to chapter 14, such rules governing the operation and maintenance of schools so classified as will afford the people of the state an equal opportunity to acquire public vocational and technical education. Rules relating to post-secondary vocational-technical education shall not incorporate the provisions of the state plan for vocational education by reference.

The rules shall provide for, but are not limited to, the following:

(a) The area to be served by each school, which may include one or more districts or parts thereof;

(b) Curriculum and standards of instruction and scholarship;

(c) Attendance requirements and Minnesota non-resident attendance;

(d) The distribution and apportionment to the local districts of all funds, whether state or federal or other funds, which may be made available to the state board for vocational education for carrying out the purposes of post-secondary vocational-technical education in accordance with law; and

(e) General administrative matters.

Subd. 8. Any property of the state administered by the state board for vocational education in connection with teaching vocational education may be apportioned and distributed by the state board for vocational education to local school districts desiring to avail themselves of the benefits of this section.

Subd. 11. The state board for vocational education may contract for hospital benefits and medical benefits coverage for students in the same manner as authorized by section 43A.23 for state employees.

Sec. 5. Minnesota Statutes 1982, section 121.212, subdivision 1, is amended to read:

Subdivision 1. Any school board or joint school board operating an area vocational-technical vocational technical school, pursuant to section 421.21-136C.07; Laws 1967, Chapter 822, as amended; Laws 1969, Chapter 775, as amended; or Laws 1969, Chapter 1060, as amended, may make, adopt and enforce rules, regulations or ordinances for the regulation of traffic and parking in parking facilities and on private roads and roadways situated on property owned, leased, occupied or operated by the board.

Sec. 6. Minnesota Statutes 1982, section 121.213, is amended to read:

121.213 [AREA VOCATIONAL-TECHNICAL VOCATIONAL TECHNICAL INSTITUTES AND COMMUNITY COLLEGES; LEGAL COUNSELING AND SERVICE PROGRAMS.]

Notwithstanding the provisions of sections 8.06 and 136.11 or any rules or regulations adopted pursuant thereto, an area vocational-technical vocational technical institute or community college student association governing student activities on campus may expend money for the purpose of funding a program to provide legal counseling and services for students. The money to be expended shall be from that portion of the area vocational-technical vocational technical institute student senate funds or community college activity fund account allocated to the student association and derived solely from fees

received from students.

Sec. 7. Minnesota Statutes 1982, section 121.214, is amended to read:

121.214 [~~VOCATIONAL-TECHNICAL~~ VOCATIONAL TECHNICAL BUILDING FUND.]

Subdivision 1. [PURPOSE.] A ~~vocational-technical~~ vocational technical building fund is created as a separate bookkeeping account in the general books of the state for the purpose of providing money appropriated to the state board of vocational technical education for the acquisition and betterment of public land, buildings, and capital improvements needed for the area ~~vocational-technical~~ vocational technical education program of the state.

Subd. 2. [RECEIPTS.] The commissioner of finance and treasurer shall deposit in the fund as received all proceeds of ~~vocational-technical~~ vocational technical building bonds, except accrued interest and premiums received upon the sale thereof. All such receipts are annually appropriated for the permanent acquisition purposes of the fund, and shall be and remain available for expenditure in accordance with this section until the purposes of the appropriations have been accomplished or abandoned.

Subd. 3. [DISBURSEMENTS.] Disbursements from the fund shall be made by the state treasurer upon the order of the commissioner of finance at the times and in the amounts requested by the state board of vocational technical education in accordance with the applicable appropriation acts, for grants to school districts for the acquisition and betterment of land, buildings, and capital improvements for area ~~vocational-technical~~ vocational technical institutes. These grants shall only be made upon the conditions and in accordance with all standards and criteria established ~~in by the state board rules~~ and in the legislative act authorizing the specific post-secondary vocational facilities project.

Subd. 4. ~~The purpose of this section is to change the method of funding post-secondary vocational facilities from post-secondary vocational debt service aid pursuant to section 124.564 to direct state appropriations from the vocational-technical building fund.~~ Eighty-five percent of the cost of post-secondary vocational facilities authorized by specific legislative act after January 1, 1979 shall be financed through appropriations from the ~~vocational-technical~~ vocational technical building fund and 15 percent of the cost of these facilities shall be financed by the school district operating the post-secondary ~~vocational-technical~~ vocational technical school. No local bonds shall be authorized, issued, or sold, nor shall any election be held to authorize the issuance of bonds, if the proceeds will be used to finance a project for which specific legislative approval is required, until after that specific legislative approval has been given.

Sec. 8. Minnesota Statutes 1982, section 121.215, is amended to read:

121.215 [~~VOCATIONAL-TECHNICAL~~ VOCATIONAL TECHNICAL BUILDING BONDS.]

Subdivision 1. [PURPOSE; APPROPRIATION.] For the purpose of providing money appropriated from the ~~vocational-technical~~ vocational technical building fund for the acquisition of public land, buildings, and capital improvements needed for the state plan for the administration of vocational

education in accordance with the provisions of section ~~121.214~~ 136C.42, when requested by the state board of education, the commissioner of finance shall sell and issue bonds of the state of Minnesota for the prompt and full payment of which, with interest thereon, the full faith and credit and taxing powers of the state are irrevocably pledged. Bonds shall be issued pursuant to this section only as authorized by a law specifying the purpose thereof and the maximum amount of the proceeds authorized to be expended therefor, as set forth in section ~~121.214~~ 136C.42. Any such law, together with this section and the laws herein referred to, constitutes complete authority for the issue, and such bonds shall not be subject to restrictions or limitations contained in any other law.

Subd. 2. [ISSUANCE.] The bonds shall be sold upon sealed bids and upon notice, at a price, in form and denominations, bearing interest at a rate or rates, maturing in amounts and on dates, subject to prepayment upon notice and at times and prices, payable at a bank or banks within or outside the state, with or without provisions for registration, conversion, exchange, and issuance of notes in anticipation of the sale or delivery of definitive bonds, and in accordance with further regulations, as the commissioner of finance shall determine subject to the approval of the attorney general, but not subject to the provisions of sections 14.02, 14.04 to 14.36, 14.38, 14.44 to 14.45, and 14.57 to 14.62. The bonds shall be executed by the commissioner of finance and attested by the state treasurer under their official seals. The signatures on the bonds and on any interest coupons and the seals may be printed or otherwise reproduced, except that each bond shall be authenticated by the manual signature on its face of one of the officers or of a person authorized to sign on behalf of a bank designated by them as authenticating agent. The commissioner of finance shall ascertain and certify to the purchasers of the bonds the performance and existence of all acts, conditions, and things necessary to make them valid and binding general obligations of the state of Minnesota, subject to the approval of the attorney general.

Subd. 3. [EXPENSES.] All expenses incidental to the sale, printing, execution, and delivery of bonds pursuant to this section, including but not limited to actual and necessary travel and subsistence expenses of state officers and employees for such purposes, shall be paid from the ~~vocational-technical~~ *vocational technical* building fund and the amounts necessary therefor are appropriated from that fund; provided that if any amount is specifically appropriated for this purpose in an act authorizing the issuance of bonds pursuant to this section, such expenses shall be limited to the amount so appropriated.

Subd. 4. [~~VOCATIONAL-TECHNICAL~~ *VOCATIONAL TECHNICAL* BUILDING BOND ACCOUNT IN THE STATE BOND FUND.] The commissioner of finance shall maintain in the state bond fund a separate bookkeeping account designated as the ~~vocational-technical~~ *vocational technical* building bond account, to record receipts and disbursements of money transferred to the fund to pay ~~vocational-technical~~ *vocational technical* building bonds and interest thereon, and of income from the investment of such money, which income shall be credited to the account in each fiscal year in an amount equal to the approximate average rate of return that year on all funds invested by the state treasurer, as determined by the treasurer, times the average balance in the account that year.

Subd. 5. [APPROPRIATIONS TO BOND ACCOUNT.] There shall be credited to the ~~vocational-technical~~ *vocational technical* building bond account the premium and accrued interest received on each issue of ~~vocational-technical~~ *vocational technical* building bonds and, from the general fund in the state treasury, on November 1 in each year, a sum of money equal to the amount of the tax which the Constitution would otherwise require to be levied for collection in the following year, for the purpose of increasing the balance then on hand in the account to an amount sufficient to pay principal and interest due and to become due with respect to ~~vocational-technical~~ *vocational technical* building bonds. All money so credited and all income from the investment thereof is annually appropriated to the bond account for the payment of such bonds and interest thereon, and shall be available in the bond account prior to the levy of the tax for the state bond fund in any year as required by the Constitution. The commissioner of finance and the state treasurer are directed to make the appropriate entries in the accounts of the respective funds.

Subd. 6. [TAX LEVY.] On or before December 1 in each year, if the full amount appropriated to the bond account in subdivision 5 has not been credited thereto, the tax required by the Constitution shall be levied upon all taxable property within the state. This tax shall be levied upon all real property used for the purposes of a homestead, as well as other taxable property, notwithstanding the provisions of section 273.13, subdivisions 6 and 7, and shall be subject to no limitation of rate or amount until all ~~vocational-technical~~ *vocational technical* building bonds and interest thereon are fully paid. The proceeds of this tax are appropriated and shall be credited to the state bond fund, and the principal of and interest on the bonds are payable from such proceeds, and the whole thereof, or so much as may be necessary, is appropriated for such payments. If at any time there is not sufficient money from the proceeds of such taxes to pay the principal and interest when due on ~~vocational-technical~~ *vocational technical* building bonds, such principal and interest shall be paid out of the general fund in the state treasury, and the amount necessary therefor is hereby appropriated.

Sec. 9. Minnesota Statutes 1982, section 121.2155, is amended to read:

121.2155 [~~VOCATIONAL-TECHNICAL~~ *VOCATIONAL TECHNICAL* BUILDING APPROPRIATIONS.]

Money appropriated from the state building fund to the state board of *vocational technical* education for post-secondary ~~vocational-technical~~ *vocational technical* construction in school districts shall be used for grants to school districts for the acquisition and betterment of land, buildings, and capital improvements for area ~~vocational-technical~~ *vocational technical* institutes. These grants shall only be made upon the conditions and in accordance with all standards and criteria established in state board rules and in the legislative act authorizing the specific post-secondary vocational facilities project. A grant shall cover 85 percent of the cost of the post-secondary vocational facilities authorized by the specific legislative act, and 15 percent of the cost of these facilities shall be financed by the school district operating the post-secondary ~~vocational-technical~~ *vocational technical* school, unless otherwise provided by the specific legislative act. No local bonds shall be authorized, issued, or sold, nor shall any election be held to authorize the issuance of bonds, if the proceeds will be used to finance a project for which



specific legislative approval is required, until after that specific legislative approval has been given.

Sec. 10. Minnesota Statutes 1982, section 121.216, is amended to read:

121.216 [~~VOCATIONAL-TECHNICAL INSTITUTES; STUDENT ASSOCIATIONS.~~]

Every school board governing an area ~~vocational technical~~ *vocational technical* institute shall give recognition as an authorized extracurricular activity to an area ~~vocational technical~~ *vocational technical* institute student association affiliated with the Minnesota ~~vocational-technical~~ *vocational technical* student association. The student association is authorized to collect a reasonable fee from students to finance the activities of the association in an amount determined by the governing board of the area ~~vocational-technical~~ *vocational technical* institute which has recognized it.

Every governing body which recognizes a student association shall deposit the fees in a student association fund. The moneys in this fund shall be available for expenditure for student recreational, social, welfare, and educational pursuits supplemental to the regular curricular offerings.

Sec. 11. Minnesota Statutes 1982, section 121.218, is amended to read:

121.218 [~~VOCATIONAL-TECHNICAL INSTITUTES; AWARDING DEGREES.~~]

Subdivision 1. [BOARD APPROVAL.] The state board for ~~vocational education~~ may approve, disapprove, or modify a plan for awarding associate degrees at an area ~~vocational-technical~~ *vocational technical* institute. The state board shall approve a plan only when an associate degree is required by a licensing authority and is offered in cooperation with a collegiate institution. The state board may approve an area ~~vocational-technical~~ *vocational technical* institute plan for awarding an associate degree which is not offered in cooperation with a collegiate institution only if cooperation is not practicable. All associate degree plans approved by the state board for ~~vocational education~~ shall be presented to the higher education coordinating board for review and recommendation pursuant to section 136A.04, subdivision 1, clause (d) and in accordance with the provisions of this section.

Subd. 2. [EXCEPTION.] Associate degrees offered by the area ~~vocational-technical~~ *vocational technical* institutes prior to January 1, 1981, shall not be subject to the provisions of subdivision 1.

Subd. 3. [REPORT.] By January 15, 1982, the higher education coordinating board, in cooperation with the state board for ~~vocational education~~, shall submit a report to the education committees of the legislature regarding the awarding of associate degrees by area ~~vocational-technical~~ institutes. The report shall include identification and evaluation of the factors which affect the feasibility of cooperation with collegiate institutions. By January 1, 1983, the higher education coordinating board shall promulgate rules establishing criteria for determining when cooperation with a collegiate institution is not practicable.

Sec. 12. Minnesota Statutes 1983 Supplement, section 124.5611, is amended to read:

124.5611 [AVTI FUNDING.]

**Beginning with aids** For the 1983-1984 and 1984-1985 school year years, post-secondary vocational aids for AVTI's shall be paid for the current fiscal year according to sections ~~124.5612~~ 136C.26 to ~~124.5619~~ 136C.37, ~~124.5628~~ and ~~124.564~~ 136C.41.

Sec. 13. Minnesota Statutes 1983 Supplement, section 124.5612, is amended to read:

124.5612 [AVTI AID DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] **Beginning with aids** For the 1983-1984 and 1984-1985 school year years, for the purposes of sections ~~124.5612~~ 136C.26 to ~~124.5619~~ 136C.37, ~~124.5628~~, ~~124.564~~, and ~~124.565~~ 136C.41, the following terms have the meanings given them.

Subd. 2. [ADM.] "ADM" means average daily membership computed according to section ~~124.5618~~ 136C.33.

Subd. 3. [AVTI.] "AVTI" means a post-secondary area vocational technical institute.

Subd. 4. [COMPONENT ACTIVITIES.] "Component activities" means regular instruction, special needs instruction, research, instructional administration, media/library, pupil personnel services, health services, director's office, instructional services, fixed costs, work study/financial aid, physical plant, and repair and betterment.

Subd. 5. [INSTRUCTIONAL AID.] "Instructional aid" means state money, exclusive of repair and betterment aid and debt service aid, allocated by the state board ~~for~~ of vocational technical education to districts for post-secondary vocational technical education instructional costs.

Subd. 6. [INSTRUCTIONAL COSTS.] "Instructional costs" means expenditures in the following categories: licensed and nonlicensed staff salaries; licensed and nonlicensed staff fringe benefits, excluding teachers' retirement and teachers' social security; staff travel for instructional, administrative, and professional development purposes; purchased services; other expenditures, detailed according to UFARS; supplies and materials; supplies for resale; rents and leases; acquisition or purchase of equipment and machinery; and betterment of equipment and machinery.

Subd. 7. [PROGRAM.] "Program" means a post-secondary vocational technical occupational program as classified with a six-digit number by the United States department of education.

Subd. 8. [REPAIR AND BETTERMENT AID.] "Repair and betterment aid" means state money, exclusive of instructional aid and debt service aid, allocated by the state board ~~for~~ of vocational technical education to districts. The aid is to reconstruct, improve, remodel, and repair existing AVTI buildings and grounds, as necessary to conduct post-secondary vocational technical education.

Subd. 9. [UFARS.] "UFARS" means the uniform financial accounting and reporting system.

Sec. 14. Minnesota Statutes 1983 Supplement, section 124.5614, is amended to read:

124.5614 [PROCESS FOR AID ALLOCATION.]

Subdivision 1. [BUDGET SUBMISSION.] Before January 1, of each year 1984, each AVTI shall submit an instructional aid budget for the following fiscal year. The instructional aid budget shall detail estimated instructional costs in each expenditure category for each program and component activity of the AVTI's operations. The instructional aid budget shall include estimated revenues from sale of supplies and services, sale of equipment and other capital goods, and other revenues, detailed according to UFARS.

Subd. 2. [RECOMMENDED ALLOCATIONS.] After reviewing each budget, the ~~department~~ *state director* of vocational technical education shall recommend aid allocations for the following fiscal year in each expenditure category for each program and component activity.

The ~~department~~ *state director* shall recommend instructional aid allocations sufficient to maintain or improve special needs instruction.

Notwithstanding any laws or rules to the contrary, the recommendations for allocations of instructional aid, to the extent possible, shall be based on average systemwide ADM to teacher ratios of 12 to 1 for health programs and 17 to 1 for nonhealth programs.

The annual student placement rate of each program shall be taken into consideration by the department in recommending instructional aid allocations.

Each AVTI's tuition revenues in the fiscal year for which aid is allocated shall be taken into consideration by the department in recommending instructional aid allocations.

Each AVTI's unappropriated capital balance of the equipment account in the capital expenditure fund, as of June 30 of the fiscal year during which allocations are made, shall be taken into consideration by the ~~department~~ *state director* in recommending instructional aid allocations for the purposes listed in section ~~424.5615~~ 136C.29, subdivision 3, clauses (a), (b), (c), and (d). In recommending instructional aid allocations for all other purposes, the department shall take into consideration each AVTI's net positive unappropriated general fund balance, as of June 30 of the fiscal year during which allocations are made, which exceeds ten percent of the AVTI's operating expenditures, as defined by UFARS, for the fiscal year during which allocations are made.

Each AVTI's actual expenditures which exceed the amounts originally budgeted for expenditure during the fourth quarter of the fiscal year in which aids are allocated shall be taken into consideration by the ~~department~~ *state director* in recommending instructional aid allocations.

Allocations of repair and betterment aid shall be recommended for each project proposed by an AVTI. In recommending repair and betterment aid allocations, the ~~department~~ *state director* shall take into consideration each AVTI's net positive unappropriated capital balance of the repair and betterment account of the capital expenditure fund, as of June 30 of the fiscal year during which allocations are made.

Subd. 3. [HEARING.] The aid allocations recommended by the ~~department of education~~ *state director* shall be taken to a public hearing held by the state board for vocational education with at least six board members present.

The hearing shall continue until all interested persons, representatives, and organizations have had an opportunity to be heard. Notice of the hearing shall be given at least 20 days prior to the date set for the hearing. The notice shall be published in the State Register and mailed to each district submitting a budget, and other interested persons and organizations who register their names with the commissioner of education for that purpose. The ~~department of education~~ *state director* shall make available at least one free copy of the recommended allocations to the education committees of the legislature and to any person requesting it. An audio magnetic recording device shall be used to keep a record at every hearing. A transcript of the hearing record shall be made available upon the request of any person, if the request is in writing and the requester pays the cost of preparing the transcript.

Subd. 4. [HEARING REPORT.] After allowing written material to be submitted and added to the hearing record for five days after the public hearing ends, the ~~commissioner of education~~ *state director* shall proceed as promptly as possible to write a report containing the final proposed allocations of aids. This report shall contain findings and conclusions based on substantial evidence from the hearing record to support the final proposed allocations. The report shall be available to all affected districts upon request for at least 15 days before the state board takes final action allocating aids.

Subd. 5. [MODIFICATIONS TO REPORT.] Any district which is adversely affected by the final proposed allocations of aids may request and shall be given an opportunity to be heard in support of modification of the proposed final allocation of aids at the meeting at which the state board takes final action allocating aids. The state board may place reasonable restrictions on the length of time allowed for testimony.

Subd. 6. [FINAL ALLOCATION.] By June 1, after hearing modification requests, if any, the state board shall take final action to allocate aids. Allocations of instructional aid shall be detailed in each expenditure category for each program and component activity. The total allocation of instructional aid for each AVTI shall specify the amounts of any fund balances and tuition revenues taken into consideration. Allocations of repair and betterment aid shall be detailed for each project. The total allocation of repair and betterment aid for each AVTI shall specify the amount of any fund balance taken into consideration.

Subd. 7. [SUBSEQUENT ALLOCATION.] The state board may withhold up to one percent of the post-secondary vocational instructional aid appropriation for subsequent allocation. The amount withheld and any additional state and federal money available for post-secondary vocational education shall be allocated, no later than February 15 of the fiscal year for which the aid is allocated, at a public hearing held according to subdivisions 3, 4, and 5.

Sec. 15. Minnesota Statutes 1983 Supplement, section 124.5615, is amended to read:

124.5615 [USE OF AID.]

Subdivision 1. [AID AND TUITION.] All AVTI aids and all tuition authorized by section ~~124.565~~ *136C.13* shall be used solely for the purposes of post-secondary vocational technical education.

Subd. 2. [ACCOUNTING.] Each district providing post-secondary vocational technical education shall maintain, in accordance with section ~~121.908~~ *136C.04, subdivision 6*, separate revenue, expenditure, asset and liability accounts for post-secondary vocational technical education within funds separate from all other district funds.

Subd. 3. [INSTRUCTIONAL AID.] Instructional aid allocated for the following purposes shall be placed in the equipment account of the capital expenditure fund:

- (a) acquisition or purchase of equipment or machinery;
- (b) betterment of equipment or machinery;
- (c) paying leasing fees for computer systems hardware and related proprietary software, photocopy machines and telecommunications equipment; and
- (d) renting or leasing buildings for school purposes.

Aid allocated for these purposes shall be used solely for these purposes.

All other instructional aid which is allocated shall be placed in the general fund and shall not be transferred to any other fund. The school board shall authorize and approve actual expenditures of the aid allocated.

Subd. 4. [SPECIAL NEEDS.] Aid allocated for special needs instruction shall be used solely for that purpose.

Subd. 5. [REPAIR AND BETTERMENT AID.] The final allocation of repair and betterment aid by the state board does not constitute approval of a project for the purposes of section ~~121.21~~ *136C.07, subdivision 4a*. The aid shall be placed in the repair and betterment ~~account of the capital expenditure~~ fund and used solely for the purposes enumerated in section ~~124.5612~~ *136C.26, subdivision 8*. The school board shall authorize and approve actual expenditures of the aid allocated, except that expenditures which exceed \$5,000 shall receive prior approval by the ~~commissioner of education state~~ *director*. The process in section ~~124.5614~~ *136C.28* shall not constitute approval for this purpose. Use of the aid shall be governed by the provisions of section ~~121.21~~ *136C.07, subdivision 4a*.

Sec. 16. Minnesota Statutes 1983 Supplement, section 124.5616, is amended to read:

124.5616 [DISTRIBUTION OF MONEY.]

All money, whether state, federal, or from other sources, which may be made available to the ~~department of education state board~~ for carrying out the purposes of post-secondary vocational technical education shall be allocated by the state board for ~~vocational education~~ to districts in accordance with law ~~and shall be distributed by the state aids section of the department of education~~.

Sec. 17. Minnesota Statutes 1983 Supplement, section 124.5617, is amended to read:

124.5617 [CERTAIN EQUIPMENT EXPENDITURES.]

Expenditures for the purposes in section ~~124.5615~~ *136C.29, subdivision 3*, clauses (a), (b), (c), and (d) which exceed \$6,000 shall receive prior approval

by the ~~commissioner of education~~ *state director*. The process in section ~~124.5614~~ *136C.28* shall not constitute approval for this purpose.

Sec. 18. Minnesota Statutes 1983 Supplement, section 124.5618, is amended to read:

124.5618 [AVERAGE DAILY MEMBERSHIP.]

Subdivision 1. [MEMBERSHIP.] Membership for pupils in AVTI's shall mean the number of pupils on the current roll of the school, counted from the date of entry until the date of withdrawal.

Subd. 2. [WITHDRAWAL.] The date of withdrawal shall mean the date a pupil completes the program and permanently leaves the AVTI. A pupil who has been absent for 15 consecutive school days shall be determined to have permanently left the school. A pupil who permanently leaves the school on or before the 15th day of a quarter shall be determined not to have entered during that quarter. For a pupil who permanently leaves after the 15th school day of a quarter without completing the program, the date of withdrawal shall be the earliest of the following:

- (a) the date the pupil is scheduled to complete the program;
- (b) the date the AVTI fills the vacancy created by leaving; or
- (c) the last day of the quarter during which the pupil permanently leaves the AVTI.

Subd. 3. [COMPUTATION.] Average daily membership for pupils enrolled in an AVTI shall equal the quotient obtained by dividing

- (a) the product of
  - (1) the sum for all pupils of the number of days of the school year each pupil is enrolled in an AVTI, counted from the date of entry until the date of withdrawal, times
  - (2) the quotient obtained by dividing
    - (i) the number of hours per day each pupil is enrolled, by
    - (ii) six; by
    - (b) 175.

The number of hours counted for any pupil in any one program shall not exceed the number of hours approved by the state board for ~~vocational education~~ for completion of the program. However, a district may count additional hours for membership, if necessary for a pupil who is identified by the district as handicapped or disadvantaged, to complete the program. For disadvantaged students, these additional hours shall not exceed ten percent of the approved number of hours for the program. Adult vocational pupils shall not be counted for the purposes of this section. Additional hours counted shall be reported to the ~~commissioner~~ *state director*.

Subd. 4. [CHEMICAL ABUSE TREATMENT.] A pupil who is absent from an AVTI to participate in a chemical abuse treatment program and who is on the roll of the AVTI according to the provisions of section ~~124.5619~~ *136C.34* may be counted in average daily membership during that time for not more than 30 consecutive school days. If a returning pupil needs addi-

tional hours to complete the educational program, the AVTI may count the lesser of the following additional hours for membership:

(a) the number of hours the pupil was counted while participating in the treatment program; or

(b) 30 times the number of hours per day the pupil is enrolled.

Sec. 19. Minnesota Statutes 1982, section 124.564, is amended to read:

124.564 [~~POST-SECONDARY VOCATIONAL DEBT SERVICE AID.~~]

Subdivision 1. The state board ~~for vocational education~~ shall provide, for credit against the debt service levy of qualifying districts, post-secondary vocational debt service aid equal to the state portion of debt service costs. The state portion of debt service costs shall equal the amount necessary to make payments due in each school year ending June 30 with respect to qualifying bonds issued to finance post-secondary vocational facilities and interest thereon, multiplied by the average of the district's nonresident reimbursement percentage pursuant to Minnesota Statutes 1974, Section 121.21, Subdivision 5, in fiscal years ended June 30, 1973, 1974, and 1975. For purposes of the computation of debt service aid, qualifying bonds shall include only:

(a) bonds issued prior to January 1, 1978;

(b) bonds issued after January 1, 1978, to finance post-secondary vocational facilities projects which receive funds appropriated in Laws 1978, Chapter 792, Section 8; and

(c) bonds issued at any time to refund the bonds described in (a) and (b). No district shall qualify for this post-secondary vocational debt service aid unless it has certified a levy in the total amount required by section 475.61, for collection in the calendar year in which the aid credit is to be given.

Subd. 2. There shall be no post-secondary vocational debt service aid for the state portion of debt service costs for bonds issued on or after January 1, 1978 to finance post-secondary vocational facilities and interest thereon, unless these bonds are issued to finance post-secondary vocational facilities projects which receive funds appropriated in Laws 1978, Chapter 792, Section 8.

Subd. 3. Post-secondary vocational debt service aid shall be computed each year before October 1 by the state board ~~for vocational education~~ as the percentage specified in subdivision 1 of the sum of the principal and interest on qualifying bonds which will become due in the school year commencing on the following July 1.

Subd. 4. The amount for each school district shall be certified by the board on or before October 1 to the school district, and to the county auditors of all counties containing taxable property within the school district, and to the state commissioner of finance. This amount shall be deducted by the county auditors from the amount of the debt service levies of the school district to be assessed and extended against the taxable property therein for collection in the following year, and shall be payable instead from the appropriation made by this section.

Subd. 5. The commissioner of finance shall issue to the state treasurer

warrants for payment of one-half of the amount to the treasurer of the school district on or before July 15 and one-half thereof on or before November 15 in the following year, in lieu of the distributions of this amount otherwise payable by county treasurers at these times under the provisions of section 276.11.

Subd. 6. The amount necessary is annually appropriated from the general fund to the respective districts entitled to these payments ~~for expenditure in fiscal years beginning with fiscal year 1978~~. This appropriation shall not lapse until and unless otherwise provided by law, but shall be reduced by the amount of any funds specifically appropriated for the same purpose in any year from any state fund. In the event that the appropriation is revoked in any future year, the state board ~~for vocational education~~ shall certify this fact to each school district theretofore entitled to an aid credit under this subdivision.

Subd. 7. The appropriation heretofore made for post-secondary vocational debt service aid payable in the school year ending June 30, 1977, is confirmed, and the board shall continue to provide for the payment of debt service aids therefrom at or before the due dates of school district bonds and interest in that school year. In addition, the state board ~~for vocational education~~ shall pay to districts which expended cash balances to finance the construction of new post-secondary vocational facilities and which the state board prior to May 15, 1975 agreed to repay for these expenditures the amount of the repayment specified in the agreement. Funds received in repayment shall revert to the fund of origin in the district.

Sec. 20. Minnesota Statutes 1982, section 124.565, subdivision 1, is amended to read:

124.565 [POST-SECONDARY VOCATIONAL EDUCATION TUITION.]

Subdivision 1. Any Minnesota resident may attend a post-secondary ~~vocational technical~~ *vocational technical* school, ~~provided that if the individual meets the entrance requirements for the training course in which enrollment is sought and the school has the room and the facility to receive him available space.~~

Sec. 21. Minnesota Statutes 1982, section 124.565, subdivision 6, is amended to read:

Subd 6. [LENGTH OF QUARTER.] For purposes of tuition charges, a quarter shall consist of 60 school days. The state board ~~for vocational education~~ shall ~~adopt rules providing for~~ *establish* proportionate tuition charges for quarters which are shorter or longer than 60 days, for part time and extended day enrollment, and for programs which begin or end during a quarter. The state board shall ~~adopt rules providing for~~ *establish* tuition charges based on approved program lengths for programs offered on an individualized basis.

Sec. 22. Minnesota Statutes 1982, section 124.565, subdivision 7, is amended to read:

Subd. 7. [VETERAN'S EXEMPTION.] A veteran who is a Minnesota resident ~~shall be whose entire education has not included completion of at least one tuition free post-secondary vocational technical school program is~~



exempt from the tuition required by subdivision 3 until the veteran has completed the lesser of (a) 440 post-secondary ~~vocational-technical~~ vocational technical school days, or the equivalent as determined by the state board for ~~vocational education~~, or (b) one post-secondary ~~vocational-technical~~ vocational technical school program.

"Veteran" for the purpose of this subdivision means a person who served in the active military service in any branch of the armed forces of the United States after July 1, 1961 and before July 1, 1978, was a Minnesota resident at the time of induction into the armed forces and for the six months immediately preceding induction, and has been separated or discharged from active military service under conditions other than dishonorable.

Sec. 23. Minnesota Statutes 1982, section 124.572, as amended by Laws 1983, chapter 314, article 5, section 12, is amended to read:

124.572 [CURRENT FUNDING FOR ADULT VOCATIONAL EDUCATION.]

Subdivision 1. The state shall pay adult vocational aids for each year on a current funding basis.

*Subd. 1a. [LIMITED APPLICABILITY.] The provisions of this section shall apply only for the 1983-1984 and 1984-1985 school years.*

Subd. 2. [ADULT VOCATIONAL AID.] ~~Except for the 1982-1983 school year,~~ The state shall pay to any district or cooperative vocational center 75 percent of the salaries paid to essential, licensed personnel or personnel exempt from licensure pursuant to section 125.031 in that school year for services rendered in that district's or center's adult vocational education programs. Notwithstanding any law or any licensure requirements to the contrary, the portion of a community education director's salary attributable to services rendered for the district's or center's adult vocational education program shall qualify for aid according to this subdivision. In addition, the state shall pay 50 percent of the costs of necessary travel between instructional sites by adult vocational education teachers. ~~The commissioner state director~~ may withhold all or any portion of this aid for an adult vocational education program which receives moneys from any other source, and in no event shall a district or center receive a total amount of state aid for salaries and travel pursuant to this section which, when added to moneys from other sources, will provide the program an amount for salaries and travel which exceeds 100 percent of the amount of its expenditures for salaries and travel in the program.

Subd. 2a. [1982-1983 ADULT VOCATIONAL AID.] The aid for the 1982-1983 school year shall be paid according to subdivision 2, except that the state shall pay 69 percent of salaries and 46.25 percent of necessary travel.

Subd. 3. This aid shall be paid only for services rendered or for travel costs incurred in adult vocational education programs approved for funding by the ~~commissioner of education state director~~. ~~Rules Policy shall be adopted established~~ by the state board providing criteria to be applied by the ~~commissioner state director~~ in approving programs for funding pursuant to this section including: economic impact of the program, legislative mandate for the program, employment opportunities in the occupational area, and proven

contribution of the program. All programs shall be operated in accordance with *policies and* rules promulgated by the state board. These ~~rules~~ shall provide minimum student-staff ratios required for an adult vocational education program to qualify for this aid. ~~Rules relating to adult vocational education programs shall not incorporate the provisions of the state plan for vocational education by reference.~~

Subd. 3a. In any fiscal year when moneys requested for programs approved for funding are more than the amount appropriated, the ~~commissioner of education~~ *state director* shall, to the extent possible, continue full funding for programs which are approved by July 1 for aid for even numbered years or by the preceding March 1 for aid for odd numbered years. The ~~commissioner~~ *state director* shall prorate any remaining moneys among programs which are approved for funding after these dates.

Subd. 4. Boards may charge tuition for participation in adult vocational education programs. Nothing in this section shall prohibit the charging of differential tuition rates for residents or nonresidents of a district. If adult vocational education is provided by another district or a cooperative center by contract pursuant to subdivision 5, the contract shall provide for this issue.

Subd. 5. Any board may contract with the board of a district containing a post-secondary vocational-technical school or the board of a cooperative center for the provision of adult vocational education services. The board providing these services may also act as fiscal agent for the other contracting district if so agreed. Information copies of all contracts shall be provided to the state ~~department~~ *director*.

Subd. 6. All adult vocational education aid shall be paid to the district or cooperative center providing the services. The district providing the services may bill the contracting district for any unpaid costs incurred in providing these services if so agreed in the contract.

Subd. 7. Each district providing adult vocational education shall establish and maintain separate, accurate and detailed revenue and expenditure accounts related to these adult vocational education programs. All adult vocational education aid received by the district from any source shall be utilized solely for the purposes of adult vocational education programs.

Subd. 8. [PAYMENT SCHEDULE THROUGH 1982.] Through the 1981-1982 school year, the state shall pay to each school district 30 percent of its estimated adult vocational education aid for the school year on or before the following dates: August 31, December 31 and March 31. The final aid distribution to the district shall be made on or before October 31 of the following school year. All adult vocational education aids shall be computed and distributed by the state aids, statistics, and research section of the state department of education.

Subd. 8a. [PAYMENT SCHEDULE.] ~~Beginning in the 1982-1983 school year,~~ The state shall pay to each school district its estimated adult vocational education aid in the following manner: 30 percent by August 31, 30 percent by December 31, and 25 percent by March 31. The final aid distribution shall be made by October 31 of the following school year. ~~All adult vocational education aids shall be computed and distributed by the state aids section of the department of education.~~

Subd. 9. Effective July 1, 1978, any individual enrolled in an adult farm management program for longer than six years shall be charged a tuition rate equal to the full cost of the program attributable to that individual.

Subd. 10. State money shall not be used to pay for more than 75 percent of the independent telephone communications training program and the Minnesota electric cooperative linepersons training program. The appropriate industry or association shall pay at least 25 percent of the cost of each program.

Sec. 24. Minnesota Statutes 1982, section 124.573, subdivision 3, is amended to read:

Subd. 3. This aid shall be paid only for services rendered or for the costs designated in subdivision 2 which are incurred in secondary vocational education programs approved by the state department of education and operated in accordance with rules promulgated by the state board of education. These rules shall provide minimum student-staff ratios required for a secondary vocational education program in a cooperative center to qualify for this aid, ~~but~~. ~~The rules shall not require any minimum number of program offerings or administrative staff, any minimum period of coordination time or extended employment for secondary vocational education personnel, or the availability of vocational student activities or organizations for a secondary vocational education program to qualify for this aid. The requirement in these rules that program components be available for a minimum number of hours shall not be construed to prevent pupils from enrolling in secondary vocational education courses on an exploratory basis for less than a full school year. No rules promulgated by the state board pursuant to any statute shall require a district to offer secondary vocational education. The state board of education shall not require a school district to offer more than four credits or 560 hours of vocational education course offerings in any school year.~~ Rules relating to secondary vocational education programs shall not incorporate the provisions of the state plan for vocational education by reference. This aid shall be paid only for services rendered and for travel costs incurred by essential, licensed personnel who meet the work experience requirements for licensure pursuant to the rules of the state board for vocational of education.

Sec. 25. Minnesota Statutes 1982, section 136A.02, subdivision 6, is amended to read:

Subd. 6. There is hereby created a higher education advisory council, the membership of which shall include the president of the University of Minnesota, the chancellor of the state university board, the chancellor of the state board for community colleges, *the state director of vocational technical education*, the commissioner of education, the executive director of the Minnesota private college council, and a representative from the Minnesota association of private post-secondary schools. The advisory council shall (1) bring to the attention of the board any matters which the council deems as needing attention of the board, (2) make recommendations to the board as the council deems appropriate, (3) review and comment upon proposals and other matters before the board, and (4) provide any reasonable assistance to the board in its effort to fulfill responsibilities of the board. The board shall periodically inform the council of all matters under consideration by the board and shall refer all proposals to the council prior to transmitting such proposals as recommendations to the governor and the legislature. The board

shall provide time for a report from the advisory council at each meeting of the board.

The higher education advisory council shall report to the board quarterly and at such other times as the council may deem desirable. The council shall determine its meeting times, but the council shall also meet within 30 days following a request for a council meeting by the executive director of the board.

Sec. 26. Minnesota Statutes 1983 Supplement, section 136C.01, is amended to read:

136C.01 [ESTABLISHMENT.]

A state board of vocational technical education is established to govern post-secondary *and adult* vocational education. ~~It shall also govern adult vocational education administered by an area vocational technical institute.~~

Sec. 27. Minnesota Statutes 1983 Supplement, section 136C.02, subdivision 3 is amended to read:

Subd. 3. [POST-SECONDARY VOCATIONAL EDUCATION.] "Post-secondary vocational education" means post-secondary and adult vocational education ~~administered by an AVTE.~~

Sec. 28. Minnesota Statutes 1983 Supplement, section 136C.04, is amended by adding a subdivision to read:

*Subd. 4a. [CARRY OVER AUTHORITY.] The state board may carry over any unexpended balance from its appropriation from the first year of a biennium into the second year of the biennium. The state board may carry over an unexpended balance up to a maximum of two percent of its biennial appropriation into the following biennium. These moneys shall not be taken into account in determining state appropriations.*

Sec. 29. Minnesota Statutes 1983 Supplement, section 136C.04, subdivision 7, is amended to read:

Subd. 7. [ATTENDANCE AND COMPLETION.] The state board shall prescribe conditions of admission, tuition, fees, and other related matters. The state board shall prescribe requirements for completion of programs and approve the awarding of appropriate certificates or associate degrees consistent with the provisions of section ~~121.218~~ 136C.042. Chapter 14 shall not apply to the matters in this subdivision.

Sec. 30. Minnesota Statutes 1983 Supplement, section 136C.04, subdivision 10, is amended to read:

Subd. 10. [ALLOCATION.] The state board shall allocate state and federal money for post-secondary vocational education. Money received from federal sources, other than as provided in *this chapter* ~~124~~, and money received from other sources, not including the state, shall not be taken into account in determining appropriations or allocations.

Sec. 31. [136C.041] [WITHHOLDING OF ALLOCATIONS.]

*Subdivision 1. The state board may withhold allocations for post-secondary vocational education if the board finds a district to be in violation of any statute, rule, or state board policy.*

*Subd. 2. The state board shall notify the district of its finding. The notice shall specify the violation, describe the correction required, and set a reasonable time within which the district shall correct the violation. The state board also shall provide the district an opportunity for a hearing to respond and to dispute the finding. No allocations shall be withheld pending the final decision of the state board. If a violation is corrected in the allotted time or if the state board determines that a violation does not exist, no allocations shall be withheld.*

*Subd. 3. The decision of the state board under this section may be reviewed on certiorari by the district court of the county in which the district, or any part of it, is located.*

**Sec. 32. [136C.06] [SOLE STATE AGENCY.]**

*The state board of vocational technical education is the sole state agency to receive and disburse federal funds authorized by the Vocational Education Act of 1963, as amended in the education amendments of 1976, Public Law Number 94-482, and Code of Federal Regulations, title 34, part 400. The state board shall develop and submit the state plan for vocational technical education. The state board shall develop the state plan according to terms of agreement with the state board of education.*

**Sec. 33. [EFFECT OF TRANSFER.]**

*Subdivision 1. [BOARD TRANSFER.] The powers, duties, and functions of the state board of education for adult vocational education not administered by an AVTI are transferred to the board of vocational technical education on July 1, 1984. Rules of the state board of education relating to adult vocational education shall have no force and effect on July 1, 1984, and thereafter.*

*Subd. 2. [TRANSFER NOT TO AFFECT LEGAL ACTION.] The transfer of powers, duties, and functions shall not affect any action or proceeding, whether administrative, civil, or criminal, pending at the time of the transfer. The action shall be continued in the name of the state board of vocational technical education which, upon application to the appropriate court, shall be substituted as a party to the action or proceeding.*

*Subd. 3. [TRANSFER OF PROPERTY.] All books, maps, plans, papers, records, contracts, documents, and property of every description in the possession or control of the state board of education, relating to adult vocational education, shall be transferred to the state board of vocational technical education. The transfer shall be made in accordance with the directions of the state board of vocational technical education.*

*Subd. 4. [TRANSFER OF FUNDS.] The unencumbered and unexpended balance of all funds appropriated to the state board of education for adult vocational education shall be transferred to the state board of vocational technical education. All federal money for adult vocational education shall be transferred to the state board of vocational technical education. Notwithstanding any law to the contrary, for the 1984-1985 school year, the state board of vocational technical education shall expend for adult vocational education not administered by an AVTI only the funds available from the state board of education. Funds available to the state board of vocational technical education for post-secondary and adult vocational education ad-*

*ministered by an AVTI shall not be used for adult vocational education not administered by an AVTI.*

**Subd. 5. [CONSTRUCTION OF STATUTES, CONTRACTS, AND DOCUMENTS.]** *Whenever the state board of education or its officer is referred to or designated in a statute, contract, or document, in the context of adult vocational education, the reference or designation shall be construed to mean the state board of vocational technical education or its officer.*

**Sec. 34. [MERGED POST-SECONDARY AND ADULT BUDGETS.]**

*The state director of vocational technical education may prepare a merged budget for post-secondary and adult vocational education for the 1985-1986 school year and shall maintain records of revenues and expenditures and student enrollment in the current categories of post-secondary and adult vocational education for each institution. The state board shall prepare a comparison of the financial implications of funding adult vocational programs through the current statutory adult vocational formula and the average cost funding formula.*

**Sec. 35. [STUDENT PROGRAM COMPLETION.]**

*If an AVTI program is eliminated by state board action, the state board may provide for student subsistence to complete the same program in another AVTI during the 1984-1985 school year. The state board may provide the subsistence only if the cost of providing the program in the alternative AVTI is less than the cost of maintaining the program in the original AVTI.*

**Sec. 36. [INSTRUCTION TO REVISOR.]**

*The revisor of statutes shall renumber each section of Minnesota Statutes specified in Column A with the number set forth in Column B. The revisor shall also make necessary cross-reference changes consistent with the renumbering.*

<i>Column A</i>	<i>Column B</i>
121.21	136C.07
121.212	136C.08
121.213	136C.17
121.214	136C.42
121.215	136C.43
121.2155	136C.44
121.216	136C.15
121.218	136C.042
124.52	136C.21
124.54	136C.211
124.55	136C.212
124.56	136C.213
124.5611	136C.25
124.5612	136C.26
124.5613	136C.27
124.5614	136C.28
124.5615	136C.29
124.5616	136C.31
124.5617	136C.32
124.5618	136C.33
124.5619	136C.34

124.5628	136C.35
124.5629	136C.36
124.564	136C.41
124.565	136C.13
124.57	136C.37
124.572	136C.38
124.58	136C.22
124.59	136C.221
124.60	136C.222
124.61	136C.223

Sec. 37. [REPEALER.]

*Minnesota Statutes 1982, sections 121.217; 124.565, subdivisions 3 and 4; 124.572, subdivisions 2a and 8; 124.573, subdivisions 2a, 3b, and 5; 124.574, subdivisions 2, 2a, and 3a, are repealed. Minnesota Statutes 1983 Supplement, sections 124.11, subdivisions 2a and 2b; 124.5613, subdivision 1, are repealed.*

Sec. 38. [APPROPRIATION.]

*The sum of \$600,000 is appropriated from the general fund to the state board of vocational technical education for fiscal year 1985 to develop new programs and to update curriculum.*

Sec. 39. [EFFECTIVE DATE.]

*Section 28 is effective June 30, 1984.*

ARTICLE 6

OTHER AIDS AND LEVIES

Section 1. Minnesota Statutes 1983 Supplement, section 124.214, subdivision 2, is amended to read:

Subd. 2. [ABATEMENTS.] Whenever by virtue of chapter 278, sections 270.07, 375.192, or otherwise, the assessed valuation of any school district for any taxable year is changed after the taxes for that year have been spread by the county auditor and the mill rate as determined by the county auditor based upon the original assessed valuation is applied upon the changed valuations, the county auditor shall, prior to February 1 of each year, certify to the commissioner of education the amount of any resulting net revenue loss that accrued to the school district during the preceding year. In August of each year, the commissioner shall pay an abatement adjustment to the district in an amount calculated according to the provisions of this subdivision. This amount shall be deducted from the amount of the levy authorized by section 275.48. *The abatement adjustment shall be recognized as revenue in the fiscal year in which it is received.* The amount of the abatement adjustment shall be the product of:

- (1) the net revenue loss as certified by the county auditor, times
- (2) the ratio of:

*(a) the sum of the amounts of the district's certified levy in the preceding October according to the following:*

- (i) section 275.125, subdivisions 2a, 7d, clause (1), and 7d, clause (2), if*

*the district is entitled to basic foundation aid according to section 124.2122;*

*(ii) section 275.125, subdivisions 7d, clause (3), if the district is entitled to third tier aid according to section 124A.10, subdivision 3;*

*(iii) section 275.125, subdivision 7d, clause (4), and 7d, clause (5), if the district is eligible for fourth tier aid according to section 124A.12, subdivision 3;*

*(iv) section 275.125, subdivisions 2j and 2k, if the district is entitled to summer school aid according to section 124.201; and*

*(v) section 275.125, subdivisions 5 and 5c, if the district is entitled to transportation aid according to section 124.225, subdivision 8a;*

*(b) to the sum of the amounts total amount of the district's certified levy limitations in the preceding October pursuant to section 275.125, subdivisions 2a, 2i, 2j, 2k, 5, 5c, 6c, and 7a to the total amount of the district's maximum levy limitation in the preceding October pursuant to section 275.125, plus or minus auditor's adjustments. If the district is entitled to aid pursuant to section 124.2123, the levy limitation pursuant to section 275.125, subdivision 6b, shall be included in the computation of the ratio. If the district is entitled to aid pursuant to section 124.2128, the levy limitation pursuant to section 275.125, subdivision 6d, shall be included in the computation of the ratio. The abatement adjustment shall be recognized as revenue in the fiscal year in which it is received.*

Sec. 2. Minnesota Statutes 1982, section 124.245, subdivision 1, is amended to read:

Subdivision 1. [BASIC COMPUTATION.] (a) For the 1981-1982 school year and Each year thereafter, except for the 1982-1983 school year, the state shall pay a school district the difference by which an amount equal to \$90 per pupil unit in that school year or, in districts where the actual number of actual pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year, \$95 per pupil unit in that school year, exceeds the amount raised by seven mills times the adjusted assessed valuation of the taxable property in the district for the preceding year. To qualify for aid pursuant to this subdivision in any school year, a district must have levied the full seven EARC mills for use for capital expenditures in that year pursuant to section 275.125, subdivision 11a.

For the 1982-1983 school year the state shall pay a school district the difference by which an amount equal to \$89 per pupil unit in that school year or, in districts where the actual number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year, \$94 per pupil unit in that school year, exceeds the amount raised by seven mills times the adjusted assessed valuation of the taxable property in the district for the preceding year. To qualify for aid pursuant to this subdivision in any school year, a district must have levied the full seven EARC mills for use for capital expenditures in that year pursuant to section 275.125, subdivision 11a.

(b) In the 1982-1983 school year and each year thereafter, The aid under clause (a) for any 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 ~~\$89~~ \$90 per pupil unit or, in districts where the actual number of actual pupil units ~~identified in section 124.17, subdivision 1, clauses (1) and (2),~~ has increased from the prior year, ~~\$94~~ \$95 per pupil unit, the amount of the excess may be expended only for the purpose of capital expenditures for equipment for secondary vocational education programs or senior secondary industrial arts programs.

### Sec. 3. [126.60] [PROGRAMS OF EXCELLENCE.]

*Subdivision 1. [DESIGNATION.] The commissioner of education shall designate secondary academic programs as programs of excellence by April 1 each year according to criteria established by the commissioner. The criteria may include: teacher qualifications; curriculum offerings; student ability averages; management; expectations; academic standards; order and discipline; clearly defined academic goals; administrative leadership; community support; organization for learning; frequency, monitoring, and reporting of homework; regularity and frequency of monitoring of pupil progress; coordination, articulation, and comprehensiveness of curriculum; variety of teaching strategies; opportunities for pupils responsibility; commitment to accept at least five pupils; and ability to provide host families. A designation as a program of excellence shall be for two school years and may be renewed upon reapplication.*

*Subd. 2. [APPLICATION.] A district may apply to the commissioner for designation of one or more of its secondary academic programs as a program of excellence. The application shall include information required by the commissioner. The commissioner shall distribute criteria and applications for all districts.*

*Subd. 3. [COMMITTEE.] The commissioner shall establish a programs of excellence committee. The committee shall advise the commissioner about criteria for the programs and may review district applications.*

*Subd. 4. [INCENTIVE GRANTS.] A district with a program designated as a program of excellence shall receive an incentive grant for the program for each year of the designation.*

### Sec. 4. [126.62] [PUPILS FOR PROGRAMS OF EXCELLENCE.]

*Subdivision 1. [PUPIL SELECTION.] The commissioner of education shall select pupils to attend programs of excellence according to criteria established by the commissioner. The criteria may include, but not be limited to, an evaluation of the pupil's academic ability, the pupil's future career plans, and lack of academic opportunity in the pupil's current school.*

*Subd. 2. [APPLICATION.] The commissioner shall distribute to all districts the criteria and application forms containing the date applications are due. Each district shall distribute the criteria and applications to all pupils in the district in grades 7 to 11 and their parents. Any pupil may request additional information about the program, school, and the district. A pupil shall be notified of selection by June 1 each year. Additional pupils may be se-*

lected after June 1 if space is available.

*Subd. 3. [PROGRAM LIMITS.] No more than 100 pupils who have completed at least the eighth grade or equivalent may be selected to participate in the program. No more than ten pupils selected may attend a particular program of excellence at any one time.*

*Subd. 4. [ATTENDANCE.] A pupil selected shall attend the school with the program of excellence full time. A pupil may continue to attend the program through completion of all programs offered by the school if the pupil maintains satisfactory progress. At least twice a year the principal of a school with a program of excellence shall certify to the commissioner whether or not the pupil is making satisfactory progress. A pupil not making satisfactory progress, as certified by the principal, shall be dropped from the program as of the date of the certification.*

*Subd. 5. [COMMITTEE.] The programs of excellence committee, established in section 3, subdivision 3, shall advise the commissioner about criteria and application forms for pupil selection.*

*Subd. 6. [TRANSPORTATION.] The commissioner may reimburse transportation costs when a pupil demonstrates need.*

*Subd. 7. [HOST FAMILIES.] A school with a program of excellence shall screen and arrange for volunteer host families for nonresident pupils selected to attend the school.*

#### Sec. 5. [126.64] [FOUNDATION REVENUE FOR PUPILS.]

*Subdivision 1. [DISTRICT OF RESIDENCE.] All foundation revenue which a pupil selected to attend a school of excellence would have earned for the resident district had the pupil continued to attend that district shall continue to be earned by the resident district. If a pupil selected to attend a program of excellence has not been enrolled in a public school in the resident district for at least one school year immediately preceding enrollment in a program of excellence, the resident district shall not earn foundation revenue for that pupil.*

*Subd. 2. [DISTRICT OF ATTENDANCE.] The district receiving a pupil selected to participate in the program of excellence program shall count the pupil as a resident pupil unit as defined in section 124.17 for purpose of determining aids and levies.*

Sec. 6. Minnesota Statutes 1982, section 275.125, is amended by adding a subdivision to read:

*Subd. 6e. [DESEGREGATION LEVY.] Each year any district which is implementing a plan for desegregation mandated by the state board of education or under court order may levy an amount not to exceed one mill times the adjusted assessed valuation of the district. Notwithstanding section 121.904, the entire amount of this levy shall be recognized as revenue for the fiscal year in which the levy is certified. This levy shall not be considered in computing the aid reduction under section 124.155. A district which levies pursuant to this subdivision may not place the proceeds of the 1983 payable 1984 levy authorized by section 275.125, subdivision 9a, in the general fund.*

Sec. 7. Minnesota Statutes 1983 Supplement, section 275.125, subdivision

8a, is amended to read:

Subd. 8a. [INTERDISTRICT COOPERATION LEVY.] Each year, a district which is eligible for aid pursuant to section 124.272, subdivision 2, may levy the amount of the estimated instructional costs of the interdistrict cooperation plan for the year to which the levy is attributable, but ~~not more than the levy shall not exceed the lesser of: (1) \$50 times the actual pupil units for that school year. No levy under this subdivision shall exceed;~~ (2) \$50,000; or (3) one mill times the adjusted assessed valuation of the district for the preceding year. The proceeds of the levy may only be used to pay for instructional costs incurred in providing the program offerings resulting from the cooperation plan.

Sec. 8. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 9b, is amended to read:

Subd. 9b. [OPERATING DEBT LEVY.] (1) ~~In 1983 and~~ Each year thereafter, a district may make an additional levy to eliminate a deficit in the net unappropriated operating funds of the district, determined as of June 30, 1983, and certified and adjusted by the commissioner. This levy may in each year be an amount not to exceed the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee. However, the total amount of this levy for all years it is made shall not exceed the lesser of (a) the amount of the deficit in the net unappropriated operating funds of the district as of June 30, 1983, or (b) the amount of the aid reduction, according to Laws 1981, Third Special Session chapter 2, article 2, section 2, but excluding clauses (l), (m), (n), (o), and (p), and Laws 1982, Third Special Session chapter 1, article 3, sections section 6 and 7, to the district in fiscal year 1983. When the cumulative levies made pursuant to this subdivision equal the total amount permitted by this subdivision, the levy shall be discontinued.

(2) The proceeds of this levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.

(3) Any district which levies pursuant to this subdivision shall certify the maximum levy allowable under section ~~271.125~~ 275.125, subdivision 2a or 2e in that same year.

Sec. 9. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 11a, is amended to read:

Subd. 11a. [CAPITAL EXPENDITURE LEVY.] (a) Each year a school district may levy an amount not to exceed the amount equal to \$90 per total pupil unit, or \$95 per total pupil unit in districts where the actual number of actual pupil units ~~identified in section 124.17, subdivision 1, clauses (1) and (2),~~ has increased from the prior year. No levy under this clause shall exceed seven mills times the adjusted assessed valuation of the taxable property in the district for the preceding year.

(b) The proceeds of the tax levy may be used to acquire land, to equip and re-equip buildings and permanent attached fixtures, to rent or lease buildings for school purposes, to purchase textbooks, to pay leasing fees for purchase and lease computer systems hardware and related proprietary, software, and

*related supporting materials, and to pay leasing fees for purchase or lease photocopier machines and telecommunications equipment. The proceeds of the tax may also be used for capital improvement and repair of school sites, buildings and permanent attached fixtures, energy assessments, and for the payment of any special assessments levied against the property of the district authorized pursuant to section 435.19 or any other law or charter provision authorizing assessments against publicly owned property; provided that a district may not levy amounts to pay assessments for service charges, such as those described in section 429.101, whether levied pursuant to that section or pursuant to any other law or home rule provision. The proceeds of the tax may also be used for capital expenditures to reduce or eliminate barriers to or increase access to school facilities by handicapped individuals. The proceeds of the tax may also be used to make capital improvements to schoolhouses to be leased pursuant to section 123.36, subdivision 10. The proceeds of the tax may also be used to pay fees for capital outlay expenditures assessed and certified to each participating school district by the educational cooperative service unit board of directors. The proceeds of the tax may also be used to pay principal and interest on loans from the state authorized by section 116J.37.*

(c) Subject to the commissioner's approval, the tax proceeds may also be used to acquire or construct buildings. The state board shall promulgate rules establishing the criteria to be used by the commissioner in approving and disapproving district applications requesting the use of capital expenditure tax proceeds for the acquisition or construction of buildings. The approval criteria for purposes of building acquisition and construction shall include: the appropriateness of the proposal for the district's long term needs; the availability of adequate existing facilities; and the economic feasibility of bonding because of the proposed building's size or cost.

(d) The board shall establish a fund in which the proceeds of this tax shall be accumulated until expended.

(e) The proceeds of the tax levy shall not be used for custodial or other maintenance services.

(f) Each year, subject to the seven mill limitation of clause (a) of this subdivision, a school district which operates an approved secondary vocational education program or an approved senior secondary industrial arts program may levy an additional amount equal to \$5 per total pupil unit for capital expenditures for equipment for these programs.

~~(g) For purposes of computing allowable levies under this subdivision and subdivisions 11b and 11c, pupil units shall include those units identified in section 124.17, subdivision 1, clauses (1) and (2), and 98.5 percent of the units identified in Minnesota Statutes 1980, section 124.17, subdivision 1, clauses (4) and (5) for 1980-1981.~~

Sec. 10. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 11b, is amended to read:

Subd. 11b. [SPECIAL PURPOSE CAPITAL EXPENDITURE LEVY.] In addition to the levy authorized in subdivision 11a, each year a school district may levy an amount not to exceed the amount equal to \$25 per total pupil unit. No levy under this clause shall exceed two mills times the adjusted

assessed valuation of the property in the district for the preceding year. The proceeds of the tax shall be placed in the district's capital expenditure fund and may be used only for the following:

(a) for energy audits on district-owned buildings, and for funding those energy conservation and renewable energy measures which the energy audits indicate will reduce the use of nonrenewable sources of energy to the extent that the projected energy cost savings will amortize the cost of the conservation measures within a period of ten years or less;

(b) for capital expenditures for the purpose of reducing or eliminating barriers to or increasing access to school facilities by handicapped persons;

(c) for capital expenditures to bring district facilities into compliance with the uniform fire code adopted pursuant to chapter 299F;

(d) for expenditures for the removal of asbestos from school buildings or property or for asbestos encapsulation;

(e) for expenditures for the cleanup and disposal of polychlorinated biphenyls; and

(f) to pay principal and interest on loans from the state authorized by section 116J.37.

Sec. 11. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 11c, is amended to read:

Subd. 11c. [HAZARDOUS SUBSTANCE CAPITAL EXPENDITURE LEVY.] ~~In 1983 and each year thereafter,~~ In addition to the levy authorized in subdivisions 11a and 11b, *each year* a school district may levy an amount not to exceed the amount equal to \$25 per *total* pupil unit. No levy under this subdivision shall exceed two mills times the adjusted assessed valuation of the property in the district for the preceding year. The proceeds of the tax shall be placed in the district's capital expenditure fund and may be used only for expenditures necessary for the removal or encapsulation of asbestos, *asbestos related repairs*, or the cleanup and disposal of polychlorinated biphenyls found in school buildings or property.

Sec. 12. Minnesota Statutes 1983 Supplement, section 466.06, is amended to read:

#### 466.06 [LIABILITY INSURANCE.]

The governing body of any municipality may procure insurance against liability of the municipality and its officers, employees, and agents for damages resulting from its torts and those of its officers, employees, and agents, including torts specified in section 466.03 for which the municipality is immune from liability. The insurance may provide protection in excess of the limit of liability imposed by section 466.04. If the municipality has the authority to levy taxes, the premium costs for such insurance may be levied in excess of any per capita or millage tax limitation imposed by statute or charter. *However, a school district may not levy pursuant to this section for premium costs for motor vehicle insurance protecting against injuries or damages arising out of the operation of district owned, operated, leased, or controlled vehicles for the transportation of pupils for purposes for which state aid is authorized under section 124.223, or for purposes for which the district is authorized to levy under section 275.125, subdivision 5d.* Any

independent board or commission in the municipality having authority to disburse funds for a particular municipal function without approval of the governing body may similarly procure liability insurance with respect to the field of its operation. The procurement of such insurance constitutes a waiver of the defense of governmental immunity to the extent of the liability stated in the policy but has no effect on the liability of the municipality beyond the coverage so provided.

Sec. 13. Laws 1983, chapter 314, article 6, section 34, subdivision 12, is amended to read:

Subd. 12. [INDIAN EDUCATION.] (a) For certain Indian education programs there is appropriated:

\$156,000.....1984,

\$138,000.....1985.

The appropriations are based on aid entitlements of \$156,000 for fiscal year 1984 and \$163,000 for fiscal year 1985.

These appropriations are available for expenditure with the approval of the commissioner of education.

The commissioner shall not approve the payment of any amount to a school district pursuant to this subdivision unless that school district is in compliance with all applicable laws of this state.

Up to the following amounts may be distributed to the following school districts for fiscal year 1984: ~~\$49,600~~ \$48,972 to Independent School District No. 309-Pine Point School; ~~\$8,750~~ \$8,639 to Independent School District No. 166; ~~\$13,500~~ \$13,329 to Independent School District No. 432; ~~\$12,700~~ \$12,539 to Independent School District No. 435; ~~\$38,100~~ \$37,618 to Independent School District No. 707; and ~~\$35,350~~ \$34,903 to Independent School District No. 38. These amounts shall be expended only for the benefit of Indian students and for the purpose of meeting established state educational standards or statewide requirements.

Up to the following amounts may be distributed to the following school districts for fiscal year 1985: ~~\$52,100~~ \$50,955 to Independent School District No. 309-Pine Point School; ~~\$9,200~~ \$8,998 to Independent School District No. 166; ~~\$14,200~~ \$13,888 to Independent School District No. 432; ~~\$13,350~~ \$13,056 to Independent School District No. 435; ~~\$40,050~~ \$39,170 to Independent School District No. 707; and ~~\$37,100~~ \$36,285 to Independent School District No. 38. These amounts shall be expended only for the benefit of Indian students and for the purpose of meeting established state educational standards or statewide requirements. *These allocations are based on 100 percent of the entitlement for fiscal year 1985, 85 percent of which is appropriated for payment in fiscal year 1985.*

These appropriations are available only if there will not be available for the districts enumerated in this subdivision for the applicable school year any operation support funds from the federal bureau of Indian affairs pursuant to the Johnson-O'Malley Act, Public Law 73-167 or 25 Code of Federal Regulations 273.31, or equivalent money from the same or another source.

(b) Before a district can receive moneys pursuant to this subdivision, the

district must submit to the commissioner of education evidence that it has:

(i) Complied with the Uniform Financial Accounting and Reporting Standards Act, sections 121.90 to 121.917. For each school year, compliance with section 121.908, subdivision 3a, shall require the school district to prepare one budget including the amount available to the district pursuant to this subdivision and one budget which does not include these moneys. The budget of that school district for the 1985-86 school year prepared according to section 121.908, subdivision 3a, shall be submitted to the commissioner of education at the same time as 1984-1985 budgets and shall not include any moneys appropriated in this subdivision;

(ii) Conducted a special education needs assessment and prepared a proposed service delivery plan according to Minnesota Statutes, sections 120.03 and 120.17; Public Law 94-142, an act of the 94th Congress of the United States cited as the "Education for All Handicapped Children Act of 1975"; and applicable state board of education rules; and

(iii) Compiled accurate daily pupil attendance records.

(c) Prior to approving payment of any amount to a school district pursuant to this subdivision, the commissioner shall review and evaluate each affected district's compliance with clause (b) and any other applicable laws, and each affected district's need for the moneys. Each affected district's net unappropriated fund balance in all operating funds as of June 30 of the previous school year shall be taken into consideration.

#### Sec. 14. [STATUTORY OPERATING DEBT LEVY INTO GENERAL FUND.]

*Notwithstanding Minnesota Statutes 1982, section 275.125, subdivision 9a, and any other law to the contrary, a school district located in a city of the first class, which does not levy pursuant to Minnesota Statutes, section 275.125, subdivision 6e, may place the proceeds of the 1983 payable 1984 levy authorized by Minnesota Statutes 1982, section 275.125, subdivision 9a, in the general fund. This authority shall not be construed to modify a district's obligation to eliminate its statutory operating debt.*

#### Sec. 15. [OPERATING DEBT LEVY FOR BUHL AND MOUNTAIN IRON CONSOLIDATION.]

*Subdivision 1. [AUTHORIZATION.] In 1985 and each year thereafter, the newly created district formed by the consolidation of Independent School District No. 694, Buhl, and Independent School District No. 703, Mountain Iron, may make an additional levy to eliminate a deficit in the net unappropriated operating funds of the newly created district, determined as of June 30, 1985, and certified and adjusted by the commissioner. This levy each year may be an amount not to exceed 1.5 mills times the adjusted assessed valuation of the newly created district for the preceding year as determined by the equalization aid review committee. When the cumulative amount of the levies made pursuant to this subdivision equals the total amount of the certified deficit of the newly created district, the levy shall be discontinued.*

*Subd. 2. [USE OF PROCEEDS.] The proceeds of this levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures*

or budgets.

*Subd. 3. [CONDITION OF LEVY AUTHORITY.] In any year in which the newly created district levies pursuant to this subdivision, it shall certify the maximum levy allowable under section 275.125, subdivision 2a, in that same year.*

*Subd. 4. [EFFECTIVE DATE AND NO LOCAL APPROVAL.] Pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), this section is effective without local approval the day following final enactment.*

**Sec. 16. [HERMANTOWN; SPECIAL ASSESSMENT LEVY.]**

*In 1984, Independent School District No. 700, Hermantown, may certify a levy in an amount not to exceed \$50,000 for a special sewer and water assessment.*

**Sec. 17. [REPEALER.]**

*Subdivision 1. Minnesota Statutes 1982, sections 124.245, subdivision 1a; 124.246, subdivision 2a; 124.26, subdivision 1a; 124.273, subdivisions 1a and 2a, are repealed.*

**Sec. 18. [APPROPRIATION FOR DEFICIENCIES.]**

*Subdivision 1. [ABATEMENT AID.] For abatement aid pursuant to section 124.214, subdivision 2, there is appropriated from the general fund to the department of education for the fiscal year ending June 30, 1984, the sum of \$1,031,000 and for the fiscal year ending June 30, 1985, the sum of \$1,000,000. These appropriations shall be added to the sums appropriated for fiscal years 1984 and 1985 for this purpose in Laws 1983, chapter 314, article 6, section 34, subdivision 3.*

*Subd. 2. [INTERDISTRICT COOPERATION AID.] For interdistrict cooperation aid pursuant to section 124.272, there is appropriated from the general fund to the department of education for the fiscal year ending June 30, 1985, the sum of \$255,000. This appropriation shall be added to the sum appropriated for fiscal year 1985 in Laws 1983, chapter 314, article 6, section 34, subdivision 9.*

*Subd. 3. [RESIDENTIAL FACILITIES AID.] For residential facilities aid pursuant to section 124.32, subdivision 5, there is appropriated from the general fund to the department of education, the sum of \$526,100 for the fiscal year ending June 30, 1984 and the sum of \$526,100 for the fiscal year ending June 30, 1985. These appropriations shall be added to the sums appropriated for fiscal years 1984 and 1985 in Laws 1983, chapter 314, article 3, section 19, subdivision 5.*

**Sec. 19. [APPROPRIATION.]**

*Subdivision 1. [NETT LAKE.] The sum of \$20,000 is appropriated from the general fund to the department of education to pay the obligation of Independent School District No. 707, Nett Lake, for unemployment compensation. The sum shall be available until June 30, 1985.*

*Subd. 2. [PROGRAMS OF EXCELLENCE.] For planning and development of programs of excellence pursuant to sections 3 to 5, there is appropriated from the general fund to the department of education for fiscal year 1985, the sum of \$15,000.*



## Sec. 20. [EFFECTIVE DATES.]

*Subdivision 1. Sections 3 to 5 are effective July 1, 1984, for programs of excellence to be implemented beginning in the 1985-1986 school year.*

*Subd. 2. Sections 13 and 18 are effective the day following final enactment.*

*Subd. 3. Section 9 is effective for expenditures of levy proceeds beginning in the 1984-1985 school year.*

## ARTICLE 7

## MISCELLANEOUS

Section 1. Minnesota Statutes 1983 Supplement, section 121.15, subdivision 1, is amended to read:

Subdivision 1. [CONSULTATION.] A school district shall consult with the department of education before developing any plans and specifications to construct, remodel, or improve the building or site of an educational facility, *other than an area vocational technical institute*. This consultation shall occur before a referendum for bonds, solicitation for bids, or use of capital funds according to section 275.125, subdivision 11a, clause (c), is initiated.

Sec. 2. Minnesota Statutes 1983 Supplement, section 121.503, subdivision 5, is amended to read:

Subd. 5. [REPORT.] The council on quality education shall submit a report to the *education committees of the legislature* by February 1 each year. This report shall include the number and description of programs approved, implementation status of programs approved, waivers granted, and evaluation of programs approved.

Sec. 3. Minnesota Statutes 1982, section 121.908, is amended by adding a subdivision to read:

*Subd. 6. A school district providing early retirement incentive payments under section 125.611, severance pay under section 465.72, or health insurance benefits to retired employees under section 471.61, must account for the payments according to uniform financial accounting and reporting standards adopted for Minnesota school districts pursuant to section 121.902.*

Sec. 4. Minnesota Statutes 1982, section 121.912, is amended by adding a subdivision to read:

*Subd. 4. [ACCOUNT TRANSFER FOR STATUTORY OPERATING DEBT.] On June 30 of each year, a district may make a permanent transfer from the general fund account entitled "unappropriated fund balance since statutory operating debt" to the account entitled "appropriated fund balance reserve account for purposes of reducing statutory operating debt." The amount of the transfer is limited to the lesser of (a) the net unappropriated operating fund balance, or (b) the sum of the remaining statutory operating debt levies authorized for all future years according to section 275.125, subdivision 9a. If the net unappropriated operating fund balance is less than zero, the district may not make a transfer.*

Sec. 5. Minnesota Statutes 1982, section 121.935, subdivision 2, is amended to read:

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

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

(b) Respond within 15 calendar days to requests from the department for *district information provided to the region for state reporting of information*, based on the data elements in the data element dictionary;

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

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

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

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

(g) Operate fixed assets property management information systems consistent with the uniform property accounting and reporting standards for Minnesota area vocational-technical institutes adopted by the state board pursuant to section 121.902, subdivision 1a.

Sec. 6. Minnesota Statutes 1982, section 121.935, subdivision 6, is amended to read:

Subd. 6. [FEES.] Regional management information centers may charge fees to affiliated districts. ~~A district which submits financial transactions to the center in summary form pursuant to section 121.936, subdivision 1, or which uses an approved alternative management information system pursuant to section 121.936, subdivisions 2 to 4, may apply to the commissioner to set the fee if the district and the center cannot agree on a fee. The commissioner shall issue an order setting the fee, which shall be binding on both the center and the district for the cost of services provided to the district and the district's proportionate share of outstanding regional debt. In no event shall the annual fee of a district participating in a state pilot program of an alternative financial management information system exceed the annual fee chargeable to the district in the absence of the pilot program.~~

Sec. 7. Minnesota Statutes 1982, section 121.936, subdivision 1, is amended to read:

Subdivision 1. [MANDATORY PARTICIPATION.] (a) By July 1, 1980, every district shall perform financial accounting and reporting operations on a financial management accounting and reporting system utilizing multi-dimensional accounts and records defined in accordance with the uniform financial accounting and reporting standards adopted by the state board pursuant to sections 121.90 to 121.92.

(b) By July 1, 1980, every school district shall be affiliated with one and only one regional management information center. This affiliation shall include at least the following components:

(1) The center shall provide reports to the department of education for the

district to the extent required by the data acquisition calendar;

(2) The district shall use the ESV-IS finance subsystem through the center to process every detailed financial transaction of the district.

Notwithstanding the foregoing, a district with 3,000 or fewer pupils in average daily membership as defined in section 124.17, subdivision 2, may submit its financial transactions to the center for processing in summary form if before July 1, 1980, the planned form of the district's submission of its transactions and the conformance of the district's financial accounting and reporting system to the uniform financial accounting and reporting standards adopted by the state board pursuant to sections 121.90 to 121.92 are approved by the following team: the director of school financial management in the department of education, and the director of management information services and the coordinator for the ESV-IS finance subsystem for the Minnesota educational computing consortium may process and submit its financial data to a region or the state in summary form if it operates an approved alternative system or participates in a state approved pilot test of an alternative system.

(c) The provisions of this subdivision shall not be construed to prohibit a district from purchasing services other than those described in clause (b) from a center other than the center with which it is affiliated pursuant to clause (b).

*Districts operating an approved alternative system or participating in a state approved pilot test of an alternative financial system shall purchase finance system services from any region if the region of affiliation does not offer alternative system support services.*

#### Sec. 8. [123.3513] [ADVANCED ACADEMIC CREDIT.]

*A school district shall grant academic credit to a pupil attending an accelerated or advanced academic course offered by a higher education institution or a nonprofit public agency other than the district, if the pupil successfully completes the course attended and passes an examination approved by the district. If no comparable course is offered by the district, the state board of education shall determine the number of credits which shall be granted to a pupil who successfully completes and passes the course. If a comparable course is offered by the district, the school board shall grant a comparable number of credits to the pupil. If there is a dispute between the district and the pupil regarding the number of credits granted for a particular course, the pupil may appeal the school board's decision to the state board of education. The state board's decision regarding the number of credits shall be final.*

*The credits granted to a pupil shall be counted toward the graduation requirements and subject area requirements of the school district. Evidence of successful completion of each class and credits granted shall be included in the pupil's secondary school record.*

Sec. 9. Minnesota Statutes 1982, section 123.36, subdivision 10, is amended to read:

Subd. 10. (a) The board may lease a schoolhouse which that is not needed for school purposes to any person or organization. The board may charge and collect reasonable consideration for the lease and may determine the terms and conditions of the lease.

(b) In districts with outstanding bonds, the net proceeds of the lease shall be first deposited in the debt retirement fund of the district in an amount sufficient to meet when due *that percentage of the principal and interest payments for all outstanding bonds that is ascribable to the payment of expenses necessary and incidental to the construction or purchase of the particular building or property that is leased.* Any remaining net proceeds in these districts may be deposited in either the debt redemption fund or capital expenditure fund. ~~and~~ All net proceeds of the lease in districts without outstanding bonds shall be deposited in the capital expenditure fund of the district.

(c) The board may make capital improvements to a schoolhouse or a portion thereof, not exceeding in cost the replacement value of the schoolhouse, to facilitate its rental, and the lease of an improved schoolhouse shall provide for rentals which will recover the cost of the improvements over the initial term of the lease. Notwithstanding clause (b), the portion of the rentals representing the cost of the improvements shall be deposited in the capital expenditure fund of the district and the balance of the rentals shall be used as provided in clause (b).

Sec. 10. Minnesota Statutes 1983 Supplement, section 123.36, subdivision 13, is amended to read:

Subd. 13. [PROCEEDS OF SALE OR EXCHANGE.] Proceeds of the sale or exchange of school buildings or real property of the school district shall be used as provided in this subdivision.

(1) In districts with outstanding bonds, the proceeds of the sale or exchange shall first be deposited in the debt retirement fund of the district in an amount sufficient to meet when due that percentage of the principal and interest payments for outstanding bonds which is ascribable to the payment of expenses necessary and incidental to the construction or purchase of the particular building or property which is sold.

(2) After satisfying the requirements of clause (1), a district with outstanding bonds may deposit proceeds of the sale or exchange in its capital expenditure fund if the amount deposited is used for the following:

(a) for energy audits on district owned buildings conducted pursuant to chapter 116H, and for funding those energy conservation and renewable energy measures which the energy audits indicate will reduce the use of nonrenewable sources of energy to the extent that the projected energy cost savings will amortize the cost of the conservation measures within a period of ten years or less;

(b) for capital expenditures for the purpose of reducing or eliminating barriers to or increasing access to school facilities by handicapped persons;

(c) for capital expenditures to bring district facilities into compliance with the uniform fire code adopted pursuant to chapter 299F;

(d) for expenditures for the removal of asbestos from school buildings or property or for asbestos encapsulation, if the method for asbestos removal or encapsulation is approved by the department of education;

(e) for expenditures for the cleanup of polychlorinated biphenyls, if the method for cleanup is approved by the department of education;

(f) for capital expenditures ~~to renovate and improve~~ *for the betterment, as*

*defined in section 475.51, subdivision 8, of district-owned school buildings in which enrollment has increased as a result of closing schools in the district, other than as provided in clauses (b), (c), and (d); or*

(g) to replace the building or property sold.

The amount of the proceeds used for the purposes specified in clauses (a), (b), (c), (d), and (e) shall be deducted from the levy limitation computed for the levy authorized in section 275.125, ~~subdivision~~ *subdivisions 11b and 11c, as applicable*, in the first year after the deposit and from levy limitations computed for this levy in succeeding years until the entire amount is deducted.

(3) In a district with outstanding bonds, the amount of the proceeds of the sale or exchange remaining after the application of clauses (1) and (2), which is sufficient to meet when due that percentage of the principal and interest payments for the district's outstanding bonds which is not governed by clause (1), shall be deposited in the debt retirement fund.

(4) Any proceeds of the sale or exchange remaining in districts with outstanding bonds after the application of clauses (1), (2), and (3), and all proceeds of the sale or exchange in districts without outstanding bonds shall be deposited in the capital expenditure fund of the district.

(5) Notwithstanding clauses (2) and (3), a district with outstanding bonds may deposit in its capital expenditure fund and use for any lawful capital expenditure without the reduction of any levy limitation the same percentage of the proceeds of the sale or exchange of a building or property as the percentage of the initial cost of purchasing or constructing the building or property which was paid using revenue from the capital expenditure fund.

(6) Every district which sells or exchanges a building or property shall report to the commissioner in the form and at the time he prescribes on the disposition of the proceeds of the sale or exchange.

#### Sec. 11. [124.2139] [REDUCTION OF HOMESTEAD CREDIT PAYMENTS TO SCHOOL DISTRICTS.]

*Beginning with homestead credit payments made to school districts pursuant to section 273.13, subdivisions 6, 7, and 14a, in fiscal year 1985 for taxes payable in 1984, and each year thereafter, the commissioner of revenue shall reduce these payments to any school district by the product of:*

*(1) the district's fiscal year 1984 payroll for coordinated plan members of the public employees retirement association, times*

*(2) the difference between the employer contribution rate in effect prior to July 1, 1984, and the total employer contribution rate in effect after June 30, 1984.*

Sec. 12. Minnesota Statutes 1982, section 124.214, subdivision 1, is amended to read:

Subdivision 1. [OMISSIONS.] No adjustments to any aid payments made pursuant to this chapter, resulting from omissions in school district reports, except those adjustments determined by the legislative auditor, shall be made for any school year after December 15 30 of the next school year, unless otherwise specifically provided by law.

Sec. 13. Minnesota Statutes 1982, section 125.12, subdivision 3, is amended to read:

Subd. 3. [PROBATIONARY PERIOD.] The first ~~and second~~ *three* consecutive years of a teacher's first teaching experience in Minnesota in a single school district shall be deemed to be a probationary period of employment, and after completion thereof, the probationary period in each school district in which ~~he~~ *the teacher* is thereafter employed shall be one year. ~~A teacher who has complied with the then applicable probationary requirements in a school district prior to July 1, 1967, shall not be required to serve a new probationary period in the said district subsequent thereto.~~ *The school board shall adopt a plan for written evaluation of teachers during the probationary period. Evaluation shall occur not less than three times each year.* During the probationary period any annual contract with any teacher may or may not be renewed as the school board shall see fit; provided, however, that the school board shall give any such teacher whose contract it declines to renew for the following school year written notice to that effect before June 1. If the teacher requests reasons for any nonrenewal of a teaching contract, the school board shall give the teacher its reason in writing, including a statement that appropriate supervision was furnished describing the nature and the extent of such supervision furnished the teacher during ~~his~~ *the* employment by the board, within ten days after receiving such request. The school board may, after a hearing held upon due notice, discharge a teacher during the probationary period for cause, effective immediately, under section 123.35, subdivision 5.

Sec. 14. Minnesota Statutes 1982, section 125.17, subdivision 2, is amended to read:

Subd. 2. [PROBATIONARY PERIOD; DISCHARGE OR DEMOTION.] All teachers in the public schools in cities of the first class during the first three years of consecutive employment shall be deemed to be in a probationary period of employment during which period any annual contract with any teacher may, or may not, be renewed as the school board shall see fit. *The school board shall adopt a plan for a written evaluation of teachers during the probationary period. Evaluation shall occur not less than three times each year.* The school board may, during such probationary period, discharge or demote a teacher for any of the causes as specified in this code. A written statement of the cause of such discharge or demotion shall be given to the teacher by the school board at least 30 days before such removal or demotion shall become effective, and the teacher so notified shall have no right of appeal therefrom.

Sec. 15. Minnesota Statutes 1982, section 125.611, is amended by adding a subdivision to read:

Subd. 13. [APPLICATIONS AFTER JUNE 30, 1984.] *The state shall not reimburse the district for any portion of an early retirement incentive for any applications submitted after June 30, 1984. Beginning on July 1, 1984, a teacher meeting the requirements of subdivision 1 may apply to the school board of the employing district for a contract for termination of services, withdrawal from active teaching service, and payment of an early retirement incentive. This application shall be submitted on or before February 1 of the school year at the end of which the teacher wishes to retire. A school board*

*shall approve or deny the application within 30 days after it is received by the board. The amount of the early retirement incentive shall be agreed upon between the teacher and the school board. The early retirement incentive shall be paid by the employing district at the time and in the manner mutually agreed upon by a teacher and the board.*

Sec. 16. Minnesota Statutes 1982, section 125.185, subdivision 4, is amended to read:

Subd. 4. The board shall develop and create rules for the licensure of public school teachers and interns, and from time to time ~~the board of teaching~~ it shall revise or supplement the rules for licensure of public school teachers subject to the provisions of chapter 14. It shall be the duty of the board of ~~teaching~~ to establish rules for the approval of teacher education programs; provided these rules shall encourage teacher educators to obtain periodic classroom teaching experience. The board of ~~teaching~~ shall also grant licenses to interns and to candidates for original licenses and receive recommendations from local committees as established by the board of ~~teaching~~ for the renewal of teaching licenses, grant life licenses to those who qualify according to requirements established by the board of ~~teaching~~, and suspend or revoke licenses pursuant to sections 125.09 and 214.10. *Notwithstanding any law or rule to the contrary, the board shall not establish any expiration date for application for life licenses.* With regard to vocational education teachers the board of teaching shall adopt and maintain as its rules the rules of the state board ~~for vocational~~ of education and the state board of vocational technical education.

Sec. 17. Minnesota Statutes 1983 Supplement, section 129B.02, subdivision 4, is amended to read:

Subd. 4. [REPORT TO LEGISLATURE.] The council shall report to the *education committees of the legislature* by November 15 of each even-numbered year concerning all research and all proposals received, the dispositions of them by the council and the state board of education, the evaluations of the programs that were funded, and of receipts and expenditures resulting from sales of materials developed through venture fund grants.

Sec. 18. Minnesota Statutes 1983 Supplement, section 129B.041, subdivision 1, is amended to read:

Subdivision 1. [COPYRIGHT.] Products of projects and programs funded pursuant to sections 129B.01 to 129B.05, including curriculum and instructional materials, computer and telecommunications software, and associated manuals and reports, may be copyrighted by the council in the name of the state and may be sold. However, the state shall sell the products to all school districts and public agencies in the state at prices that do not exceed the cost of reproduction and distribution. *Products sold shall be clearly labeled as products developed pursuant to a grant or loan from the council on quality education.*

Sec. 19. Minnesota Statutes 1983 Supplement, section 129B.041, subdivision 3, is amended to read:

Subd. 3. [REVOLVING FUND.] The education ~~products~~ *product and loan repayment* revolving account is established in the state treasury. ~~Except as provided in the agreement between the council and the Minnesota educational~~

~~computing consortium pursuant to subdivision 2, Repayment of loans, made according to section 129B.04, subdivision 2, and sale proceeds up to the cost of reproduction and distribution from the sale of products under this section shall be deposited in this account. All funds in this account are annually appropriated to the department of education and shall be used to reproduce and distribute products of projects and programs funded pursuant to sections 129B.01 to 129B.05.~~

Sec. 20. Minnesota Statutes 1982, section 275.125, subdivision 9a, is amended to read:

Subd. 9a. [STATUTORY OPERATING DEBT LEVY.] (1) In 1978 and each year thereafter in which so required by this subdivision, a district shall make an additional levy to eliminate its statutory operating debt, determined as of June 30, 1977 and certified and adjusted by the commissioner. This levy shall not be made in more than 20 successive years and each year before it is made, it must be approved by the commissioner and the approval shall specify its amount. This levy shall in each year be an amount which is equal to the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year ~~as determined by the equalization aid review committee~~; provided that in the last year in which the district is required to make this levy, it shall levy an amount not to exceed the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year ~~as determined by the equalization aid review committee~~. When the ~~sum of the cumulative levies made pursuant to this subdivision equal and transfers made according to section 121.912, subdivision 4 equals~~ an amount equal to the statutory operating debt of the district, the levy shall be discontinued.

(2) The district shall establish a special account in the general fund which shall be designated "appropriated fund balance reserve account for purposes of reducing statutory operating debt" on its books and records. This account shall reflect the levy authorized pursuant to this subdivision. The proceeds of this levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.

(3) Any district which is required to levy pursuant to this subdivision shall certify the maximum levy allowable under subdivision 2a in that same year.

(4) Each district shall make permanent fund balance transfers so that the total statutory operating debt of the district is reflected in the general fund as of June 30, 1977.

Sec. 21. Minnesota Statutes 1982, section 465.721, is amended to read:

465.721 [FUNDING.]

No county, city, township, ~~school district~~ or other governmental subdivision shall implement a plan for payment of severance pay pursuant to section 465.72 until a plan providing for full funding has been developed and approved by the governing body. *This section does not apply to school districts.*

Sec. 22. Minnesota Statutes 1982, section 471.61, subdivision 1, is amended to read:

Subdivision 1. [OFFICERS, EMPLOYEES.] Any county, municipal cor-



poration, town, school district, county extension committee, other political subdivision or other body corporate and politic of this state, other than the state or any department thereof, through its governing body, and any two or more subdivisions acting jointly through their governing bodies, may insure or protect its or their officers and employees, and their dependents, or any class or classes thereof, under a policy or policies, or contract or contracts of group insurance or benefits covering life, health, and accident, in the case of employees, and medical and surgical benefits, and hospitalization insurance or benefits, for both employees and dependents, or dependents of an employee whose death was due to causes arising out of and in the course of employment, or any one or more of such forms of insurance or protection. Any such governmental unit, including county extension committees and those paying their employees, may pay all or any part of the premiums or charges on such insurance or protection. Any such payment shall be deemed to be additional compensation paid to such officers or employees but for purposes of determining contributions or benefits under any public pension or retirement system it shall not be deemed to be additional compensation. Any one or more of such governmental units may determine that a person is an officer or employee if such officer or employee receives a portion of his income from such governmental subdivisions without regard to the manner of his election or appointment. The appropriate officer of such governmental unit, or those disbursing county extension funds, shall deduct from the salary or wages of each officer and employee who elects to become insured or so protected, on the officer's or employee's written order, all or part of the officer's or employee's share of such premiums or charges and remit the same to the insurer or company issuing such policy or contract.

Any governmental unit, *other than a school district*, which pays all or any part of such premiums or charges is authorized to levy and collect a tax, if necessary, in the next annual tax levy for the purpose of providing the necessary funds for the payment of such premiums or charges, and ~~except for school districts~~ such sums so levied and appropriated shall not, in the event such sum exceeds the maximum sum allowed by any law or the charter of a municipal corporation, be considered part of the cost of government of such governmental unit as defined in any tax levy or per capita expenditure limitation; provided at least 50 percent of the cost of benefits on dependents shall be contributed by the employee or be paid by levies within existing per capita tax limitations.

The word "dependents" as used herein shall mean spouse and minor unmarried children under the age of 18 years actually dependent upon the employee.

Sec. 23. Minnesota Statutes 1982, section 471.61, subdivision 2a, is amended to read:

Subd. 2a. [RETIRED OFFICERS, EMPLOYEES.] Any county, municipal corporation, town, school district, county extension committee, other political subdivision or other body corporate and politic of this state, including the state or any department thereof, through its governing body, and any two or more subdivisions acting jointly through their governing bodies, may insure or protect its or their retired officers and retired employees entitled to benefits under any public employees retirement act and their dependents, or any class or classes thereof, under a policy or policies, or contract or con-

tracts of group insurance or benefits covering life, health, and accident, medical and surgical benefits, or hospitalization insurance or benefits, for retired officers and retired employees and their dependents, or any one or more of such forms of insurance or protection. Any such governmental unit, including county extension committees, may pay all or any part of the premiums or charges on such insurance or protection. Any one or more of such governmental units may determine that a person is a retired officer or a retired employee if such officer or employee, when employed, received a portion of his income from such governmental subdivisions without regard to the manner of his election or appointment. The appropriate officer of such governmental unit, or those disbursing county extension funds, shall collect from each such retired officer and retired employee who elects to become insured or so protected, on such officer's or employee's written order, all or part of the retired officer's or retired employee's share of such premiums or charges and remit the same to the insurer or company issuing such policy or contract.

Any governmental unit, *other than a school district*, which pays all or any part of such premiums or charges is authorized to levy and collect a tax, if necessary, in the next annual tax levy for the purpose of providing the necessary funds for the payment of such premiums or charges, and ~~except for school districts~~ such sums so levied and appropriated shall not, in the event such sum exceeds the maximum sum allowed by any law or the charter of a municipal corporation, be considered part of the cost of government of such governmental unit as defined in any tax levy or per capita expenditure limitation; provided at least 50 percent of the cost of benefits on dependents shall be contributed by the retired officer or retired employee or be paid by levies within existing per capita tax limitations.

The word "dependents" as used herein shall mean spouse and minor unmarried children under the age of 18 years actually dependent upon the retired officer or retired employee.

Sec. 24. Laws 1976, chapter 20, section 5, subdivision 1, is amended to read:

Sec. 5. [RESERVE FUND FOR REDUCING STATUTORY OPERATING DEBT.] Subdivision 1. The district shall establish a special reserve account, which shall be designated "reserve account for purposes of reducing statutory operating debt" on its books and records into which the proceeds of the bonds authorized in section 1 and the levies made under section 4 shall be placed. The funds in this account shall be used only for the payment of district operating expenses, but the amount in this account shall never supplement district revenues or income for the purposes of increasing the district's capital or operational expenditures or budgets, or for any purpose, other than to meet temporary cash needs. Earnings on sums in this account may be used for paying interest expenses on tax and aid anticipation certificates and for the purposes for which funds in this account may be used. *Earnings on sums in this account after June 30, 1984, may be withdrawn from the account and placed in the general fund.* The funds in this account may be invested and reinvested in accordance with the further provisions of Minnesota Statutes, Section 475.66, as amended.

Sec. 25. Laws 1983, chapter 314, article 7, section 45, is amended to read:

Sec. 45. [PILOT PROJECTS USING MICROCOMPUTERS.]

The department of education shall pilot test microcomputer-based financial reporting systems in up to ~~eight~~ 12 school districts during the ~~1983-1984~~ 1984-1985 school year. *Districts participating in the pilot test sites shall meet hardware, software, and support limitations of the test system use as established by the department. The department shall encourage districts in geographic areas that are not now pilot testing microcomputer-based financial reporting systems to apply for additional test sites. In selecting additional test sites, the department shall give preference to districts in geographic areas that do not currently have test sites.* The alternative reporting system must comply with Minnesota Statutes, sections 121.90 to 121.917.

The school districts selected as pilot sites shall operate parallel reporting systems until such time that the department certifies that the alternative system meets the reporting requirements. The systems to be tested shall include one developed by the Minnesota educational computing consortium and at least one other available system recommended for testing by the ESV computer council, in consultation with the department. The alternative reporting systems operated by school districts selected as pilot sites shall be exempt from the requirements in Minnesota Statutes, section 121.936, subdivision 1, clause (b)(2), for the ~~1983-1984~~ 1984-1985 school year.

The department shall evaluate the pilot systems. The evaluation shall include recommendations on the feasibility and efficiency of reporting directly to the department, reporting to the department through the regional management information centers, or by other methods. The ESV computer council shall review the evaluation of the pilot systems and report its findings to the house education and appropriations committees and senate education and finance committees by ~~February 15, 1984~~ January 15, 1985. *The report shall include: changes in fees and costs for districts not participating in the pilot test; an analysis of district, state, and regional costs associated with operation of the systems; recommendations for maintenance of the systems; alternatives, their costs and recommendations for the provision of support to users; and an analysis of the desirability of limiting the number of allowable alternative systems.* The cost of the evaluation shall be paid by the department of education.

Sec. 26. Laws 1983, chapter 314, article 8, section 23, is amended to read:

Sec. 23. [RULEMAKING ON CURRICULUM.]

*Subdivision 1. [SECONDARY CURRICULUM.] By September 30, 1984, the state board of education shall adopt rules pursuant to chapter 14, establishing ~~elementary and~~ secondary curriculum requirements ~~which~~ that will ensure that a minimum comprehensive educational program is available to all public *secondary* school students in the state. The *secondary curriculum* rules adopted by the state board shall be effective beginning in the 1985-1986 school year.*

*Subd. 2. [ELEMENTARY CURRICULUM.] By September 1, 1985, the state board of education shall adopt rules pursuant to chapter 14, establishing elementary curriculum requirements that will ensure that a minimum comprehensive educational program is available to all public elementary school students in the state. The elementary curriculum rules adopted by the state board shall be effective beginning in the 1986-1987 school year.*

*Subd. 3. [REPEALER.] This section is repealed on December 31, 1986.*

**Sec. 27. [RETROACTIVE CREDITS.]**

*Pupil records shall contain evidence of classes completed at the University of Minnesota talented youth mathematics project during the 1980-1981, 1981-1982, 1982-1983, and 1983-1984 school years. Pupils may take examinations according to section 8 for these classes and if the pupil passes the examination the pupil shall receive credit for courses taken during those years.*

**Sec. 28. [APPLICABILITY OF THREE YEAR PROBATION.]**

*Notwithstanding the provisions of section 13, a teacher who has completed at least one year of the first teaching experience in Minnesota in a single school district on June 30, 1984, shall be required to have a two-year probationary period in that district.*

**Sec. 29. [INDEPENDENT SCHOOL DISTRICT NO. 271; SALE OF BUILDING.]**

*Subdivision 1. [BUILDING EXCHANGE FOR CASH, PRODUCTS, AND SERVICES.] Notwithstanding Minnesota Statutes, sections 123.36, subdivision 13, 123.37, and 471.345, or any other law to the contrary, Independent School District No. 271, Bloomington, may sell a school building to a purchaser for cash, products, and services provided by the purchaser. Cash received from the purchaser shall first be placed in the debt retirement fund in compliance with Minnesota Statutes, section 123.36, subdivision 13, clause (1). Additional cash, if any, may be placed in the general fund. Products and services may be provided for a period of time not to exceed five years according to contractual terms. The products and services shall consist of at least computer hardware, software, training, and related services as needed by the district.*

*Subd. 2. [EFFECTIVE DATE AND NO LOCAL APPROVAL.] Pursuant to section 645.023, subdivision 1, clause (a), subdivision 1 is effective without local approval the day following final enactment.*

**Sec. 30. [INDEPENDENT SCHOOL DISTRICT NO. 284; SALE OF BUILDINGS.]**

*Subdivision 1. [EXCESS SALE PROCEEDS INTO GENERAL FUND.] Notwithstanding Minnesota Statutes, section 123.36, subdivision 13, or any other law to the contrary, Independent School District No. 284, Wayzata, may deposit the excess proceeds from the sale of any building owned by the district that is sold before January 1, 1986, into the general fund after complying with the provisions of Minnesota Statutes, section 123.36, subdivision 13, clause (1).*

*Subd. 2. [EFFECTIVE DATE AND NO LOCAL APPROVAL.] Pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), subdivision 1 is effective without local approval the day following final enactment.*

**Sec. 31. [INDEPENDENT SCHOOL DISTRICT NO. 622; SALE OF BUILDINGS.]**

*Subdivision 1. [EXCESS SALE PROCEEDS INTO GENERAL FUND.] Notwithstanding Minnesota Statutes, section 123.36, subdivision 13, or any other law to the contrary, Independent School District No. 622, North St.*

*Paul-Maplewood, may deposit the excess proceeds from the sale of any building owned by the district that is sold after July 1, 1983, into the general fund after complying with the provisions of Minnesota Statutes, section 123.36, subdivision 13, clause (1).*

*Subd. 2. [EFFECTIVE DATE AND NO LOCAL APPROVAL.] According to Minnesota Statutes, section 645.023, subdivision 1, clause (a), subdivision 1 is effective without local approval the day following final enactment.*

**Sec. 32. [INDEPENDENT SCHOOL DISTRICT NOS. 524 and 525; SPECIAL CONSOLIDATION PROVISIONS.]**

*Subdivision 1. [SCHOOL DISTRICT NOS. 524 and 525; CONSOLIDATION PROVISIONS.] Independent School District No. 524, Halstad, and Independent School District No. 525, Hendrum, as part of an agreement to consolidate according to Minnesota Statutes, section 122.23 or any other law, may agree to any of the following:*

*(a) election districts of the size and with the population desired by the consolidating districts; and*

*(b) election of school board members in any manner agreed upon, such as at large from a previously existing district or from the newly consolidated district, some members at large, some members from election districts or some members from previously existing districts.*

*Election districts created pursuant to this agreement may be changed or altered in the manner provided in Minnesota Statutes, section 123.32, subdivision 15. To the extent the provisions of Minnesota Statutes, section 122.23, or any other applicable law are inconsistent with this section, the provisions of this section shall apply.*

*Subd. 2. [EFFECTIVE DATE.] Pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), subdivision 1 is effective without local approval on the day following final enactment.*

**Sec. 33. [FUND TRANSFER AUTHORIZATION.]**

*Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 147.] Notwithstanding any law to the contrary, Independent School District No. 147, Dilworth, is authorized to permanently transfer to its general fund from its capital expenditure fund an amount not to exceed \$60,000.*

*Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 147 with Minnesota Statutes, section 645.021, subdivision 3.*

**Sec. 34. [FUND TRANSFER AUTHORIZATION.]**

*Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 319.] Notwithstanding any law to the contrary, Independent School District No. 319, Nashwauk-Keewatin, is authorized to permanently transfer an amount not to exceed \$75,000 from the pupil transportation fund balance account entitled "appropriated for bus purchases" to the general fund unappropriated fund balance account for the purpose of reducing the school district's operating debt on or before June 30, 1984.*

*Subd. 2. [NO LOCAL APPROVAL.] Pursuant to Minnesota Statutes,*

*section 645.023, subdivision 1, clause (a), subdivision 1 is effective without local approval the day following final enactment.*

**Sec. 35. [FUND TRANSFER AUTHORIZATION.]**

*Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 464.] Independent School District No. 464, Grove City, may permanently transfer \$80,000 from the capital expenditure fund to the general fund.*

*Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 464, Grove City, with Minnesota Statutes, section 645.021, subdivision 3.*

**Sec. 36. [FUND TRANSFER AUTHORIZATION.]**

*Subdivision 1. [SCHOOL DISTRICT NO. 627; FUND TRANSFER.] Independent School District No. 627, Oklee, may permanently transfer \$50,000 from the bus purchase account of the pupil transportation fund to the general fund for the 1984-1985 school year.*

*Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 627 with Minnesota Statutes, section 645.021, subdivision 3.*

**Sec. 37. [FUND TRANSFER AUTHORIZATION.]**

*Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 726.] Notwithstanding the provisions of Minnesota Statutes, section 121.912, in fiscal year 1984, Independent School District No. 726, Becker, is authorized to permanently transfer the sum of \$100,000 from the general fund of the district to the capital expenditure fund of the district to eliminate a deficit in the capital expenditure fund.*

*Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 726 with Minnesota Statutes, section 645.021, subdivision 3.*

**Sec. 38. [FUND TRANSFER AUTHORIZATION.]**

*Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 852.] Independent School District No. 852, Campbell-Tintah, is authorized to make a permanent transfer of interest income from the capital expenditure fund to the general fund before July 1, 1984, and again, before July 1, 1985.*

*Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 852 with Minnesota Statutes, section 645.021, subdivision 3.*

**Sec. 39. [FUND TRANSFER AUTHORIZATION.]**

*Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 460.] Notwithstanding Minnesota Statutes, section 475.61, subdivision 4, or any other law to the contrary, by June 30, 1984, Independent School District No. 460, Granada-Huntley, may transfer to its general fund the amount of any surplus remaining in its debt service fund when the obligations and interest thereon for the Granada school building are paid.*

*Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after the school board of Independent School District No. 460 complies with*

*Minnesota Statutes, section 645.021, subdivision 3.*

**Sec. 40. [FUND TRANSFER AUTHORIZATION.]**

*Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 833.] Notwithstanding any law to the contrary, for the school year 1984-1985 Independent School District No. 833, South Washington County, may permanently transfer an amount not to exceed \$500,000 from the capital expenditure fund to the general fund.*

*Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 833 with Minnesota Statutes, section 645.021, subdivision 3.*

**Sec. 41. [ARTS EDUCATION REPORT.]**

*By January 15, 1985, the department of education shall report to the education committees of the legislature recommendations for improving arts education in elementary and secondary schools. The report shall include:*

*(1) a review of the comprehensive arts planning grants authorized by Minnesota Statutes, sections 129B.17 to 129B.21;*

*(2) an assessment of the need for arts programs at elementary and secondary schools with recommendations for expanded arts opportunities for all students; and*

*(3) recommendations about establishing a Minnesota school for the arts, specifically addressing: the need for the school; a governance structure; administration and staffing; curriculum components, including academic areas; student selection procedures, tuition, transportation, and housing; capital and operational budgets; funding provisions and sources; and ability to serve as a statewide resource center for school districts and staff.*

**Sec. 42. [REPORT ABOUT COOPERATION AND SECONDARY VOCATIONAL COURSES.]**

*Subdivision 1. By January 1, 1985, the commissioner of education shall report to the education committees of the legislature on recommendations for allocating revenue to all school districts on an equitable and appropriate basis for the purpose of cooperating in providing special education, secondary vocational programs, and academic programs. In making recommendations, the commissioner shall consider cooperative incentive revenues available through the intermediate school district levies and the interdistrict cooperation aid and levy. The commissioner shall include recommendations on offering cooperative programs through educational cooperative service units; education districts, as defined in Laws 1983, chapter 314, article 6, section 32; intermediate school districts; and other cooperations formed by joint powers agreements. The commissioner shall also review the adequacy of the existing special education and secondary vocational funding formulas. The commissioner shall also consider, but not be limited to, the following factors that may affect interdistrict cooperative efforts:*

*(1) types of programs being offered,*

*(2) type, number, and resident districts of students being served,*

*(3) size of the attendance area, and*

(4) the extent to which various programs are integrated within each district or service area.

This report may include further evaluation of the report required pursuant to Laws 1983, chapter 314, article 7, section 49.

*Subd. 2. If the state board of education adopts rules requiring school districts to offer secondary vocational education courses, the report in subdivision 1 shall also discuss the fiscal impact on the school districts and the impact on a school district's ability to offer other academic elective courses as a result of adopting rules requiring school districts to offer secondary vocational education.*

**Sec. 43. [SUSPENSION ON LICENSE RULES.]**

*The board of teaching shall not adopt any new or amended rules relating to licensing teachers until July 1, 1985.*

**Sec. 44. [DEADLINE FOR EXPERIENCE FOR MIDDLE SCHOOL LICENSE.]**

*The deadline for a licensed elementary or secondary teacher to gain the three years' Minnesota middle school teaching experience necessary to be issued a middle school teaching license, upon application, under Minnesota Rules, part 8700.3400, subparts 11 and 12, is extended from July 1, 1983, to July 1, 1984.*

**Sec. 45. [SPECIAL EDUCATION: EARLY CHILDHOOD RULES.]**

*Subdivision 1. Colleges and universities which offer approved special education: early childhood programs shall, upon request of the state board of teaching, update their description of assessment of previous teaching experience and previous teacher preparation as required by Minnesota Rules, part 8700.5501. The board of teaching shall suspend application of Minnesota Rules, part 8700.5501, subpart 2, item F for teachers who provide evidence to the board of teaching of two years of teaching experience in a special education: early childhood program setting, as verified by the employing district superintendent.*

*Subd. 2. [REVIEW.] The board of teaching shall establish a review panel to review any disputes between the teacher and the institution relating to the assessment of previous teaching experience and previous teacher preparation. The review panel shall consist of two licensed practitioners in the special education: early childhood field; one special education: early childhood specialist in the department of education, and one faculty member from a higher education institution offering an approved special education: early childhood program. The decision of the review panel shall be final.*

*Subd. 3. [PROVISIONAL LICENSES.] All persons holding a provisional license in special education: early childhood, pursuant to Minnesota Rules, part 8700.5501, subpart 4, which is due to expire on July 1, 1984, may request an extension of the validity of the provisional license until July 1, 1985. They shall submit the requests to the personnel licensing section of the department of education.*

**Sec. 46. [REPORT ON VISION AND HEARING ASSESSMENT.]**

*By February 1, 1985, the departments of education and health shall report*



to the education committees of the legislature on the assessment of pupils' vision and hearing. These departments shall cooperate with one another and submit a joint report. The report shall include a description of existing programs for screening and assessment of pupils, cost data on existing programs, evaluation of existing programs including cost analysis, and recommendations for improvement of existing programs or establishment of a new program to ensure that all pupils whose learning is affected by vision or hearing problems are identified, diagnosed, and treated.

Sec. 47. [STUDY OF AMBIENT AIR TESTING.]

The department of education shall conduct a study to determine the feasibility of using ambient air testing as an indicator of asbestos exposure in schools. If the department determines that ambient air testing is feasible in schools, it may contract for the development of ambient air standards to measure asbestos in schools.

Sec. 48. [EARLY RETIREMENT APPLICATIONS; 1983-1984 SCHOOL YEAR.]

Any teacher who has submitted an application for an early retirement incentive pursuant to Minnesota Statutes, section 125.611 in a timely manner during the 1983-1984 school year, whose application has been accepted by the commissioner of education prior to June 30, 1984, and who is eligible for a normal retirement annuity without reduction for age because the teacher's attained age plus credited allowable service totals 85, shall have the option of accepting either the early retirement incentive pursuant to Minnesota Statutes, section 125.611, or the normal retirement annuity without reduction for age because the teacher's attained age plus credited allowable service totals 85, but may not accept both. The teacher shall notify the school board, the commissioner of education, and the appropriate retirement association of his or her decision by July 15, 1984.

Sec. 49. [DESEGREGATION VARIANCE.]

The commissioner shall approve school desegregation plans that vary from the standard by up to an additional 15 percentage points if the local board can justify an educational reason for a variance to the state board from the comprehensive school desegregation plan submitted. If the variance is approved by the commissioner, it may result in a school building exceeding 50 percent minority enrollment if necessary.

Sec. 50. [TASK FORCE ON SCHOOL BUS SAFETY.]

Subdivision 1. [ESTABLISHMENT.] A task force on school bus safety is established. The task force shall consist of up to 13 members appointed by the commissioner of education. The commissioner shall appoint at least one member from the Minnesota safety council and one member from the department of public safety. The commissioner shall also appoint at least one school administrator and a person to represent parents with children who regularly ride the school bus. The task force shall terminate by June 30, 1985.

Subd. 2. [DUTIES.] The task force shall study school bus safety. The study shall include at least the following issues:

(1) equipment and other safety features of school bus design, including seat

*belts, surface padding, and compartmentalization;*

*(2) proposals for mandatory installation and use of seat belts in school buses;*

*(3) relative population of school buses which are and are not subject to federal requirements for safety features;*

*(4) qualifications, training, examination, and licensing of school bus drivers;*

*(5) adequacy of school bus maintenance;*

*(6) current requirements and practices about school bus hauling distances;*

*(7) safety aspects of school bus pickup points; and*

*(8) instruction given to school children about safe boarding and departing procedures.*

*Subd. 3. [EXPENSES.] The compensation of task force members, removal, and vacancies shall be as provided in section 15.059, subdivisions 3 and 4.*

*Subd. 4. [REPORT.] The task force shall report its findings and recommendations to the commissioner of education and the education committees of the legislature by December 1, 1984.*

**Sec. 51. [ADVISORY COUNCIL ON BARGAINING IMPASSE RESOLUTION.]**

*Subdivision 1. There is created an advisory council on bargaining impasse resolution whose purpose shall be to study collective bargaining as it relates to public schools.*

*Subd. 2. The advisory council shall consist of 11 members as follows: two members of the senate appointed by the subcommittee on committees of the committee on rules and administration; two members of the house of representatives appointed by the speaker of the house; the director of the bureau of mediation services or a designee; and six members of the general public appointed by the governor. The advisory council shall elect a chair from its membership. The advisory council shall terminate on June 30, 1985.*

*Subd. 3. By January 15, 1985, the advisory council shall submit to the legislative commission on employee relations its report and recommendations on the impasse resolution policies under Minnesota Statutes, sections 179.61 to 179.76 relating to public schools. The advisory council shall study:*

*(1) existing provisions of state law relating to negotiations, mediation, and impasse resolution;*

*(2) attitudes of public employers and employees and the public on current collective bargaining laws relating to public schools;*

*(3) collective bargaining laws in other states relating to public schools;*

*(4) changes in statutory timelines and the right to strike; and*

*(5) collective bargaining rights and procedures relating to principals and assistant principals.*

*Subd. 4. The legislative commission on employee relations shall provide*

staff for the advisory council. Members who are legislators shall be compensated in the same manner as other legislative meetings. The compensation of public members shall be governed by section 15.059, subdivision 3.

Sec. 52. [FUND MERGER RECOMMENDATIONS.]

By January 1, 1985, the advisory council on uniform financial accounting and reporting standards shall make recommendations to the education committees of the legislature on the need for maintaining separate school district funds. The recommendations shall include consideration of merging the general fund and capital expenditure fund.

Sec. 53. [INSTRUCTION TO REVISOR.]

Subdivision 1. [INTERMEDIATE SCHOOL DISTRICTS.] The revisor of statutes shall include in the next subsequent edition of Minnesota Statutes, and edit as authorized by law, the uncoded permanent law relating to Intermediate School District Nos. 287, 916, and 917.

Subd. 2. [DESEGREGATION VARIANCE.] The revisor of statutes shall replace Minnesota Rules, part 3525.0700, first paragraph, second sentence, with section 49.

Subd. 3. [MIDDLE SCHOOL LICENSURE.] The revisor of statutes shall change Minnesota Rules, part 8700.3400, subparts 11 and 12, to agree with the extension made in section 44.

Sec. 54. [REPEALER.]

Subdivision 1. Minnesota Statutes 1982, section 125.60, subdivision 2a, is repealed. Minnesota Statutes 1983 Supplement, section 129B.041, subdivision 2, is repealed.

Subd. 2. Section 28 is repealed on June 30, 1985.

Sec. 55. [APPROPRIATION.]

Subdivision 1. [BARGAINING IMPASSE STUDY.] The sum of \$12,500 is appropriated for fiscal year 1985 from the general fund to the legislative commission on employee relations for the advisory council bargaining impasse resolution. The sum is available until June 30, 1985.

Subd. 2. [BUS SAFETY TASK FORCE.] The sum of \$5,000 is appropriated for fiscal year 1985 from the general fund to the department of education for the task force on school bus safety. The sum is available until June 30, 1985.

Subd. 3. [ARTS EDUCATION REPORT.] The sum of \$148,000 is appropriated for fiscal year 1985 from the general fund to the department of education for the purposes of section 41.

The department of education shall not expend \$118,000 of this sum until it submits the report about establishing a Minnesota school for the arts to the chair of the senate education aids subcommittee and the chair of the house education finance division and receives their advisory recommendations on the school; failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Subd. 4. [AMBIENT AIR TESTING STUDY.] The sum of \$10,000 is

*appropriated for fiscal year 1985 from the general fund to the department of education for the study on ambient air testing. This appropriation is available to match funds from other sources if the department contracts for the development of ambient air standards for measuring asbestos in schools. The sum is available until June 30, 1985.*

**Sec. 56. [EFFECTIVE DATES.]**

*Subdivision 1. Sections 50, 51, and 55 are effective the day following final enactment.*

*Subd. 2. Sections 3 and 21 are effective June 30, 1984.*

*Subd. 3. Sections 11, 15, and 48 are effective only upon the effective date of a law passed by the 1984 legislature which makes a teacher employed by a school district eligible for a normal retirement annuity without reduction for age because the teacher's attained age plus credited allowable service totals 85.*

**ARTICLE 8**

**TECHNOLOGY AND EDUCATIONAL IMPROVEMENT**

Section 1. Minnesota Statutes 1983 Supplement, section 121.601, is amended to read:

Subdivision 1. [ESTABLISHMENT.] The ~~department commissioner~~ of education shall ~~establish~~ *maintain* a program for providing in-service training to school district staff. ~~During the first year, the program shall provide in-service training to elementary and secondary staff in mathematics, science, and social science. For Each succeeding year of the program, the commissioner shall recommend to the legislature subject areas for which in-service training programs shall be provided. In-service training programs shall be designed to emphasize the academic content of the subject area. They shall also offer a broad spectrum of experiences, including activities which require active participant involvement rather than classroom lectures. To the extent possible, the in-service training programs shall be integrated with the technology in-service training provided according to sections 129B.34 and 129B.35.~~

*Subd. 2. [NEED ASSESSMENT AND PLANNING GRANTS.] The commissioner shall determine the needs of pupils for a subject area using the statewide assessment program, before making subject area recommendations to the legislature. The commissioner shall consult with teachers of the subject area to determine the needs of teachers.*

*Subd. 3. [INITIAL PROPOSALS AND PLANNING GRANTS.] The commissioner shall request initial proposals from eligible organizations and institutions. After reviewing the initial proposals, the commissioner may award up to 20 grants to develop proposals for final selection.*

*Subd. 4. [FINAL PROPOSALS.] Grant Final proposals submitted by eligible applicants to the department shall include at least the following:*

(a) a variety of staff education activities which are designed to assess and upgrade ~~skills the subject matter knowledge~~ of those attending the training programs;

(b) provisions for addressing the requirements for licensure for those staff

who currently are not licensed in the designated areas but who desire to be so licensed;

(c) a plan for staff who participate in the training program to return to their school districts and provide training programs or disseminate information on in-service programs to other staff in their districts and regions;

(d) a process for notifying staff in the state who teach in the designated subject areas and who are eligible for the program, a process for selecting staff to participate in the in-service training program, and a mechanism for evaluation to be provided to the state board upon completion of the program;

(e) an estimated budget for the program, which shall provide for tuition expenses, related expenses including meals and lodging, and a stipend for participants in the program; and

(f) other information that may be requested by the department.

Subd. 3 5. [ELIGIBLE APPLICANTS.] The ~~department~~ commissioner may ~~allocate money award grants~~ to public or nonpublic institutions of higher education, public or private nonprofit organizations, educational cooperative service units, or school districts ~~for the purpose of providing in-service training according to this section.~~ When ~~approving or disapproving awarding grants,~~ the ~~department~~ commissioner shall ensure geographic accessibility of the programs to teachers throughout the state and a balance of programs available in different subject areas.

Subd. 4 6. [CONSULTATION.] When ~~making grants for the in-service training programs according to this section~~ ~~reviewing initial and final proposals,~~ the ~~department~~ commissioner shall consult with elementary and secondary staff in the designated subject areas to ensure that proposals submitted incorporate recent research findings and address the retraining needs of staff in those subject areas.

Subd. 5 7. [PRIVATE ADDITIONAL MONEY.] The commissioner of ~~education~~ may accept contributions from additional private or public sources to supplement state money ~~provided by this section.~~ These contributions shall be added to the total amount of available state money and shall be administered ~~by the department~~ in the same manner as state money.

Subd. 6. [~~FEDERAL MONEY.~~] The commissioner ~~of education~~ shall apply for and accept all federal money available for in-service training programs in the designated subject areas.

Subd. 7 8. [APPLICATION DATES.] ~~Applications for in-service training programs to be conducted during a school year shall be submitted to the department by January 15 preceding the beginning of that school year. The commissioner shall determine the dates by which initial and final proposals are to be submitted.~~ The ~~department~~ commissioner shall ~~approve or disapprove applications award grants each year by the following~~ March 1.

Sec. 2. Minnesota Statutes 1983 Supplement, section 121.608, is amended to read:

121.608 [INSTRUCTIONAL EFFECTIVENESS PLAN.]

~~By January 1, 1984,~~ The commissioner of education shall develop a comprehensive statewide plan for maintaining and improving instructional effectiveness in the schools. The plan shall encourage implementation of

school effectiveness strategies based on research findings in the area, develop inservice training models for school district staff, integrate developments in educational technology with classroom instruction models, and develop a mechanism for establishing a statewide network to coordinate and disseminate information on research in instructional effectiveness. The commissioner may employ consultants and specialists to assist in the development of the plan, and, to the extent possible, shall utilize the information provided by the planning, evaluation, and reporting process and the statewide assessment program. *The plan shall be revised as necessary.*

Sec. 3. Minnesota Statutes 1983 Supplement, section 121.609, is amended to read:

121.609 [INSTRUCTIONAL EFFECTIVENESS TRAINING.]

Subdivision 1. [ADVISORY TASK FORCE; PROGRAM MODEL.] ~~By January 1, 1984,~~ The commissioner of education shall appoint an advisory task force to assist the department of education, in cooperation with the educational cooperative service units, in developing an implementation model for training school district staff in instructional effectiveness. The training program model shall be based on established principles of instructional design and the essential elements of effective instruction as determined by educational research. The training program model shall take into account the diverse needs of the school districts due to such factors as district size and location, and shall be structured to facilitate regional delivery of the training through the educational cooperative service units.

Subd. 2. [PILOT TESTING OF TRAINING MODEL.] Between January 1, 1984, and ~~January 1~~ June 30, 1985, the commissioner shall administer a pilot program of the instructional effectiveness training models which shall be implemented in at least 20 pilot sites throughout the state. The advisory task force established in subdivision 1 of this section may recommend modifications in the training models as necessary.

Subd. 3. [EVALUATION AND REPORT.] The commissioner shall pay an independent evaluator to conduct an evaluation of the effectiveness of this section. ~~The evaluator shall submit a report~~ *A preliminary evaluation, including a sample survey of district personnel trained at the pilot sites, to the commissioner shall be completed by January 1, 1985.*

*The commissioner, with the assistance of the advisory task force, shall develop a long-term evaluation instrument for use at the pilot sites and other districts utilizing the instructional effectiveness models. The long-term evaluation instrument shall include a method for measuring student achievement.*

Subd. 4. [REGIONAL SERVICES.] *The department of education shall contract with educational cooperative service units or other regional educational service agencies to provide assistance to the school districts in an educational cooperative service unit region in implementing instructional effectiveness models. In selecting an agency to provide assistance to the school districts, the department shall consider such factors as support of the proposal by the participating school districts and the extent to which the proposal provides for participation by school district staff. If more than one agency submits a proposal to provide services to school districts within an educa-*

*tional cooperative service unit region, the department shall encourage the agencies to develop a joint proposal.*

*Subd. 5. [INSTRUCTIONAL EFFECTIVENESS TRAINING.] Utilizing the statewide plan developed pursuant to section 121.608 and the regional support services authorized in subdivision 4, the department of education shall provide instructional effectiveness training for school district staff. The training shall be provided by building level leadership teams, as defined in the statewide plan developed pursuant to section 121.608. The training shall include clarification of individual school goals and expectations, enhancement of collaborative planning and collegial relationships among the building staff, improvement of instructional skills and instructional climate of the school, and planning of staff development programs.*

Sec. 4. Minnesota Statutes 1982, section 123.74, is amended to read:

123.74 [~~POLICY FINDINGS.~~]

The legislature finds that a process for curriculum evaluation and planning is needed for continued improvement of the educational program for all public school children in the state, and to allow for better evaluation of educational programs by local communities. The legislature further finds that such a process is needed to facilitate decisions by school boards and communities as to which services can best be provided by the public schools and which services can or should be provided by other institutions such as the family, the private sector or other public agencies. *The legislature further finds that efficient use of educational resources is needed with regard to educational technology and interdistrict cooperation.*

Sec. 5. Minnesota Statutes 1982, section 123.741, as amended by Laws 1983, chapter 314, article 8, section 9, is amended to read:

123.741 [~~EDUCATION POLICY; CURRICULUM ADVISORY COMMITTEES PLANNING, EVALUATION, AND REPORTING PROCESS.~~]

Subdivision 1. The school board of each school district in the state shall ~~develop and~~ adopt a written ~~educational~~ *planning, evaluation, and reporting* policy which establishes ~~educational~~ *instructional goals and measurable learner objectives* for the district, a process for achieving these goals, and procedures for evaluating and reporting progress toward the goals. These goals shall include meeting the curriculum requirements adopted by the state board of education. The school board shall review this policy each year and ~~adopt revisions which it deems desirable~~ *identify annual instructional goals and measurable learner objectives to be addressed during the current school year.* School boards are encouraged to develop this school district policy and any revisions after consultation with the staff of each school building. In formulating the policy, the school board of a district is encouraged to consider: (a) the number of dropouts of school age in the district and the reasons for the dropouts; (b) existing programs within the district for dropouts and potential dropouts and (c) program needs of dropouts and potential dropouts.

Subd. 2. ~~The school board shall instruct the administrative and professional staff of the district to develop an instructional plan for the purpose of implementing the goals established in the district educational policy within resources available to the district. Insofar as possible the instructional plan shall include measurable instructional objectives to assist in directing and measuring prog-~~

ress toward the goals established in the district educational policy. For goals toward which progress is not easily measurable, the instructional plan shall include other appropriate means to direct and evaluate progress. The school board shall instruct the administrative and professional staff of the district to develop an instructional plan for the purpose of implementing the instructional goals established in the district planning, evaluation, and reporting policy within the resources available to the district. To the extent possible, the instructional plan shall include instructional effectiveness processes developed pursuant to section 121.608 and integration of curriculum and technology developed under section 129B.33, to assist in directing and measuring progress toward the instructional goals established in the district planning, evaluation, and reporting policy. For instructional goals toward which progress is not easily measurable, the instructional plan shall include other appropriate means to direct and evaluate progress.

Subd. 3. Each school board is encouraged to appoint shall establish a curriculum advisory committee to provide for active community participation in the process of developing and revising the district educational planning, evaluation, and reporting policy, developing the instructional plan, identifying the annual instructional goals and measurable learner objectives, evaluating progress, and reporting to the public. The advisory committee shall be broadly representative of the community served by the school district and shall include administrative staff, teachers, parents, and other community residents of the district. To the extent possible, parents and other community residents shall comprise at least two-thirds of the advisory committee.

Subd. 4. Each year a final evaluation of progress shall be conducted, including both professional and consumer evaluations. The professional staff evaluation shall utilize test results and may include other performance data along with faculty interpretations and judgments. Test results shall include local assessment data obtained pursuant to section 6, subdivision 2. A consumer evaluation shall include the opinions of students, parents and other residents of the community served by the school district.

Subd. 5. Upon receipt of After completing the annual evaluation reports, each the school board shall review the results and develop and adopt appropriate school district improvement plans to improve areas where goals of the district educational policy have not been met. The school district improvement plans shall describe actions to be taken by the district to correct any weakness evident from the results of the district evaluation process.

Subd. 5 6. The district educational policy, the reports of the annual evaluation including summary test results, and the plans for school improvement shall be made available to the citizens of the school district through media releases and other means of communicating with the public. These documents By September 1 of each year, the local school board shall adopt a report which shall include the following:

(a) annual instructional goals which were addressed for that year in the planning, evaluation, and reporting process;

(b) appropriate evaluation of the annual instructional goals;

(c) the results of the professional staff evaluation including local assessment data obtained pursuant to section 6, subdivision 2, and any additional



appropriate test data;

- (d) the results of the consumer evaluation; and
- (e) the annual school district improvement plans.

Every other year the report shall include an evaluation of the assessment program pursuant to subdivision 7.

The school board shall disseminate the report to all residents of the district by publication in the local newspaper with the largest circulation in the district, by newsletter, or through the United States postal service. The report shall also be on file and available for inspection by the public. A ~~information~~ ~~copies~~ copy of the ~~reports~~ report which is disseminated to the community shall be sent to the ~~state board of education~~ commissioner of education by September 1 of each year. All activities and reports pursuant to this section shall comply with chapter 13, and any other law governing data on individuals in school districts.

Subd. 7. [BIENNIAL EVALUATION; ASSESSMENT PROGRAM.] At least once every two years the school board shall evaluate the testing program, using the following criteria:

- (a) written objectives of the testing program;
- (b) names of tests and grade levels tested; and
- (c) utilization of test results.

Sec. 6. Minnesota Statutes 1982, section 123.742, as amended by Laws 1983, chapter 258, section 26, is amended to read:

123.742 [ASSISTANCE TO LOCAL SCHOOL DISTRICTS; ASSESSMENT PROGRAMS.]

Subdivision 1. [TECHNICAL ASSISTANCE.] Insofar as possible, the ~~state board~~ department of education and educational cooperative service units shall make technical assistance for planning and evaluation available to school districts upon request. The department shall collect the annual evaluation reports from local districts as provided in section 123.741, subdivision 5, and shall make this data available upon request to any district seeking to use it for purposes of comparisons of student performance.

Subd. 2. [LOCAL ASSESSMENT PROGRAM.] Beginning in the 1984-1985 school year, as part of the planning, evaluation, and reporting process, each school district shall conduct an assessment program, utilizing the local assessment option developed by the state department of education. Every year each school district shall conduct an assessment for at least one curriculum area in at least three grade levels.

Subd. 3. [PARTICIPATION IN STATEWIDE ASSESSMENT PROGRAM.] Beginning in the 1984-1985 school year, each school district shall participate in the statewide assessment sampling process at least once every three years to provide normative data. The department of education shall determine which districts shall participate and which curriculum areas shall be assessed in a given school year.

Subd. 4. [NEEDS OF HANDICAPPED PUPILS.] School boards are encouraged to consider the needs of handicapped students in determining the

*extent of their participation in the assessment programs in subdivisions 2 and 3. The district policy may provide for modifications in the testing procedures for handicapped students.*

*Subd. 5. [ASSESSMENT ITEM BANK.] The department of education shall develop an assessment item bank for the purpose of providing assessment programs to individual districts which are tailored to the specific educational objectives of the district. Beginning in the 1984-1985 school year and each year thereafter, the department shall develop an item bank for at least two curriculum areas each year. The department shall develop an item bank for at least ten different curriculum areas.*

*Subd. 6. [ADDITIONAL TESTING.] The department upon written agreement with local school districts may perform additional testing and evaluation of students. The department may collect a reasonable fee not to exceed the actual cost of services.*

*Subd. 3 7. [CURRICULUM INFORMATION.] The department may provide available curriculum information for improving teaching practices at public elementary, secondary and post-secondary vocational schools. The information may be provided upon the request of a school district or an educational cooperative service unit with which the department has a written agreement. The department may collect reasonable fees not to exceed its actual costs for this service. The department may also accept money from any public or private source to defray the cost of this service.*

*Subd. 4 8. [CAREER INFORMATION.] The department of education may provide career information to school districts and educational systems. The department may collect reasonable fees for subscriptions to the Minnesota career information service.*

Sec. 7. Minnesota Statutes 1983 Supplement, section 123.743, is amended to read:

123.743 [APPROPRIATION.]

There is annually appropriated from the general fund to the department of education any and all amounts received by the department pursuant to section 123.742, subdivisions 2 6, 3 7, and 4 8.

Sec. 8. [123.7431] [AID FOR PLANNING, EVALUATION, AND REPORTING PROCESS.]

*Subdivision 1. [ELIGIBILITY.] Each school district which completes the planning, evaluation, and reporting process pursuant to the requirements of sections 123.741 and 123.742 and which receives approval from the commissioner of education is eligible to receive state aid. An eligible school district shall receive \$1 times average daily membership for the applicable school year. No district which is eligible for aid shall receive less than \$1,500.*

*Subd. 2. [PAYMENT OF AID.] The department of education shall pay aid to a district within 30 days of approving the district's planning, evaluation, and reporting process.*

Sec. 9. [129B.10] [RESEARCH AND DEVELOPMENT GRANTS.]

*Subdivision 1. [PURPOSE.] The purpose of this section is to support re-*

*search on alternative educational structures and practices within public schools and to develop alternatives that are based on research.*

*Subd. 2. [ADVISORY TASK FORCE.] The council on quality education shall appoint an advisory task force on research and development for alternative educational structures and practices. The advisory task force shall consist of at least 11 members. All members shall have knowledge and experience in educational research, educational administration, or teaching. The advisory task force shall assist the council in carrying out its responsibilities under this section. The terms, compensation, and removal of members shall be governed by the provisions of section 15.059, subdivision 6.*

*Subd. 3. [RESEARCH AND DEVELOPMENT SUBJECTS.] The council shall select subjects for research and development focusing on alternative educational structures and practices. The subjects may include, but are not limited to, the following:*

- (1) school site management;*
- (2) development of individualized education plans for all students;*
- (3) alternative staff compensation plans;*
- (4) alternative educational delivery systems;*
- (5) outcome based education; and*
- (6) provision of educational programs in school districts by contracting with professional partnerships composed of licensed teachers.*

*Subd. 4. [PRELIMINARY STUDIES.] The council shall contract for preliminary studies to assist it in establishing research and development needs and selecting subjects for proposals. Preliminary studies shall include recommendations for evaluation procedures which the council may use if the council issues a grant for research and development in that particular subject.*

*Subd. 5. [REPORT TO LEGISLATURE; SUBJECTS.] By February 1, 1985, the council shall report to the education committees of the legislature on the research needs that the council has identified, the recommended subjects for proposals, and the potential need for changes in rules and laws to facilitate the research and development programs. The report shall include specific proposals for independent evaluation of research and development programs which will be funded under the provisions of this section. The legislature shall consider the recommendations of the council in determining the appropriation for grants to be disbursed under the provisions of this section.*

*Subd. 6. [RESEARCH AND DEVELOPMENT GRANTS.] By June 1, 1985, the council shall request proposals on three to six research and development subjects. Each request for proposals shall state the method by which a funded program will be evaluated. By September 1, 1985, the council shall review the proposals it receives and award grants.*

*Subd. 7. [REPORT TO LEGISLATURE; RESEARCH REPORTS.] By February 1, 1988, the council shall report to the education committees of the legislature. The report shall include the council's evaluation of each research and development program, recommendations for institutional changes in the structure of elementary and secondary education, and recommendations for*

*other ways of improving elementary and secondary education.*

Sec. 10. Minnesota Statutes 1983 Supplement, section 129B.32, subdivision 3, is amended to read:

Subd. 3. [COURSEWARE PACKAGE.] "Courseware package" means integrated videotape and videodisk, computer disk, ~~and software and its~~, supporting materials, such as workbooks and textbooks, ~~and other computer support hardware that is an integral part of an educational software package, such as a printed circuit board, voice synthesizer which enables speech production and its speaker, tap master, valve simulator, and digital to analog converter board. It does not mean a central processing unit, disk drive, video monitor, printer, or similar items.~~

Sec. 11. Minnesota Statutes 1983 Supplement, section 129B.36, subdivision 7, is amended to read:

Subd. 7. [EVALUATION OF SITES.] ~~The state board advisory committee~~ shall evaluate the technology demonstration sites. It may contract with independent evaluators for this purpose.

Sec. 12. [SHARED FACILITIES REPORT.]

*The commissioner of education shall collect information on and evaluate methods for sharing public school facilities with other organizations including government agencies, social service agencies, and other nonprofit and for-profit organizations. By January 1, 1985, the commissioner shall prepare a written report and make it available in published form to school districts and other interested persons. In developing this report the commissioner shall consult with persons in school districts in Minnesota and other states that are sharing facilities.*

Sec. 13. [STUDY OF TEACHER EDUCATION.]

Subdivision 1. [HIGHER EDUCATION COORDINATING BOARD.] *The higher education coordinating board shall conduct a study, in cooperation with the board of teaching, of teacher education programs in public and private institutions of higher education. The study shall result in a report and recommendations on the number, enrollment, mission, and location of all teacher education programs. The report shall include information and recommendations on the need for in-service education and the relationship of in-service, preservice, and graduate education. It shall also include information and recommendations for improving the quality and efficiency of teacher education programs by the use of standardized tests for beginning teachers, alternative methods of teacher preparation and licensure, and other means. The report shall be submitted to the education committees of the legislature by January 1, 1985.*

Subd. 2. [FACTORS.] *In developing its recommendations, the higher education coordinating board shall consider factors including, but not limited to:*

(a) *the existing pool of licensed but inactive teachers;*

(b) *the demand for teachers in preschool, elementary, and secondary education;*

(c) *the number of teacher education programs and the annual number of*

graduates;

- (d) admission criteria for teacher education programs;
- (e) access of students to special or unique programs;
- (f) procedures for licensing qualified, unlicensed individuals;
- (g) the feasibility of modifying state criteria for teacher licensure;
- (h) teacher preparation and licensure procedures in other states;
- (i) available information about the use and effectiveness of standardized tests for beginning teachers; and
- (j) possible alternative methods for licensure such as an undergraduate degree in a subject area plus an extended internship program.

#### Sec. 14. [COOPERATION OF BOARDS AND INSTITUTIONS.]

All higher education governing boards and public and private institutions are requested to cooperate fully with the higher education coordinating board in the preparation of the teacher education study, pursuant to section 136A.05.

#### Sec. 15. [SCHOOL MANAGEMENT TASK FORCE.]

*Subdivision 1. [ESTABLISHMENT.] The commissioner of education shall appoint a task force to make recommendations about an assessment center and in-service training for principals and assistant principals. The task force shall consist of 13 members. One member shall be from the elementary school principals association, one member shall be from the secondary school principals association, one member shall represent the educational cooperative service units, and one member shall be from each of the following organizations: Minnesota association of school administrators, Minnesota school boards association, administrative women in education, Minnesota federation of teachers, and Minnesota education association. The commissioner shall appoint a member from the University of Minnesota or from another institution with a teacher preparation program, or both. Members of the task force shall receive expenses in the same manner and amount as state employees. The task force shall terminate on January 1, 1986.*

*Subd. 2. [DUTIES.] The task force shall make recommendations to the commissioner of education about the types of in-service training that are needed and how to provide effective in-service training for principals. The task force shall also make recommendations to the commissioner about an assessment center, including the costs of operation, staffing, manner of operation, services to be provided, fees for school districts, and other matters. The assessment center shall be located at the University of Minnesota.*

#### Sec. 16. [SUMMER INSTITUTE STUDY.]

The academic excellence foundation shall report to the education committees of the legislature by January 15, 1985, on the availability of and need for summer institutes at or conducted by post-secondary institutions for secondary students who are outstanding in the areas of mathematics, science, and foreign languages.

#### Sec. 17. [DEPARTMENT OF EDUCATION APPROPRIATIONS.]

*Subdivision 1. There is appropriated from the general fund to the department of education the sums indicated in this section. The sums are available until June 30, 1985.*

*Subd. 2. [SUBJECT AREA IN-SERVICE TRAINING.] The sum of \$270,000 is appropriated for subject area in-service training, according to section 121.601. This appropriation is in addition to the \$500,000 appropriated to provide subject area in-service training by Laws 1983, chapter 314, article 8, section 26, subdivision 2.*

*(a) Of the sum, \$210,000 shall be used for grants for in-service training in the following:*

*Math . . . . . \$ 65,000*

*Science . . . . . \$105,000*

*Social Studies . . . . . \$ 40,000*

*The in-service training shall emphasize academic content in each of the subject areas. The grants shall be in addition to those awarded in fiscal 1984.*

*(b) The remaining \$60,000 shall be for the department to assess future needs for subject area in-service training and for planning grants. The assessment and planning grants shall emphasize the academic content of the subject area.*

*Subd. 3. [INSTRUCTIONAL EFFECTIVENESS; EVALUATION INSTRUMENT.] The sum of \$250,000 is appropriated for the development of the training models specified in section 121.609, subdivision 4, as amended, and for the development of a long-term evaluation instrument pursuant to section 121.609, subdivision 3.*

*Subd. 4. [INSTRUCTIONAL EFFECTIVENESS; REGIONAL SERVICES.] The sum of \$330,000 is appropriated for the purposes of section 121.609, subdivision 4, as amended. The department shall allocate this appropriation to the educational cooperative service unit regions based on a formula that takes into account the number of school buildings, number of participating staff, and geographic distance between the service provider and the participating school districts. Any educational cooperative service unit or other provider agency receiving funds pursuant to this section shall match the funds with an amount equal to 25 percent of the allocation.*

*Subd. 5. [INSTRUCTIONAL EFFECTIVENESS; TRAINING.] The sum of \$250,000 is appropriated for the purposes of section 121.609, subdivision 5, as amended. This amount shall be used to pay for the costs of providing instructional effectiveness training to school district staff, including the costs of stipends or substitute teachers.*

*Subd. 6. [INSTRUCTIONAL EFFECTIVENESS ADMINISTRATION.] The sum of \$70,000 is appropriated for the purposes of administering the instructional effectiveness program.*

*Subd. 7. [SHARED FACILITIES REPORT.] The sum of \$10,000 is appropriated for the purposes of preparing a report on methods for sharing public school facilities.*

*Subd 8. [RESEARCH AND DEVELOPMENT GRANTS.] The sum of*

*\$150,000 is appropriated for the council on quality education for the research and development grant program authorized in section 9. No more than \$80,000 of this appropriation shall be used for staff expenses. The department of education may increase its authorized complement for the council on quality education until June 30, 1985, by one professional and one clerical position to provide support for the grant program. At least \$50,000 of this appropriation shall be used for contracts for preliminary studies.*

*Subd. 9. [SCHOOL MANAGEMENT.] The sum of \$25,000 is appropriated for school management. Of this sum \$10,000 is for the school management task force. The remaining \$15,000 is to be used by the commissioner of education for initial administrative costs in establishing an assessment center.*

*Subd. 10. [LOCAL ASSESSMENT PROGRAM.] The sum of \$575,000 is appropriated for fiscal year 1985 for the purposes of implementing the requirements of section 6, subdivision 2. The department may use up to \$200,000 of the appropriation for initial costs of establishing the program. The department may use up to \$150,000 to increase the staff complement in the assessment section, \$50,000 of which shall be used for one additional professional position. The remaining \$100,000 is available for three positions in the assessment section and associated expenses currently funded with federal block grant dollars. This \$100,000 shall not be released until the commissioner of education has verified to the commissioner of finance that federal funding for these positions is no longer available and has not been transferred to another section in the department. In the event of a transfer from federal to state funding, the complement for the affected positions is also transferred from federal to state status.*

*Subd. 11. [DEVELOPMENT OF TEST ITEM BANK.] The sum of \$320,000 is appropriated for fiscal year 1985 for the purposes of section 6, subdivision 5. The department may use up to \$80,000 of the appropriation to increase the state complement by two positions in the assessment section.*

*Subd. 12. [PLANNING, EVALUATION, AND REPORTING PROCESS.] The sum of \$1,020,000 is appropriated for fiscal year 1985 for the purposes of section 8. Any unexpended balance remaining from this appropriation for fiscal year 1985 shall not cancel but shall be available for use in fiscal year 1986 until November 1, 1985.*

*Subd. 13. [TECHNOLOGY DEMONSTRATION SITES.] The sum of \$581,000 is appropriated to fund the technology demonstration site proposals under Minnesota Statutes, section 129B.36, which were the first, second, third, 12th, and 15th highest proposals rated by the advisory committee on technology in education. The grants awarded to each of the districts submitting these proposals shall be for use during the 1983-1984 and 1984-1985 school years and shall not exceed the actual amount of the grant proposal submitted to the state board of education or \$125,000, whichever is less.*

#### **Sec. 18. [HECB APPROPRIATION.]**

*The sum of \$20,000 is appropriated from the general fund to the higher education coordinating board to conduct a study of teacher education programs. A portion of this sum may be used for consultants. The sum shall be available until June 30, 1985.*

Sec. 19. [EFFECTIVE DATE.]

*Sections 1, 2, 3, 9, 12, 13, 14, 15, 17, and 18 are effective the day following final enactment.*

ARTICLE 9

CASH FLOW

Section 1. Minnesota Statutes 1983 Supplement, section 121.904, subdivision 4a, is amended to read:

Subd. 4a. [LEVY RECOGNITION.] (a) "School district tax settlement revenue" means the current, delinquent, and manufactured home property tax receipts collected by the county and distributed to the school district, including distributions made pursuant to section 279.37, subdivision 7, and excluding the amount levied pursuant to section 275.125, subdivision 9a, and Laws 1976, chapter 20, section 4.

(b) In June of each year, the school district shall recognize as revenue, in the fund for which the levy was made, the lesser of:

(1) the June and July school district tax settlement revenue received in that calendar year; or

(2) the sum of the state aids and credits enumerated in section 124.155, subdivision 2 which are for the fiscal year payable in that fiscal year *plus 32 percent of the amount of the levy certified in the prior calendar year according to section 275.125, subdivision 2d, plus or minus auditor's adjustments, not including levy portions that are assumed by the state; or*

(3) thirty-two percent of the amount of the levy certified in the prior calendar year, plus or minus auditor's adjustments, not including levy portions that are assumed by the state, which remains after subtracting, by fund, the amounts levied for the following purposes:

(i) reducing or eliminating projected deficits in the appropriated fund balance accounts for unemployment insurance and bus purchases;

(ii) statutory operating debt pursuant to section 275.125, subdivision 9a, and Laws 1976, chapter 20, section 4; and

(iii) retirement and severance pay pursuant to section 275.125, subdivision 6a, and Laws 1975, chapter 261, section 4; *and*

(iv) amounts levied for bonds issued and interest thereon, amounts levied for debt service loans and capital loans, and amounts levied pursuant to section 275.125, subdivision 14a.

(c) In July of each year, the school district shall recognize as revenue that portion of the school district tax settlement revenue received in that calendar year and not recognized as revenue for the previous fiscal year pursuant to clause (b).

(d) All other school district tax settlement revenue shall be recognized as revenue in the fiscal year of the settlement. Portions of the school district levy assumed by the state, including prior year adjustments and the amount to fund the school portion of the reimbursement made pursuant to section 273.425, shall be recognized as revenue in the fiscal year beginning in the



calendar year for which the levy is payable.

Sec. 2. Minnesota Statutes 1982, section 121.904, is amended by adding a subdivision to read:

*Subd. 4c. [PROPERTY TAX SHIFT REDUCTION.] (a) For the purpose of this subdivision, "combined fund balance" means the sum of the fund balance determined by the commissioner of finance pursuant to section 9 of this article, after transfers to the education aids increase account, plus the balance in the education aids increase account.*

*(b) If the combined fund balance exceeds \$58,000,000, the levy recognition percent specified in subdivision 4a, clauses (b)(2) and (b)(3), shall be reduced for taxes payable in 1985 and thereafter according to the provisions of this subdivision.*

*(c) The levy recognition percent shall equal the result of the following computation: 32 percent, times the ratio of*

*(1) the statewide total amount of levy recognized in June 1985 pursuant to subdivision 4a, clause (b), reduced by the amount of the combined fund balance in excess of \$50,000,000, to*

*(2) the statewide total amount of the levy recognized in June 1985 pursuant to subdivision 4a, clause (b).*

*The result shall be rounded up to the nearest whole percent. However, in no case shall the levy recognition percent be reduced below 24 percent.*

Sec. 3. Minnesota Statutes 1983 Supplement, section 124.155, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT OF ADJUSTMENT.] ~~Beginning with~~ *In* fiscal year 1984 and each year thereafter, state aids and credits enumerated in subdivision 2 payable to any school district ~~in a particular fiscal year~~ for that fiscal year shall be adjusted, in the order listed, by an amount equal to (1) the amount the district recognized as revenue for the prior fiscal year pursuant to section 121.904, subdivision 4a, clause (b), ~~as amended by Laws 1982, third special session chapter 1, article 3, section 1;~~ minus (2) the amount the district recognizes as revenue for the current fiscal year pursuant to section 121.904, subdivision 4a, clause (b); ~~as amended by Laws 1982, third special session chapter 1, article 3, section 1.~~ *Any loan amount authorized from the cash flow loan fund or For the purposes of making the aid adjustment under this subdivision, the amount the district recognizes as revenue for either the prior fiscal year or the current fiscal year pursuant to section 121.904, subdivision 4a, clause (b), shall not include any amount levied pursuant to section 275.125, subdivision 2d.* Payment from the permanent school fund shall not be adjusted pursuant to this section. The school district shall be notified of the amount of the adjustment made to each payment pursuant to this section.

Sec. 4. Minnesota Statutes 1983 Supplement, section 124.195, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] This section applies to all aids or credits paid by the commissioner of education from the general fund of the state of Minnesota to school districts ~~except as provided in section 124.5629.~~ ~~The procedures described in this section for making disbursements to school~~

districts will be used starting in fiscal year 1984, except that for districts that have tax anticipation certificates or aid anticipation certificates which were sold prior to June 30, 1983, and which mature prior to June 30, 1984, the payment schedules specified in Minnesota Statutes 1982 may continue to be used in fiscal year 1984 if the school district provides evidence to the commissioner of education that the payment schedules established in this section would jeopardize repayment of these certificates or prevent the district from making payments for other services without additional borrowing.

Sec. 5. Minnesota Statutes 1983 Supplement, section 124.195, subdivision 9, is amended to read:

Subd. 9. [PAYMENT PERCENTAGE FOR CERTAIN AIDS.] The following aids shall be paid at 100 percent of the entitlement for the current fiscal year: school lunch aid, according to section 124.646; ~~teacher institute aid, campus laboratory school aid, and high technology aids~~ *hearing impaired support services aid, according to section 121.201; and educational improvement aids, according to sections 121.601, 129B.33, 129B.34, and 129B.36.*

Sec. 6. Minnesota Statutes 1983 Supplement, section 124.195, is amended by adding a subdivision to read:

Subd. 11. [NONPUBLIC AIDS.] *The state shall pay to each school district 85 percent of its aid for pupils attending nonpublic schools, according to sections 123.931 to 123.947 by December 31. The final aid distribution shall be made by December 31 of the following school year.*

Sec. 7. Minnesota Statutes 1982, section 475.61, subdivision 1, is amended to read:

Subdivision 1. [DEBT SERVICE RESOLUTION.] The governing body of any municipality issuing general obligations shall, prior to delivery of the obligations, levy by resolution a direct general ad valorem tax upon all taxable property in the municipality to be spread upon the tax rolls for each year of the term of the obligations. The tax levies for all years for municipalities other than school districts shall be specified and such that if collected in full they, together with estimated collections of special assessments and other revenues pledged for the payment of said obligations, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the obligations. The tax levies for school districts shall be specified and such that if collected in full they, together with estimated collection of other revenues pledged for the payment of the obligations, will produce between five and six percent in excess of the amount needed to meet when due the principal and interest payments on the obligations; except that, with the permission of the commissioner of education, a school board may specify a tax levy in a higher amount if necessary ~~because~~ *because of either to meet an anticipated tax delinquency or for cash flow needs to meet the required payments from the debt redemption fund.* Such resolution shall irrevocably appropriate the taxes so levied and any special assessments or other revenues so pledged to the municipality's debt service fund or a special debt service fund or account created for the payment of one or more issues of obligations. The governing body may, in its discretion, at any time after the obligations have been authorized, adopt a resolution levying only a portion of such taxes, to be filed, assessed, extended, collected, and remitted

as hereinafter provided, and the amount or amounts therein levied shall be credited against the tax required to be levied prior to delivery of the obligations.

Sec. 8. Minnesota Statutes 1983 Supplement, section 475.61, subdivision 3, is amended to read:

Subd. 3. [IRREVOCABILITY.] Tax levies so made and filed shall be irrevocable, except as provided in this subdivision.

In each year when there is on hand any excess amount in the debt service redemption fund of a school district at the time the district makes its property tax levies, the amount of the excess shall be certified by the school board to the county auditor and the auditor shall reduce the tax levy otherwise to be included in the rolls next prepared by the amount certified, unless the school board determines that the excess amount is necessary to ensure the prompt and full payment of the obligations and any call premium on the obligations, or will be used for redemption of the obligations in accordance with their terms. An amount shall be presumed to be excess for a school district in the amount that it, together with the levy required by subdivision 1, will exceed 106 percent of the amount needed to meet when due the principal and interest payments on the obligations due before the second following July 1. This subdivision shall not limit a school board's authority to specify a tax levy in a higher amount if necessary because of anticipated tax delinquency or for cash flow needs to meet the required payments from the debt redemption fund.

If the governing body, including the governing body of a school district, in any year makes an irrevocable appropriation to the debt service fund of moneys actually on hand or if there is on hand any excess amount in the debt service fund, the recording officer may certify to the county auditor the fact and amount thereof and the auditor shall reduce by the amount so certified the amount otherwise to be included in the rolls next thereafter prepared.

Sec. 9. [EDUCATION AIDS INCREASE ACCOUNT.]

*Subdivision 1. [ESTABLISHMENT.] There is established an education aids increase account in the general fund of the state treasury for the deposit of funds to insure adequate funding for increases in aids to school districts for the biennium beginning July 1, 1985.*

*Subd. 2. [INITIAL TRANSFER.] The commissioner of finance shall transfer \$23,000,000 to the education aids increase account on July 1, 1984.*

*Subd. 3. [CONTINGENT TRANSFERS.] If forecasts of general fund revenues and expenditures prepared by the commissioner of finance pursuant to chapter 16A prior to December 1, 1984, indicate a projected general fund balance for the biennium ending June 30, 1985, the commissioner shall transfer the amount of the balance to the education aids increase account; however, in no case shall the cumulative total of all transfers according to this subdivision exceed \$27,000,000. Transfers to the education aids increase account shall remain in the account until expended.*

*Subd. 4. [EXPIRATION OF ACCOUNT.] The education aids increase account shall expire on June 30, 1987. Any unexpended moneys in the education aids increase account on June 30, 1987, shall be transferred to the general fund.*

Sec. 10. [CERTIFICATION AND NOTICE OF PERCENT.]

*The commissioner of finance shall certify to the commissioner of education the levy recognition percent computed under section 2 of this article by January 5, 1985. The commissioner of education shall notify school districts of any change by January 15, 1985.*

Sec. 11. [TRANSFER IN FISCAL YEAR 1985 FOR ADDITIONAL AIDS.]

*The commissioner of finance shall transfer from the general fund to the education aids appropriations specified by the commissioner of education, the amounts needed to finance the additional payments required because of the reduction pursuant to section 2 of this article of the levy recognition percentage in Minnesota Statutes, section 121.904, subdivision 4c. Payments to a school district of additional state aids resulting from a reduction in the levy recognition percentage pursuant to section 2 of this article, shall be added to the cash metering system, according to Minnesota Statutes, section 124.195, after January 15, 1985, and shall be paid in a manner consistent with the percentage specified in that section.*

Sec. 12. [CASH FLOW EVALUATION.]

*The commissioner of finance, in cooperation with the commissioner of education and the Minnesota association of school business officials, shall evaluate the impact on school districts of the cash flow provisions of Minnesota Statutes, chapter 124. The commissioner shall report the findings, along with recommendations, to the education committees of the legislature by February 15, 1985.*

Sec. 13. [REPEALER.]

*Minnesota Statutes 1982, sections 124.246, subdivision 5; 124.26, subdivision 5; 124.572, subdivision 8a; 124.573, subdivision 6; and 124.574, subdivision 8, are repealed. Minnesota Statutes 1983 Supplement, sections 124.225, subdivision 12; and 124.271, subdivision 6, are repealed.*

Sec. 14. [APPROPRIATION.]

*The appropriation for payment of support services for hearing impaired persons, according to Laws 1983, chapter 314, article 3, section 19, subdivision 8, for fiscal year 1985 is increased by \$6,000, from \$37,000 to \$43,000.*

Sec. 15. [EFFECTIVE DATE.]

*Sections 1 and 9 are effective the day following final enactment. Section 3 is effective the day following final enactment and shall apply to the adjustment made pursuant to Minnesota Statutes, section 124.155 in fiscal year 1984 and thereafter."*

Delete the title and insert:

*"A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; modifying the foundation aid formula; granting certain powers and duties to school boards, school districts, the state board of education, the commissioner of education, the department of education, the state board of vocational technical education, the*

state director of vocational technical education, the higher education coordinating board, and others; providing for an equalized summer school aid and levy; increasing the community education aid and levy; providing for an equalized early childhood and family education aid and levy; establishing a programs of excellence program; requiring an arts education study; expanding in-service and instructional effectiveness training programs; improving the planning, evaluation, and reporting process; establishing assessment programs; establishing a research and development grant program; appropriating money; amending Minnesota Statutes 1982, sections 120.05, subdivision 2; 120.06; 121.09; 121.21; 121.212, subdivision 1; 121.213; 121.214; 121.215; 121.2155; 121.216; 121.218; 121.904, by adding a subdivision; 121.908, by adding a subdivision; 121.912, by adding a subdivision; 121.935, subdivisions 2 and 6; 121.936, subdivision 1; 123.36, subdivision 10; 123.74; 123.741, as amended; 123.742, as amended; 124.19, by adding a subdivision; 124.20; 124.201, subdivision 1; 124.214, subdivision 1; 124.245, subdivision 1; 124.564; 124.565, subdivisions 1, 6, and 7; 124.572, as amended; 124.573, subdivision 3; 125.12, subdivision 3; 125.17, subdivision 2; 125.611, by adding a subdivision; 125.185, subdivision 4; 136A.02, subdivision 6; 275.125, subdivision 9a, and by adding subdivisions; 465.721; 471.61, subdivisions 1 and 2a; and 475.61, subdivision 1; Minnesota Statutes 1983 Supplement, sections 120.17, subdivision 3b; 121.15, subdivision 1; 121.503, subdivision 5; 121.601; 121.608; 121.609; 121.904, subdivision 4a; 123.36, subdivision 13; 123.743; 124.155, subdivision 1; 124.195, subdivisions 1, 9, and by adding a subdivision; 124.201, subdivisions 2, 4, and 5; 124.2122, subdivisions 1 and 2; 124.2126, subdivision 3; 124.2138; 124.214, subdivision 2; 124.271, subdivision 2b; 124.5611; 124.5612; 124.5614; 124.5615; 124.5616; 124.5617; 124.5618; 124A.06, subdivision 1; 124A.12, subdivision 1; 124A.14; 124A.16; 125.032, subdivision 2a; 129B.02, subdivision 4; 129B.041, subdivisions 1 and 3; 129B.32, subdivision 3; 129B.36, subdivision 7; 136C.01; 136C.02, subdivision 3; 136C.04, subdivisions 7, 10, and by adding a subdivision; 275.125, subdivisions 2e, 2k, 8, 8a, 9b, 11a, 11b, and 11c; 298.28, subdivision 1; 466.06; and 475.61, subdivision 3; Laws 1976, chapter 20, section 5, subdivision 1; Laws 1983, chapter 314, article 6, section 34, subdivision 12; article 7, section 45; article 8, section 23; and article 9, section 14, subdivision 3; proposing new law coded in Minnesota Statutes, chapters 121; 123; 124; 126; 129B; and 136C; repealing Minnesota Statutes 1982, sections 121.217; 124.201, as amended; 124.212, subdivision 1; 124.245, subdivision 1a; 124.246, subdivisions 2a and 5; 124.26, subdivisions 1a and 5; 124.273, subdivisions 1a and 2a; 124.32, subdivisions 1a, 1e, and 2a; 124.565, subdivisions 3 and 4; 124.572, subdivisions 2a, 8, and 8a; 124.573, subdivisions 2a, 3b, 5, and 6; 124.574, subdivisions 2, 2a, 3a, and 8; 125.60, subdivision 2a; 129B.06; 129B.07; 129B.08; 129B.09, as amended; and 275.125, subdivisions 2g and 2h; Minnesota Statutes 1983 Supplement, sections 124.11, subdivisions 2a and 2b; 124.225, subdivision 12; 124.271, subdivision 6; 124.32, subdivision 5a; 124.5613, subdivision 1; 129B.041, subdivision 2; and 275.125, subdivisions 2i and 2j."

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

House Conferees: (Signed) Ken Nelson, Bob McEachern, Buzz Anderson, Connie Levi, Gary L. Schafer

Senate Conferees: (Signed) Tom A. Nelson, James C. Pehler, Darrel L.

Peterson

Mr. Nelson moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1393 be now adopted, and that the bill be repassed as amended by the Conference Committee.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 55 and nays 8, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kamrath	Nelson	Renneke
Anderson	Diessner	Knaak	Novak	Schmitz
Belanger	Frank	Knutson	Olson	Sieloff
Berg	Frederick	Kronebusch	Pehler	Spear
Berglin	Frederickson	Laidig	Peterson, C.C.	Storm
Bertram	Freeman	Langseth	Peterson, D.C.	Stumpf
Brataas	Hughes	Lantry	Peterson, D.L.	Taylor
Chmielewski	Isackson	Lessard	Petty	Ulland
Dahl	Johnson, D.E.	Luther	Purfeerst	Vega
Davis	Johnson, D.J.	Mehrkens	Ramstad	Waldorf
DeCramer	Jude	Moe, R. D.	Reichgott	Willet

Those who voted in the negative were:

Benson	Kroening	Merriam	Peterson, R.W.	Wegscheid
Dieterich	McQuaid	Moe, D. M.		

The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H.F. No. 1393 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 65 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Nelson	Samuelson
Anderson	Diessner	Knutson	Novak	Schmitz
Belanger	Dieterich	Kroening	Olson	Sieloff
Benson	Frank	Kronebusch	Pehler	Solon
Berg	Frederick	Laidig	Peterson, C.C.	Spear
Berglin	Frederickson	Langseth	Peterson, D.C.	Storm
Bernhagen	Freeman	Lantry	Peterson, D.L.	Stumpf
Bertram	Hughes	Lessard	Petty	Taylor
Brataas	Isackson	Luther	Pogemiller	Ulland
Chmielewski	Johnson, D.E.	McQuaid	Purfeerst	Vega
Dahl	Johnson, D.J.	Mehrkens	Ramstad	Waldorf
Davis	Jude	Moe, D. M.	Reichgott	Wegscheid
DeCramer	Kamrath	Moe, R. D.	Renneke	Willet

Messrs. Merriam and Peterson, R.W. voted in the negative.

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

## 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. 1349: A bill for an act relating to liquor; abolishing prohibition on furnishing liquor to certain persons and exclusion of certain persons from liquor establishments after notice; amending Minnesota Statutes 1982, section 340.601; repealing Minnesota Statutes 1982, sections 340.73, subdivision 2; 340.78; and 340.81.

Senate File No. 1349 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 18, 1984

Mr. Spear moved that the Senate do not concur in the amendments by the House to S.F. No. 1349, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1347:

H.F. No. 1347: A bill for an act relating to crimes; prohibiting the concealing, obtaining, or retaining of a child in violation of the parental, custodial, or visitation rights of another; imposing penalties; providing for notification in custody or visitation orders of the child abduction laws; requiring violations of the child abduction law to be reported under the child abuse reporting law; amending Minnesota Statutes 1982, section 609.26; proposing new law coded in Minnesota Statutes, chapter 518.

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

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

House File No. 1347 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 18, 1984

Mr. Pogemiller moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1347, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

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

S.F. No. 1336: A bill for an act relating to crime; providing for criminal

penalties and a one year driver's license revocation upon refusal by a driver suspected of driving under the influence of alcohol or a controlled substance to take a test; authorizing testing of a suspect who is unconscious or in a condition rendering the suspect incapable of refusal; restricting issuance of limited licenses for work purposes; clarifying provisions of the hit and run law; clarifying penalties imposed on certain persons convicted of driving while under the influence of alcohol or a controlled substance; clarifying provisions of the driving after revocation, suspension, or cancellation law; prescribing penalties for causing death or injury of another while operating a vehicle in a certain manner; providing for admission into evidence of certain convictions for driving offenses for impeachment purposes; authorizing issuance of limited licenses in certain circumstances; amending Minnesota Statutes 1982, sections 169.09, subdivision 4; 169.123, subdivisions 4, 5a, and 9, and by adding a subdivision; 171.24; and 171.30, subdivision 1; and Minnesota Statutes 1983 Supplement, sections 169.09, subdivisions 1, 14, and 15; 169.121, subdivision 3; 169.123, subdivisions 2 and 6; and 609.21, subdivisions 1 and 2; proposing new law coded in Minnesota Statutes, chapters 171 and 634; repealing Minnesota Statutes 1982, section 169.123, subdivision 9.

Senate File No. 1336 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 18, 1984

Mr. Pogemiller moved that the Senate do not concur in the amendments by the House to S.F. No. 1336, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

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

S.F. No. 1954: A bill for an act relating to elections; making procedural changes; correcting erroneous and obsolete provisions; amending Minnesota Statutes 1982, sections 200.02, subdivision 7; 201.021; 201.061, subdivision 2; 203B.04, subdivision 4; 203B.06, subdivision 4; 204B.27, subdivisions 2 and 3; 204B.28, subdivision 2; 204B.29, subdivision 1; 204C.27; 204D.11, subdivision 3, and by adding a subdivision; 206.15; 208.04; Minnesota Statutes 1983 Supplement, sections 203B.12, subdivision 2; 204B.36, subdivision 2; 204C.10, subdivision 1; 204C.32, subdivision 2; and 204D.11, subdivisions 1 and 5; repealing Minnesota Statutes 1982, sections 201.018, subdivision 1; 204C.11; and 204C.30, subdivision 2.

Senate File No. 1954 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 18, 1984

### CONCURRENCE AND REPASSAGE

Mr. Hughes moved that the Senate concur in the amendments by the House



to S.F. No. 1954 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1954: A bill for an act relating to elections; making procedural changes; correcting erroneous and obsolete provisions; amending Minnesota Statutes 1982, sections 200.02, subdivision 7; 201.021; 201.061, subdivision 2; 203B.04, subdivision 4; 203B.06, subdivision 4; 203B.12, subdivisions 3, 4, and 6; 204B.27, subdivisions 2 and 3; 204B.28, subdivision 2; 204B.29, subdivision 1; 204C.27; 204D.11, subdivision 3, and by adding a subdivision; 206.15; 208.04; Minnesota Statutes 1983 Supplement, sections 203B.12, subdivision 2; 204B.36, subdivision 2; 204C.10, subdivision 1; 204C.32, subdivision 2; and 204D.11, subdivisions 1 and 5; 205.175, subdivisions 1 and 3; repealing Minnesota Statutes 1982, sections 201.018, subdivision 1; 204C.11; and 204C.30, 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 52 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Kroening	Olson	Sieloff
Anderson	Frederick	Kronebusch	Pehler	Solon
Belanger	Frederickson	Langseth	Peterson, D.C.	Taylor
Benson	Freeman	Lantry	Peterson, D.L.	Ulland
Bernhagen	Hughes	Luther	Peterson, R.W.	Vega
Bertram	Isackson	McQuaid	Petty	Waldorf
Brataas	Johnson, D.E.	Mehrkens	Purfeerst	Wegscheid
Dahl	Johnson, D.J.	Merriam	Ramstad	Willet
Dicklich	Jude	Moe, D. M.	Renneke	
Duessner	Kamrath	Moe, R. D.	Samuelson	
Dieterich	Knaak	Novak	Schmitz	

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

## MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

Pursuant to Joint Rule 3.02, the Conference Committee on House File No. 449 was discharged after adjournment May 23, 1983 and the bill was laid on the table.

H.F. No. 449: A bill for an act relating to elections; limiting campaign expenditures by congressional candidates who choose to receive a public subsidy for their campaigns; redefining certain terms in relation to congressional candidates; limiting the applicability of certain provisions of law to state constitutional and state legislative candidates; providing for the transfer of debts and funds of a principal campaign committee under certain circumstances; limiting certain lobbyist contributions; providing for filing of campaign reports by certain congressional candidates; proposing expenditure limits for congressional candidates who choose to receive a public subsidy; providing a penalty for exceeding campaign expenditure limits by congressional candidates; changing the designated amount of certain income tax payments; providing for the allocation of party accounts and the general ac-

count to certain state and congressional candidates; providing estimates of minimum amounts of public subsidy to be received by certain congressional candidates; requiring signed agreements by congressional candidates who choose to receive a public subsidy; specifying when congressional candidates who accept a public subsidy must return all or part thereof; providing for the return of money from the state elections campaign fund to the general fund; making certain technical amendments; imposing penalties; amending Minnesota Statutes 1982, sections 10A.01; 10A.24; 10A.25; 10A.255; 10A.27; 10A.275; 10A.28; 10A.30; 10A.31; 10A.33; 10A.335; and 290.06, subdivision 11; proposing new law coded in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 1982, section 10A.32.

I have the honor to announce that on April 18, 1984, House File No. 449 was taken from the table and new House conferees were appointed.

Carlson, L.; Kostohryz and Osthoff have been appointed as such committee on the part of the House.

House File No. 449 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 18, 1984

Mr. Luther moved that the Senate accede to the request of the House for a new Conference Committee on H.F. No. 449, and that a new Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like new Conference Committee appointed on the part of the House.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 32 and nays 22, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Luther	Peterson, R.W.	Vega
Bertram	Freeman	Merriam	Petty	Waldorf
Chmielewski	Hughes	Moe, D. M.	Pogemiller	Wegscheid
Dahl	Johnson, D.J.	Moe, R. D.	Purfeerst	Willet
Dicklich	Jude	Novak	Samuelson	
Diessner	Langseth	Pehler	Schmitz	
Dieterich	Lantry	Peterson, D.C.	Solon	

Those who voted in the negative were:

Anderson	Frederick	Knaak	Peterson, D.L.	Taylor
Belanger	Frederickson	Kronebusch	Ramstad	Ulland
Benson	Isackson	McQuaid	Renneke	
Bernhagen	Johnson, D.E.	Mehrkens	Sieloff	
Brataas	Kamrath	Olson	Storm	

The motion prevailed.

## MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1559, 1568, 1695, 1406, 1735,

1831, 1982, 2017, 2098, 1291, 1315, 1800, 1977 and 1577.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 18, 1984

### FIRST READING OF HOUSE BILLS

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

H.F. No. 1559: A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 10; allowing public lands of the state to be exchanged for any other public land; amending Minnesota Statutes 1982, sections 94.343, subdivision 1; and 94.349, subdivision 3.

Mr. Willet moved that H.F. No. 1559 be laid on the table. The motion prevailed.

H.F. No. 1568: A bill for an act relating to juveniles; providing for enhanced penalties for adults convicted of driving while under the influence of alcohol or a controlled substance if there are prior similar juvenile adjudications; providing an alternative disposition for juvenile major traffic offenders; amending Minnesota Statutes 1982, section 260.193, subdivision 8; and Minnesota Statutes 1983 Supplement, section 169.121, subdivision 3.

Referred to the Committee on Judiciary.

H.F. No. 1695: A bill for an act relating to courts; accelerating the effective date of judicial reorganization in the third and seventh judicial districts; amending Minnesota Statutes 1982, section 487.191.

Mr. Purfeerst moved that H.F. No. 1695 be laid on the table. The motion prevailed.

H.F. No. 1406: A bill for an act relating to local government; permitting cities and counties to reimburse officers or employees for certain legal expenses; proposing new law coded in Minnesota Statutes, chapter 465.

Referred to the Committee on Local and Urban Government.

H.F. No. 1735: A bill for an act relating to crimes; requiring the court to impose a stay of execution of sentence with a 90-day period of incarceration as a condition of probation for certain offenders convicted of a first offense of burglary of a dwelling; amending Minnesota Statutes 1983 Supplement, section 609.583.

Mr. Frederickson moved that H.F. No. 1735 be laid on the table. The motion prevailed.

H.F. No. 1831: A bill for an act relating to transportation; increasing special permit fees for vehicles exceeding weight limitations; amending Minnesota Statutes 1983 Supplement, section 169.86, subdivision 5.

Mr. Langseth moved that H.F. No. 1831 be laid on the table. The motion prevailed.

H.F. No. 1982: A bill for an act relating to towns; authorizing contributions to certain organizations; amending Minnesota Statutes 1982, section 365.10.

Mr. Peterson, R.W. moved that H.F. No. 1982 be laid on the table. The motion prevailed.

H.F. No. 2017: A bill for an act relating to commitment; defining provisional discharge; prohibiting the provisional release of a mentally ill and dangerous patient from secure confinement; amending Minnesota Statutes 1982, sections 253B.02, by adding subdivisions; and 253B.18, by adding subdivisions.

Referred to the Committee on Judiciary.

H.F. No. 2098: A bill for an act relating to public welfare; requiring financial statements by providers of continuing care facilities; allowing residents to form associations; revising procedures for determining operating cost payment rates for nursing homes; appropriating money; amending Minnesota Statutes 1982, sections 144.072; 256B.25; and 256D.06, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 45.16, subdivision 2; 144A.071, subdivision 2; 144A.31, subdivision 4; 256B.421, subdivisions 2, 5, and 8; 256B.431, subdivisions 1, 2, 4, 5, and by adding a subdivision; 256B.48, subdivision 1; 256B.50; proposing new law coded in Minnesota Statutes, chapters 80D; 144; and 256B.

Ms. Berglin moved that H.F. No. 2098 be laid on the table. The motion prevailed.

H.F. No. 1291: A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 8; removing the constitutional restrictions on permanent school fund investments; establishing statutory restrictions; amending Minnesota Statutes 1982, section 11A.16, subdivision 4.

Mr. Pehler moved that H.F. No. 1291 be laid on the table. The motion prevailed.

H.F. No. 1315: A bill for an act relating to bicycles; allowing bicycle registrants to donate in excess of the registration fee to pay for costs of administering and publicizing the bicycle registration program and for developing bicycle education programs and recreational facilities and trails; increasing the bicycle registration fee; providing criteria for fund allocation to political subdivisions; providing for reports to the legislature; providing for appointment of deputy registrars of bicycles; continuing the bicycle study review commission as the advisory committee on bicycling; appropriating money; amending Minnesota Statutes 1982, sections 168C.04; 168C.11; Laws 1976, chapter 199, section 14, subdivision 1.

Mr. Purfeerst moved that H.F. No. 1315 be laid on the table. The motion prevailed.

H.F. No. 1800: A resolution memorializing Congress and the President to continue their efforts to halt the persecution of the Baha'i minority in Iran.

Mr. Ramstad moved that H.F. No. 1800 be laid on the table. The motion prevailed.

H.F. No. 1977: A bill for an act relating to public welfare; clarifying the calculation of rates paid to health maintenance organizations; requiring the use of certain presentation materials; amending Minnesota Statutes 1982, sections 256.966, subdivision 2; and 256B.05, by adding a subdivision;

Minnesota Statutes 1983 Supplement, section 256.871, subdivision 7.

Ms. Berglin moved that H.F. No. 1977 be laid on the table. The motion prevailed.

H.F. No. 1577: A bill for an act relating to solid and hazardous waste management; amending various provisions of the waste management act; prescribing various powers and duties of the waste management board and the pollution control agency relating to hazardous waste management planning and the development of hazardous waste facilities; establishing programs for public education, technical and research assistance to generators, and grants for hazardous waste reduction and processing and collection facilities; requiring requests for proposals for hazardous waste processing and collection facilities; authorizing hazardous waste processing facility loans; prescribing procedures for the designation of solid waste facilities by counties and waste management districts; reducing the number of proposed sites in certain metropolitan counties for mixed municipal solid waste disposal facilities; amending various provisions relating to county and metropolitan solid waste management; appropriating money; amending Minnesota Statutes 1982, sections 115A.03, subdivisions 15 and 28; 115A.06, by adding a subdivision; 115A.08, by adding a subdivision; 115A.09, by adding a subdivision; 115A.11; 115A.18; 115A.24; 115A.241; 115A.46, subdivisions 1 and 2; 115A.70, by adding a subdivision; 116.07, by adding subdivisions; 116J.88, by adding a subdivision; 400.04, subdivision 3; 400.162; 473.181, subdivision 4; 473.801, subdivisions 1 and 4; 473.803, subdivisions 2, 3, and by adding a subdivision; 473.811, subdivision 10; 473.833, subdivision 4; Minnesota Statutes 1983 Supplement, sections 115A.08, subdivision 5; 115A.21, subdivision 1, and by adding a subdivision; 115A.22, subdivisions 1 and 4; 115A.241; 115A.25, subdivisions 1, 1a, and 1b; 115A.26; 115A.27, subdivision 2; 115A.28, subdivision 1; 115A.291; 115B.22, subdivision 1; 116J.90, by adding a subdivision; 473.149, subdivisions 2d and 2e; 473.803, subdivisions 1a and 1b; and 473.823, subdivision 6; proposing new law coded in Minnesota Statutes, chapters 115A and 473; repealing Minnesota Statutes 1982, sections 115A.071; 115A.46, subdivision 3; 115A.70, subdivisions 1, 2, 4, 5, and 6; 473.827; and Minnesota Statutes 1983 Supplement, section 115A.70, subdivisions 3 and 7.

Mr. Merriam moved that H.F. No. 1577 be laid on the table. The motion prevailed.

## REPORTS OF COMMITTEES

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

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

H.F. No. 994 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
994	966				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 994 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 994 and insert the language after the enacting clause of S.F. No. 966, the first engrossment; further, delete the title of H.F. No. 994 and insert the title of S.F. No. 966, the first engrossment.

And when so amended H.F. No. 994 will be identical to S.F. No. 966, and further recommends that H.F. No. 994 be given its second reading and substituted for S.F. No. 966, 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. 1203 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1203	2000				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1203 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1203 and insert the language after the enacting clause of S.F. No. 2000, the first engrossment; further, delete the title of H.F. No. 1203 and insert the title of S.F. No. 2000, the first engrossment.

And when so amended H.F. No. 1203 will be identical to S.F. No. 2000, and further recommends that H.F. No. 1203 be given its second reading and substituted for S.F. No. 2000, 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. 229 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
229	21				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 229 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 229 and insert the language after the enacting clause of S.F. No. 21, the second engrossment; further, delete the title of H.F. No. 229 and insert the title of S.F. No. 21, the second engrossment.

And when so amended H.F. No. 229 will be identical to S.F. No. 21, and further recommends that H.F. No. 229 be given its second reading and substituted for S.F. No. 21, 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. 1903 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1903	2146				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1903 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1903 and insert the language after the enacting clause of S.F. No. 2146; further, delete the title of H.F. No. 1903 and insert the title of S.F. No. 2146.

And when so amended H.F. No. 1903 will be identical to S.F. No. 2146, and further recommends that H.F. No. 1903 be given its second reading and substituted for S.F. No. 2146, 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. 1949 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:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1949	1814				

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. 1991 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>SPECIAL 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.
1991	2084				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1991 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1991 and insert the language after the enacting clause of S.F. No. 2084, the first engrossment; further, delete the title of H.F. No. 1991 and insert the title of S.F. No. 2084, the first engrossment.

And when so amended H.F. No. 1991 will be identical to S.F. No. 2084, and further recommends that H.F. No. 1991 be given its second reading and substituted for S.F. No. 2084, 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. 1561 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>SPECIAL 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.
1561	1417				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1561 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1561 and insert the language after the enacting clause of S.F. No. 1417, the first engrossment; further, delete the title of H.F. No. 1561 and insert the title of S.F. No. 1417, the first engrossment.

And when so amended H.F. No. 1561 will be identical to S.F. No. 1417, and further recommends that H.F. No. 1561 be given its second reading and substituted for S.F. No. 1417, and that the Senate File be indefinitely postponed.

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

## SECOND READING OF HOUSE BILLS

H.F. Nos. 994, 1203, 229, 1903, 1949, 1991 and 1561 were read the sec-



ond time.

### MOTIONS AND RESOLUTIONS

Mr. Bertram introduced—

Senate Resolution No. 108: A Senate resolution commending Gary Roebuck for fifteen successful years as dean of students, athletic director, and football coach at Holdingford High School.

Referred to the Committee on Rules and Administration.

Mr. Renneke introduced—

Senate Resolution No. 109: A Senate resolution congratulating the Waconia High School Marching Band for being selected to represent Minnesota in both Canada and Arizona.

Referred to the Committee on Rules and Administration.

### MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 1511 and the Conference Committee Report thereon were reported to the Senate.

#### CONFERENCE COMMITTEE REPORT ON S.F. NO. 1511

A bill for an act relating to taxation; property; modifying the exemption for property held by political subdivisions; amending Minnesota Statutes 1982, section 272.02, subdivision 5.

April 17, 1984

The Honorable Jerome M. Hughes  
President of the Senate

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

We, the undersigned conferees for S.F. No. 1511, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 1511 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 272.02, subdivision 1, is amended to read:

Subdivision 1. Except as provided in other subdivisions of this section or in section 272.025 or section 273.13, subdivisions 17, 17b, 17c or 17d, all property described in this section to the extent herein limited shall be exempt from taxation:

- (1) All public burying grounds;
- (2) All public schoolhouses;
- (3) All public hospitals;

(4) All academies, colleges, and universities, and all seminaries of learning;

(5) All churches, church property, and houses of worship;

(6) Institutions of purely public charity except property assessed pursuant to section 273.13, subdivisions 17, 17b, 17c or 17d;

(7) All public property exclusively used for any public purpose;

(8) (a) Class 2 property of every household of the value of \$100, maintained in the principal place of residence of the owner thereof. The county auditor shall deduct the exemption from the total valuation of the property as equalized by the commissioner of revenue assessed to the household, and extend the levy of taxes upon the remainder only. The term "household" as used in this section is defined to be a domestic establishment maintained either (1) by two or more persons living together within the same house or place of abode, subsisting in common and constituting a domestic or family relationship, or (2) by one person.

(b) During the period of his active service and for six months after his discharge therefrom, no member of the armed forces of the United States shall lose status of a householder under paragraph (a) which he had immediately prior to becoming a member of the armed forces.

In case there is an assessment against more than one member of a household the \$100 exemption shall be divided among the members assessed in the proportion that the assessed value of the Class 2 property of each bears to the total assessed value of the Class 2 property of all the members assessed. The Class 2 property of each household claimed to be exempt shall be limited to property in one taxing district, except in cases where a single domestic establishment is maintained in two or more adjoining districts.

Bonds, certificates of indebtedness, or other obligations issued by the state of Minnesota, or by any county or city of the state, or any town, or any common or independent school district of the state, or any governmental board of the state are exempt from ad valorem property taxation; provided, that this subdivision shall not exempt the obligations or their interest from any excise or other tax levied on income, gross earnings, estates, inheritance, bequests, gifts, transfers, sales, or other transactions, other than an ad valorem property tax.

(9) Farm machinery manufactured prior to 1930, which is used only for display purposes as a collectors item;

(10) The taxpayer shall be exempted with respect to all agricultural products, inventories, stocks of merchandise of all sorts, all materials, parts and supplies, furniture and equipment, manufacturers material, manufactured articles including the inventories of manufacturers, wholesalers, retailers and contractors; and the furnishings of a room or apartment in a hotel, rooming house, tourist court, motel or trailer camp, tools and machinery which by law are considered as personal property, and the property described in section 272.03, subdivision 1, clause (c), except personal property which is part of an electric generating, transmission, or distribution system or a pipeline system transporting or distributing water, gas, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for

heating or cooling buildings and structures. Railroad docks and wharves which are part of the operating property of a railroad company as defined in section 270.80 are not exempt.

(11) Containers of a kind customarily in the possession of the consumer during the consumption of commodities, the sale of which are subject to tax under the provisions of the excise tax imposed by chapter 297A;

(12) All livestock, poultry, all horses, mules and other animals used exclusively for agricultural purposes;

(13) All agricultural tools, implements and machinery used by the owners in any agricultural pursuit.

(14) Real and personal property used primarily for the abatement and control of air, water, or land pollution to the extent that it is so used, other than real property used primarily as a solid waste disposal site.

Any taxpayer requesting exemption of all or a portion of any equipment or device, or part thereof, operated primarily for the control or abatement of air or water pollution shall file an application with the commissioner of revenue. The equipment or device shall meet standards, regulations or criteria prescribed by the Minnesota Pollution Control Agency, and must be installed or operated in accordance with a permit or order issued by that agency. The Minnesota Pollution Control Agency shall upon request of the commissioner furnish information or advice to the commissioner. If the commissioner determines that property qualifies for exemption, he shall issue an order exempting the property from taxation. The equipment or device shall continue to be exempt from taxation as long as the permit issued by the Minnesota Pollution Control Agency remains in effect.

(15) Wetlands. For purposes of this subdivision, "wetlands" means land which is mostly under water, produces little if any income, and has no use except for wildlife or water conservation purposes. "Wetlands" shall be land preserved in its natural condition, drainage of which would be legal, feasible, and economically practical for the production of livestock, dairy animals, poultry, fruit, vegetables, forage and grains, except wild rice. "Wetlands" shall include adjacent land which is not suitable for agricultural purposes due to the presence of the wetlands. "Wetlands" shall not include woody swamps containing shrubs or trees, wet meadows, meandered water, streams, rivers, and floodplains or river bottoms. Exemption of wetlands from taxation pursuant to this section shall not grant the public any additional or greater right of access to the wetlands or diminish any right of ownership to the wetlands.

(16) Native prairie. The commissioner of the department of natural resources shall determine lands in the state which are native prairie and shall notify the county assessor of each county in which the lands are located. Pasture land used for livestock grazing purposes shall not be considered native prairie for the purposes of this clause and section 273.116. Upon receipt of an application for the exemption and credit provided in this clause and section 273.116 for lands for which the assessor has no determination from the commissioner of natural resources, the assessor shall refer the application to the commissioner of natural resources who shall determine within 30 days whether the land is native prairie and notify the county assessor of his

decision. Exemption of native prairie pursuant to this clause shall not grant the public any additional or greater right of access to the native prairie or diminish any right of ownership to it.

(17) Property used in a continuous program to provide emergency shelter for victims of domestic abuse, provided the organization that owns and sponsors the shelter is exempt from federal income taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1954, as amended through December 31, 1982, notwithstanding the fact that the sponsoring organization receives funding under section 8 of the United States Housing Act of 1937, as amended.

(18) If approved by the governing body of the municipality in which the property is located, property not exceeding one acre which is owned and operated by any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation, and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders; provided the property is used primarily as a clubhouse, meeting facility or recreational facility by the group or association and the property is not used for residential purposes on either a temporary or permanent basis.

(19) To the extent provided by section 295.44, real and personal property used or to be used primarily for the production of hydroelectric or hydromechanical power on a site owned by the state or a local governmental unit which is developed and operated pursuant to the provisions of section 105.482, subdivisions 1, 8 and 9.

(20) If approved by the governing body of the municipality in which the property is located, a direct satellite broadcasting facility or fixed satellite regional or national program service facility, construction of which is commenced after June 30, 1983, for a period not to exceed five years. When the facility no longer qualifies for exemption, it shall be placed on the assessment rolls as provided in subdivision 4. As used in this clause, a "direct satellite broadcasting facility" is a facility operated by a corporation licensed by the federal communications commission to provide direct satellite broadcasting services using direct broadcast satellites operating in the 12-ghz. band and a "fixed satellite regional or national program service facility" is a facility operated by a corporation licensed by the federal communications commission to provide fixed satellite-transmitted regularly scheduled broadcasting services using satellites operating in the 6-ghz. band. Before approving a tax exemption pursuant to this paragraph, the governing body of the municipality shall provide an opportunity to the members of the county board of commissioners of the county in which the facility is proposed to be located and the members of the school board of the school district in which the facility is proposed to be located to meet with the governing body. The governing body shall present to the members of those boards its estimate of the fiscal impact of the proposed property tax exemption. The tax exemption shall not be approved by the governing body until the county board of commissioners has presented its written comment on the proposal to the governing body, or 30 days has passed from the date of the transmittal by the governing body to the board of the information on the fiscal impact, whichever occurs first.

(21) If approved by the governing body of the municipality in which the

property is located, a facility construction of which is commercial after June 30, 1983, at which a licensed Minnesota manufacturer produces distilled spirituous liquors, liqueurs, cordials, or liquors designated as specialties regardless of alcoholic content, but not including ethyl alcohol, distilled with a majority of the ingredients grown or produced in Minnesota, for a period not to exceed five years. When the facility no longer qualifies for exemption, it shall be placed on the assessment rolls as provided in subdivision 4. Before approving a tax exemption pursuant to this paragraph, the governing body of the municipality shall provide an opportunity to the members of the county board of commissioners of the county in which the facility is proposed to be located and the members of the school board of the school district in which the facility is proposed to be located to meet with the governing body. The governing body shall present to the members of those boards its estimate of the fiscal impact of the proposed property tax exemption. The tax exemption shall not be approved by the governing body until the county board of commissioners has presented its written comment on the proposal to the governing body, or 30 days has passed from the date of the transmittal by the governing body to the board of the information on the fiscal impact, whichever occurs first.

*(22) Real and personal property owned and operated by a private, nonprofit corporation exempt from federal income taxation pursuant to United States Code, title 26, section 501(c)(3), primarily used in the generation and distribution of hot water for heating buildings and structures.*

Sec. 2. Minnesota Statutes 1982, section 272.02, subdivision 5, is amended to read:

Subd. 5. The holding of property by a political subdivision of the state for later resale for economic development purposes shall be considered a public purpose in accordance with subdivision 1, clause (7) for a period not to exceed ~~three~~ eight years. *The holding of property by a political subdivision of the state for later resale (1) which is purchased or held for housing purposes, or (2) which meets the conditions described in section 273.73, subdivision 10, shall be considered a public purpose in accordance with subdivision 1, clause (7). The governing body of the political subdivision which acquires property which is subject to this subdivision shall after the purchase of the property certify to the city or county assessor whether the property is held for economic development purposes or housing purposes, or whether it meets the conditions of section 273.73, subdivision 10. If the property is acquired for economic development purposes and buildings or other improvements are constructed after acquisition of the property, and if more than one-half of the floor space of the buildings or improvements which is available for lease to or use by a private individual, corporation, or other entity is leased to or otherwise used by a private individual, corporation, or other entity the provisions of this subdivision shall not apply to the property.* This subdivision shall not operate to create an exemption from sections 272.01, subdivision 2; 272.68; 273.19; or 462.575, subdivision 3; or other provision of law providing for the taxation of or for payments in lieu of taxes for publicly held property which is leased, loaned, or otherwise made available and used by a private person. ~~This section is effective for taxes levied in 1979 and thereafter, and payable in 1980 and thereafter.~~

Sec. 3. Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1, is amended to read:

Subdivision 1. The following are specifically exempted from the taxes imposed by sections 297A.01 to 297A.44:

(a) The gross receipts from the sale of food products including but not limited to cereal and cereal products, butter, cheese, milk and milk products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and cocoa products, and food products which are not taxable pursuant to section 297A.01, subdivision 3, clause (c) and which are sold by a retailer, organized as a nonprofit corporation or association, within a place located on property owned by the state or an agency or instrumentality of the state, the entrance to which is subject to an admission charge. This exemption does not include the following:

(i) candy and candy products;

(ii) carbonated beverages, beverages commonly referred to as soft drinks containing less than 15 percent fruit juice, or bottled water other than non-carbonated and noneffervescent bottled water sold in individual containers of one-half gallon or more in size;

(b) The gross receipts from the sale of prescribed drugs and medicine intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings and products consumed by humans for the preservation of health, including prescription glasses, therapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;

(c) The gross receipts from the sale of and the storage, use or other consumption in Minnesota of tangible personal property, tickets, or admissions, electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;

(d) The gross receipts from the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minnesota by the purchaser and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (storage shall not constitute intermediate use); provided that the property is not subject to tax in that state or country to which it is transported for storage or use, or, if subject to tax in that other state, that state allows a similar exemption for property purchased therein and transported to Minnesota for use in this state; except that sales of tangible personal property that is shipped or transported for use outside Minnesota shall be taxed at the rate of the use tax imposed by the state to which the property is shipped or transported, unless that state has no use tax, in which case the sale shall be taxed at the rate generally imposed by this state; and provided further that sales of tangible personal property to be used in other states or countries as part of a maintenance contract shall be specifically exempt; or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minne-

sota, 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; fornettes; marine glasses; field glasses and binoculars.

(ii) articles made of fur or the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.

(iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic cachous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.

(iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocketbooks, wallets, billfolds, card, pass, and key cases and toilet cases.

(h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing, or similar processing of property

except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 297A.14) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising contained therein or therewith shall be exempt. For this purpose, advertising in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or publishing activities by them, including the sale of advertising. The term "publication" shall not include magazines and periodicals sold over the counter. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures used in such publication and fuel, electricity, gas or steam used for space heating or lighting, are not exempt;

(j) The gross receipts from all sales, including sales in which title is retained by a seller or a vendor or is assigned to a third party under an installment sale or lease purchase agreement under section 465.71, of tangible personal property to, and all storage, use or consumption of such property by, the United States and its agencies and instrumentalities or a state and its agencies, instrumentalities and political subdivisions. Sales exempted by this clause include sales pursuant to section 297A.01, subdivision 3, clauses (d) and (f). This exemption shall not apply to building, construction or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials for use in the construction, alteration or repair of a building or facility. This exemption does not apply to construction materials purchased by tax exempt entities or their contractors to be used in constructing buildings or facilities which will not be used principally by the tax exempt entities;

(k) The gross receipts from the isolated or occasional sale of tangible personal property in Minnesota not made in the normal course of business of selling that kind of property, and the storage, use, or consumption of property acquired as a result of such a sale. For purposes of this clause, sales by a nonprofit organization shall be deemed to be "isolated or occasional" if they occur at sale events that have a duration of three or fewer consecutive days. The granting of the privilege of admission to places of amusement and the privilege of use of amusement devices by a nonprofit organization at an isolated or occasional event conducted on property owned or leased for a con-



tinuous period of more than 30 days by the nonprofit organization are also exempt. The exemption provided for isolated sales of tangible personal property and of the granting of admissions or the privilege of use of amusement devices by nonprofit organizations pursuant to this clause shall be available only if the sum of the days on which the organization and any subsidiary nonprofit organization sponsored by it that does not have a separate sales tax exemption permit conduct sales of tangible personal property, plus the days with respect to which the organization charges for the use of amusement devices or admission to places of amusement, does not exceed eight days in a calendar year. For purposes of this clause, a "nonprofit organization" means any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, or educational purposes, no part of the net earnings of which inures to the benefit of a private individual;

(l) The gross receipts from sales of rolling stock and the storage, use or other consumption of such property by railroads, freight line companies, sleeping car companies and express companies taxed on the gross earnings basis in lieu of ad valorem taxes. For purposes of this clause "rolling stock" is defined as the portable or moving apparatus and machinery of any such company which moves on the road, and includes, but is not limited to, engines, cars, tenders, coaches, sleeping cars and parts necessary for the repair and maintenance of such rolling stock.

(m) The gross receipts from sales of airflight equipment and the storage, use or other consumption of such property by airline companies taxed under the provisions of sections 270.071 to 270.079. For purposes of this clause, "airflight equipment" includes airplanes and parts necessary for the repair and maintenance of such airflight equipment, and flight simulators.

(n) The gross receipts from the sale of telephone central office telephone equipment used in furnishing intrastate and interstate telephone service to the public.

(o) The gross receipts from the sale of and the storage, use or other consumption by persons taxed under the in lieu provisions of chapter 298, of mill liners, grinding rods and grinding balls which are substantially consumed in the production of taconite, the material of which primarily is added to and becomes a part of the material being processed.

(p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders. Sales exempted by this clause include sales pursuant to section 297A.01, subdivision 3, clauses (d) and (f). This exemption shall not apply to building, construction or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials

for use in the construction, alteration or repair of a building or facility. This exemption does not apply to construction materials purchased by tax exempt entities or their contractors to be used in constructing buildings or facilities which will not be used principally by the tax exempt entities;

(q) The gross receipts from the sale of caskets and burial vaults;

(r) The gross receipts from the sale of an automobile or other conveyance if the purchaser is assisted by a grant from the United States in accordance with 38 United States Code, section 1901, as amended.

(s) The gross receipts from the sale to the licensed aircraft dealer of an aircraft for which a commercial use permit has been issued pursuant to section 360.654, if the aircraft is resold while the permit is in effect.

(t) The gross receipts from the sale of building materials to be used in the construction or remodeling of a residence when the construction or remodeling is financed in whole or in part by the United States in accordance with 38 United States Code, sections 801 to 805, as amended. This exemption shall not be effective at time of sale of the materials to contractors, subcontractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in title 38 United States Code, chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.

(u) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.

(v) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.

(w) The gross receipt from the sale of residential heating fuels in the following manner:

(i) all fuel oil, coal, wood, steam, *hot water*, propane gas, and L.P. gas sold to residential customers for residential use;

(ii) natural gas sold for residential use to customers who are metered and billed as residential users and who use natural gas for their primary source of residential heat, for the billing months of November, December, January, February, March and April;

(iii) electricity sold for residential use to customers who are metered and billed as residential users and who use electricity for their primary source of residential heat, for the billing months of November, December, January, February, March and April.

(x) The gross receipts from the sale or use of tickets or admissions to the premises of or events sponsored by an association, corporation or other group of persons which provides an opportunity for citizens of the state to participate in the creation, performance or appreciation of the arts and which qualifies as a tax-exempt organization within the meaning of Minnesota Statutes 1980, section 290.05, subdivision 1, clause (i).

(y) The gross receipts from either the sales to or the storage, use or consumption of tangible personal property by an organization of military service veterans or an auxiliary unit of an organization of military service veterans, provided that:

(i) the organization or auxiliary unit is organized within the state of Minnesota and is exempt from federal taxation pursuant to section 501(c), clause (19), of the Internal Revenue Code as amended through December 31, 1982; and

(ii) the tangible personal property which is sold to or stored, used or consumed by the organization or auxiliary unit is for charitable, civic, educational, or nonprofit uses and not for social, recreational, pleasure or profit uses.

(z) The gross receipts from the sale of sanitary napkins, tampons, or similar items used for feminine hygiene.

Sec. 4. Minnesota Statutes 1982, section 429.021, subdivision 1, is amended to read:

Subdivision 1. [IMPROVEMENTS AUTHORIZED.] The council of a municipality shall have power to make the following improvements:

(1) To acquire, open, and widen any street, and to improve the same by constructing, reconstructing, and maintaining sidewalks, pavement, gutters, curbs, and vehicle parking strips of any material, or by grading, graveling, oiling, or otherwise improving the same, including the beautification thereof and including storm sewers or other street drainage and connections from sewer, water or similar mains to curb lines.

(2) To acquire, develop, construct, reconstruct, extend and maintain storm and sanitary sewers and systems, including outlets, holding areas and ponds, treatment plants, pumps, lift stations, service connections, and other appurtenances of a sewer system, within and without the corporate limits.

(3) To construct, reconstruct, extend and maintain steam heating mains.

(4) To install, replace, extend and maintain street lights and street lighting systems and special lighting systems.

(5) To acquire, improve, construct, reconstruct, extend and maintain water works systems, including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks, treatment plants, and other appurtenances of a water works system, within and without the corporate limits.

(6) To acquire, improve and equip parks, open space areas, playgrounds and recreational facilities within or without the corporate limits.

(7) To plant trees on streets and provide for their trimming, care and removal.

(8) To abate nuisances and to drain swamps, marshes and ponds on public or private property and to fill the same.

(9) To construct, reconstruct, extend, and maintain dikes and other flood control works.

(10) To construct, reconstruct, extend and maintain retaining walls and area walls.

(11) To acquire, construct, reconstruct, improve, alter, extend, operate, maintain and promote a pedestrian skyway system. *Such improvement may be made upon a petition pursuant to section 429.031, subdivision 3.*

(12) To acquire, construct, reconstruct, extend, operate, maintain and promote underground pedestrian concourses.

(13) To acquire, construct, improve, alter, extend, operate, maintain and promote public malls, plazas or courtyards.

(14) To construct, reconstruct, extend, and maintain district heating systems.

*(15) To construct, reconstruct, alter, extend, operate, maintain and promote fire protection systems in existing buildings, but only upon a petition pursuant to section 429.031, subdivision 3.*

Sec. 5. Minnesota Statutes 1982, section 429.031, subdivision 3, is amended to read:

Subd. 3. [PETITION BY ALL OWNERS.] Whenever all owners of real property abutting upon any street named as the location of any improvement shall petition the council to construct the improvement and to assess the entire cost against their property, the council may, without a public hearing, adopt a resolution determining such fact and ordering the improvement. The validity of the resolution shall not be questioned by any taxpayer or property owner or the municipality unless an action for that purpose is commenced within 30 days after adoption of the resolution as provided in section 429.036. Nothing herein prevents any property owner from questioning the amount or validity of the special assessment against his property pursuant to section 429.081. *In the case of a petition for the installation of a fire protection or a pedestrian skyway system, the petition must contain or be accompanied by an undertaking satisfactory to the city by the petitioner that the petitioner will grant the municipality the necessary property interest in the building to permit the city to enter upon the property and the building to construct, maintain, and operate the fire protection or pedestrian skyway system. In the case of a petition for the installation of a fire protection or pedestrian skyway system which will be privately owned, the petition shall also contain the plans and specifications for the improvement, the estimated cost of the improvement and a statement indicating whether the city or the owner will contract for the construction of the improvement. If the owner is contracting for the construction of the improvement, the city shall not approve the petition until it has reviewed and approved the plans, specifications, and cost estimates contained in the petition. The construction cost financed under section 429.091 shall not exceed the amount of the cost estimate contained in the petition. In the case of a petition for the installation of a fire protection or a pedestrian skyway system, the petitioner may request*

*abandonment of the improvement at any time after it has been ordered pursuant to subdivision 1 and before contracts have been awarded for the construction of the improvement under section 429.041, subdivision 2. If such a request is received, the city council shall abandon the proceedings but in such case the petitioner shall reimburse the city for any and all expenses incurred by the city in connection with the improvement.*

Sec. 6. Minnesota Statutes 1982, section 429.091, subdivision 2, is amended to read:

Subd. 2. [TYPES OF OBLIGATIONS PERMITTED.] The council may by resolution adopted prior to the sale of obligations pledge the full faith, credit, and taxing power of the municipality for the payment of the principal and interest. Such obligations shall be called improvement bonds and the council shall pay the principal and interest out of any fund of the municipality when the amount credited to the specified fund is insufficient for the purpose and shall each year levy a sufficient amount to take care of accumulated or anticipated deficiencies, which levy shall not be subject to any statutory or charter tax limitation. Obligations for the payment of which the full faith and credit of the municipality is not pledged shall be called improvement warrants *or, in the case of bonds for fire protection or pedestrian skyway systems, revenue bonds* and shall contain a promise to pay solely out of the proper special fund *or funds pledged to their payment*. It shall be the duty of the municipal treasurer to pay maturing principal and interest on warrants *or revenue bonds* out of funds on hand in the proper ~~special fund~~ *funds* and not otherwise.

Sec. 7. Minnesota Statutes 1982, section 429.101, subdivision 1, is amended to read:

Subdivision 1. [ORDINANCES.] In addition to any other method authorized by law or charter, the governing body of any municipality may provide for the collection of unpaid special charges for all or any part of the cost of

- (a) snow, ice, or rubbish removal from sidewalks,
- (b) weed elimination from streets or private property,
- (c) removal or elimination of public health or safety hazards from private property, excluding any structure included under the provisions of sections 463.15 to 463.26,
- (d) installation or repair of water service lines, street sprinkling or other dust treatment of streets,
- (e) the trimming and care of trees and the removal of unsound trees from any street,
- (f) the treatment and removal of insect infested or diseased trees on private property, the repair of sidewalks and alleys, or
- (g) the operation of a street lighting system, or
- (h) *the operation and maintenance of a fire protection or a pedestrian skyway system,*

as a special assessment against the property benefited. The council may by ordinance adopt regulations consistent with this section to make this author-

ity effective, including, at the option of the council, provisions for placing primary responsibility upon the property owner or occupant to do the work himself (except in the case of street sprinkling or other dust treatment, alley repair, tree trimming, care, and removal or the operation of a street lighting system) upon notice before the work is undertaken, and for collection from the property owner or other person served of the charges when due before unpaid charges are made a special assessment.

Sec. 8. Laws 1979, chapter 189, section 2, is amended to read:

Sec. 2. For the purposes of this act, "residential customer" means a customer classified by the public utility as a residential heating or residential non-heating customer of the public utility within the city of St. Paul and "gross operating revenue" means all sums received by the public utility from the sale of gas, *hot water heating* or electricity, excluding any amounts received which result from a surcharge on the public utility's rate schedule for the purpose of collecting the franchise fee.

Sec. 9. [EXEMPTION.]

*Notwithstanding the provisions of Minnesota Statutes, section 473.556, subdivision 6, or any other law, real property conveyed to the port authority of the city of Bloomington by the metropolitan sports facilities commission shall be exempt from taxation as provided in Minnesota Statutes, sections 473.556, subdivision 4; and 459.192, subdivision 2.*

Sec. 10. [EFFECTIVE DATE.]

*Section 1 is effective for taxes levied in 1983 and thereafter and payable in 1984 and thereafter. Section 2 is effective for taxes levied in 1979 and thereafter and for taxes payable in 1980 and thereafter. Section 9 is effective upon compliance by the governing body of the city of Bloomington with Minnesota Statutes, section 645.021, subdivision 3."*

Delete the title and insert:

"A bill for an act relating to public finance; modifying the tax exemption for property held by political subdivisions; providing a tax exemption for certain real and personal property; authorizing the levy of special assessments or service charges for fire protection and pedestrian skyway systems; amending Minnesota Statutes 1982, sections 272.02, subdivision 5; 429.021, subdivision 1; 429.031, subdivision 3; 429.091, subdivision 2; and 429.101, subdivision 1; and Minnesota Statutes 1983 Supplement, sections 272.02, subdivision 1; and 297A.25, subdivision 1; and Laws 1979, chapter 189, section 2."

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

Senate Conferees: (Signed) Eric D. Petty, Michael O. Freeman, Randy P. Kamrath

House Conferees: (Signed) Linda Scheid, Randy C. Kelly, Tom Osthoff

Mr. Petty moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1511 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. 1511 was read the third time, as amended by the Conference

Committee, and placed on its repassage.

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

The roll was called, and there were yeas 51 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Laidig	Peterson, C.C.	Solon
Anderson	Frederick	Langseth	Peterson, D.C.	Storm
Belanger	Frederickson	Lantry	Peterson, D.L.	Taylor
Benson	Hughes	Luther	Petty	Ulland
Bernhagen	Isackson	McQuaid	Pogemiller	Vega
Bertram	Johnson, D.J.	Mehrkens	Purfeerst	Wegscheid
Brataas	Jude	Moe, R. D.	Ramstad	Willet
Dahl	Kamrath	Nelson	Reichgott	
Dicklich	Knaak	Novak	Renneke	
Diessner	Kroening	Olson	Schmitz	
Dieterich	Kronebusch	Pepler	Sieloff	

Mr. Merriam voted in the negative.

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

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Messages From the House.

### MESSAGES FROM THE HOUSE

Mr. President:

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

S.F. No. 1762: A bill for an act relating to the human rights department; prohibiting waiver of legal rights; changing the statute of limitations; providing sanctions for intentional delays; permitting award of attorney fees in administrative hearings; changing damage awards; amending Minnesota Statutes 1982, sections 363.06, subdivision 3; 363.071, by adding a subdivision; 363.116; 363.14, subdivisions 1 and 2; Minnesota Statutes 1983 Supplement, sections 363.06, subdivision 4; 363.071, subdivision 2; and 363.072, subdivision 1; proposing new law coded in chapter 363.

Senate File No. 1762 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 18, 1984

Ms. Reichgott moved that the Senate do not concur in the amendments by the House to S.F. No. 1762, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

### MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 1258 and the Conference Committee Report thereon were re-

ported to the Senate.

### CONFERENCE COMMITTEE REPORT ON S.F. NO. 1258

A bill for an act relating to the environment; requiring an agreement between the state and federal government prior to test drilling of geologic structures for disposal of high level radioactive waste and notification of results; regulating transportation of high level radioactive waste in the state; providing penalties; regulating nuclear fission electric generating plants in Minnesota; amending Minnesota Statutes 1982, section 116C.71, by adding subdivisions; and 116C.74; proposing new law coded in Minnesota Statutes, chapters 116C and 216B.

April 18, 1984

The Honorable Jerome M. Hughes  
President of the Senate

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

We, the undersigned conferees for S.F. No. 1258, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate concur in the House amendment.

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

Senate Conferees: (Signed) Gene Merriam, Donald M. Moe, James Ulland

House Conferees: (Signed) Karen Clark, Rick Krueger, Elton R. Redalen

Mr. Merriam moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1258 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. 1258 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Kroening	Olson	Schmitz
Anderson	Frederick	Kronebusch	Pehler	Sieloff
Benson	Frederickson	Laidig	Peterson, C. C.	Solon
Berg	Freeman	Lantry	Peterson, D. C.	Spear
Berglin	Hughes	Lessard	Peterson, R. W.	Taylor
Bernhagen	Isackson	Luther	Petty	Ulland
Brataas	Johnson, D. E.	McQuaid	Pogemiller	Vega
Dahl	Johnson, D. J.	Mehrkens	Purfeerst	Waldorf
DeCramer	Jude	Merriam	Ramstad	Wegscheid
Dicklich	Kamrath	Moe, R. D.	Reichgott	Willet
Diessner	Knaak	Nelson	Renneke	
Dieterich	Knutson	Novak	Samuelson	

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



**CONFERENCE COMMITTEE EXCUSED**

Pursuant to Rule 21, Mr. Frank moved that the following members be excused for a Conference Committee on H.F. No. 1427 at 12:00 noon:

Messrs. Frank, Renneke and Moe, D.M. The motion prevailed.

**CONFERENCE COMMITTEE EXCUSED**

Pursuant to Rule 21, Mr. DeCramer moved that the following members be excused for a Conference Committee on H.F. No. 432:

Messrs. Davis, Berg and DeCramer. The motion prevailed.

**MOTIONS AND RESOLUTIONS - CONTINUED**

Ms. Berglin moved that H.F. No. 1977 be taken from the table. The motion prevailed.

H.F. No. 1977: A bill for an act relating to public welfare; clarifying the calculation of rates paid to health maintenance organizations; requiring the use of certain presentation materials; amending Minnesota Statutes 1982, sections 256.966, subdivision 2; and 256B.05, by adding a subdivision.

**SUSPENSION OF RULES**

Ms. Berglin moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 1977 and that the rules of the Senate be so far suspended as to give H.F. No. 1977 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 1977 was read the second time.

H.F. No. 1977 was read the third time 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:

Adkins	DeCramer	Kroening	Peterson, C.C.	Sieloff
Anderson	Diessner	Kronebusch	Peterson, D.C.	Spear
Belanger	Frank	Laidig	Peterson, D.L.	Storm
Benson	Frederick	Langseth	Peterson, R.W.	Taylor
Berg	Frederickson	Lantry	Petty	Ulland
Berglin	Freeman	Lessard	Pogemiller	Vega
Bernhagen	Hughes	Luther	Purfeerst	Waldorf
Bertram	Isackson	McQuaid	Ramstad	Willet
Brataas	Jude	Mehrkens	Reichgott	
Chmielewski	Kamrath	Merriam	Renneke	
Dahl	Knaak	Moe, R. D.	Samuelson	
Davis	Knutson	Novak	Schmitz	

So the bill passed and its title was agreed to.

Ms. Berglin moved that S.F. No. 1819, No. 48 on Special Orders, be stricken and laid on the table. The motion prevailed.

Mr. Langseth moved that H.F. No. 1831 be taken from the table. The

motion prevailed.

H.F. No. 1831: A bill for an act relating to transportation; increasing special permit fees for vehicles exceeding weight limitations; amending Minnesota Statutes 1983 Supplement, section 169.86, subdivision 5.

### SUSPENSION OF RULES

Mr. Langseth moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 1831 and that the rules of the Senate be so far suspended as to give H.F. No. 1831 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 1831 was read the second time.

H.F. No. 1831 was read the third time 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:

Adkins	DeCramer	Knutson	Nelson	Samuelson
Anderson	Dicklich	Kroening	Novak	Schmitz
Belanger	Diessner	Kronebusch	Olson	Sieloff
Benson	Frank	Laidig	Peterson, D.C.	Storm
Berg	Frederick	Langseth	Peterson, D.L.	Taylor
Berglin	Frederickson	Lantry	Peterson, R.W.	Ulland
Bernhagen	Hughes	Lessard	Petty	Vega
Bertram	Isackson	Luther	Pogemiller	Waldorf
Brataas	Johnson, D.E.	McQuaid	Purfeerst	Willet
Chmielewski	Jude	Mehrkens	Ramstad	
Dahl	Kamrath	Merriam	Reichgott	
Davis	Knaak	Moe, R. D.	Renneke	

So the bill passed and its title was agreed to.

Mr. Langseth moved that S.F. No. 1747, No. 5 on Special Orders, be stricken and laid on the table. The motion prevailed.

### RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

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

### 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. 1532: Messrs. Bertram, Davis and Storm.

H.F. No. 432: Messrs. Davis, DeCramer and Berg.

H.F. No. 1621: Messrs. Chmielewski, Schmitz and Mehrkens.

H.F. No. 1427: Messrs. Frank; Moe, D.M. and Renneke.

H.F. No. 756: Messrs. Jude, Spear and Sieloff.

S.F. No. 1762: Ms. Reichgott, Messrs. Freeman and Storm.

S.F. No. 1349: Mr. Spear, Mrs. Lantry, Messrs. Dieterich, Novak and Storm.

S.F. No. 1336: Messrs. Pogemiller, Spear, Ramstad, Purfeerst and Freeman.

H.F. No. 1347: Mr. Pogemiller, Ms. Reichgott and Mr. Sieloff.

H.F. No. 449: Mr. Luther, Ms. Peterson, D.C. and Mr. Pogemiller.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

### MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 1810 and the Conference Committee Report thereon were reported to the Senate.

### CONFERENCE COMMITTEE REPORT ON S.F. NO. 1810

A bill for an act relating to insurance; homeowner's; providing certain notice requirements upon policy nonrenewal, reduction in the limits of coverage, or elimination of coverage; authorizing the commissioner to adopt rules; amending Minnesota Statutes 1982, section 65A.29, by adding subdivisions; repealing Minnesota Statutes 1982, section 65A.29, subdivision 2.

April 17, 1984

The Honorable Jerome M. Hughes  
President of the Senate

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

We, the undersigned conferees for S.F. No. 1810, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 1810 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 61A.39, is amended to read:

61A.39 [COOPERATIVE LIFE AND CASUALTY COMPANIES.]

*Subdivision 1.* [COOPERATIVE PLAN.] Every corporation, society, or association which issues a certificate or policy or makes an agreement with its members by which, upon the decease of a member, any money is to be paid to, or benefit conferred upon, the legal representatives or designated beneficiaries of such member, or reaching a certain age, to pay any money or benefit to him, such money or benefit to be derived from voluntary donations, admission fees, dues, or assessments to be collected from its members or any class thereof, and which reserves the right to make any additional assessments, or without the consent of the certificate or policyholder to increase the premium named therein, shall be deemed to be engaged in the business of life insurance upon the cooperative or assessment plan. Every corporation which likewise agrees, in case of accident, sickness, or other physical disability, or reaching a certain age, to pay money or confer benefits likewise derived and

issuing certificates or policies with similar conditions with reference to the payment of dues or assessments, shall be deemed to be engaged in the business of casualty insurance upon the cooperative or assessment plan, and shall, except as herein otherwise specified, be subject to the provisions of sections 61A.39 to 61A.42 and 61A.44 to 61A.50.

*Subd. 2. [CONTINUED CORPORATE EXISTENCE.] Notwithstanding the repeal of Minnesota Statutes, sections 63.01, 63.011, and 63.02 to 63.35 pursuant to Laws 1983, chapter 104, section 1, any corporation, society or association formed or having existed under Laws 1933, chapter 241, whether or not it amended its articles of incorporation in accordance with Laws 1945, chapter 178, as amended by Laws 1951, chapter 257, and which has transformed itself into a cooperative life insurance company to engage in business under the cooperative plan, shall be and continue to exist as a corporation by virtue of the provisions hereof and may exercise and shall continue to have and to hold all the rights, privileges and powers which it had, prior to the repeal of such sections, including those derived under Laws 1945, chapter 178, section 1, as amended by Laws 1951, chapter 257, section 2.*

Sec. 2. Minnesota Statutes 1982, section 65A.29, is amended by adding a subdivision to read:

*Subd. 7. [RENEWAL; NOTICE REQUIREMENT.] No insurer shall refuse to renew, or reduce limits of coverage, or eliminate any coverage in a homeowner's insurance policy unless it mails or delivers to the insured, at the address shown in the policy, at least 60 days advance notice of its intention. The notice must contain the specific underwriting or other reason or reasons for the indicated action.*

Sec. 3. Minnesota Statutes 1982, section 65A.29, is amended by adding a subdivision to read:

*Subd. 8. [RULES.] The commissioner may adopt rules pursuant to chapter 14, to specify the grounds for nonrenewal, reduction in limits of coverage, or elimination of coverage of a homeowner's policy. The rules must limit the grounds to the following factors:*

- (a) reasons stated for cancellation in section 65A.01, subdivision 3a;*
- (b) reasons stated in section 72A.20, subdivision 13;*
- (c) insured's loss experience, not to include natural causes; and*
- (d) other factors deemed reasonable by the commissioner.*

*The rules may give consideration to the form and content of the termination notice to the insured, a statement as to what constitutes receipt of the termination notice, and the procedure by which the insured may appeal a termination notice.*

*The rules adopted under this subdivision may provide for imposition of a monetary penalty not greater than \$500 per occurrence upon insurers who are found to be in violation of the law or the rules.*

Sec. 4. Minnesota Statutes 1982, section 65A.29, is amended by adding a subdivision to read:

*Subd. 9. [NOTICE OF RIGHT TO COMPLAIN.] A named insured who believes a nonrenewal, reduction in the limits of coverage, elimination of*

coverage, or cancellation under section 65A.01, subdivision 3a, is in violation of the law or the rules may, within 30 days after receipt of the notice, file in writing an objection to the action with the commissioner.

Upon receipt of a written objection, the commissioner shall notify the insurer of receipt of the objection and of the right of the insurer to file a written response within ten days of receipt of the notification. Within 30 days of receipt of written objection by an insured, the commissioner shall approve or disapprove the insurer's action and shall notify the insured and insurer of his final decision. A decision which disapproves the insurer's action constitutes a charge that the insurer has violated the law or the rules. Either party may institute proceedings for judicial review of the commissioner's decision. The commissioner's decision is binding pending judicial review.

Sec. 5. Minnesota Statutes 1982, section 65B.44, subdivision 5, is amended to read:

Subd. 5. [REPLACEMENT SERVICE AND LOSS.] Replacement service loss benefits shall reimburse all expenses reasonably incurred by or on behalf of the nonfatally injured person in obtaining usual and necessary substitute services in lieu of those that, had he not been injured, the injured person would have performed not for income but for the direct benefit of himself or his household; if the nonfatally injured person normally, as a full time responsibility, provides care and maintenance of a home with or without children, the benefit to be provided under this subdivision shall be the reasonable value of such care and maintenance or the reasonable expenses incurred in obtaining usual and necessary substitute care and maintenance of the home, whichever is greater. These benefits shall be subject to a maximum of \$15 \$200 per day week. All replacement services loss sustained on the date of injury and the first seven days thereafter is excluded in calculating replacement services loss.

Sec. 6. [REPEALER.]

*Minnesota Statutes 1982, section 65A.29, subdivision 2, is repealed."*

Delete the title and insert:

"A bill for an act relating to insurance; homeowner's; providing certain notice requirements upon policy nonrenewal, reduction in the limits of coverage, or elimination of coverage; authorizing the commissioner to adopt rules; increasing replacement service loss benefits in no-fault auto insurance; amending Minnesota Statutes 1982, sections 61A.39; 65A.29, by adding subdivisions; and 65B.44, subdivision 5; repealing Minnesota Statutes 1982, section 65A.29, subdivision 2."

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

Senate Conferees: (Signed) Donna C. Peterson, Eric D. Petty, William V. Belanger, Jr.

House Conferees: (Signed) Phillip J. Riveness, Joe Quinn, Gerald C. Knickerbocker

Ms. Peterson, D.C. moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1810 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion pre-

vailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 1810 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:

Adkins	Dicklich	Knutson	Novak	Spear
Anderson	Dieterich	Kroening	Olson	Storm
Belanger	Frederick	Kronebusch	Peterson, D.C.	Stumpf
Benson	Frederickson	Laidig	Peterson, D.L.	Taylor
Berg	Freeman	Langseth	Peterson, R.W.	Ulland
Berglin	Hughes	Lantry	Petty	Vega
Bernhagen	Isackson	Lessard	Pogemiller	Waldorf
Bertram	Johnson, D.E.	Luther	Purfeerst	Wegscheid
Brataas	Johnson, D.J.	McQuaid	Ramstad	Willet
Dahl	Jude	Mehrkens	Reichgott	
Davis	Kamrath	Merriam	Renneke	
DeCramer	Knaak	Moe, R. D.	Sieloff	

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

## 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

H.F. No. 1203: A bill for an act relating to landlords and tenants; requiring landlords of residential rental units to notify tenants of their rights and duties under state law; providing a penalty; amending Minnesota Statutes 1982, section 504.22, subdivision 1, and by adding a subdivision.

## SUSPENSION OF RULES

Mr. Pogemiller 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. 1203 and that the rules of the Senate be so far suspended as to give H.F. No. 1203, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

Mr. Pogemiller moved to amend H.F. No. 1203, as amended pursuant to Rule 49, adopted by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2000.)

Page 1, delete line 23

Page 1, line 24, delete "to this section," and delete "describes" and insert "summarizes"

Page 2, after line 19, insert:

“Sec. 3. Minnesota Statutes 1982, section 504.22, subdivision 3, is amended to read:

Subd. 3. [POSTING OF NOTICE.] A printed or typewritten notice containing the information which must be disclosed under subdivision 2 shall be placed in a conspicuous place on the premises. *Unless the owner is required to post a notice required by section 6, the owner shall also place in a conspicuous place on the premises a notice that states that a copy of the statement required by section 2 is available from the attorney general to any tenant upon request.* This subdivision is complied with if notices posted in compliance with other statutes or ordinances contain the information required by subdivision 2 *and this section.*

Sec. 4. Minnesota Statutes 1982, section 504.22, subdivision 4, is amended to read:

Subd. 4. If subdivisions 2 and 3, *except for the provision requiring posting of a notice stating the availability of a summary of landlord-tenant law provided in section 3,* have not been complied with and a person desiring to make service of process upon or give a notice or demand to the owner does not know the name and address of the owner or his agent, as that term is used in subdivision 2, then a caretaker or manager of the premises or an individual to whom rental payments for the premises are made shall be deemed to be an agent authorized to accept service of process and receive and give receipt for notices and demands on behalf of the owner. In case of service of process upon or receipt of notice or demand by a person who is deemed to be an agent pursuant to this subdivision, this person shall give the process, notice, or demand, or a copy thereof, to an owner personally or shall send it by certified mail, return receipt requested, to an owner at the owner's last known address.

Sec. 5. Minnesota Statutes 1982, section 504.22, subdivision 5, is amended to read:

Subd. 5. *Except as otherwise provided in this subdivision,* no action to recover rent or possession of the premises shall be maintained unless the information required by this section has been disclosed to the tenant in the manner provided herein, or unless the information required by this section is known by or has been disclosed to the tenant at least 30 days prior to the initiation of such action. *Failure by the owner to post a notice required by section 3 or 6 shall not prevent any action to recover rent or possession of the premises.*

Sec. 6. [471.995] [RENTAL DWELLING NOTICE.]

*Any license or registration or certificate of occupancy or a similar document that is issued by a home rule charter or statutory city or by a town and that is required to be posted in a building containing multiple rental dwelling units shall contain a statement that tenants of the dwelling units may contact the attorney general for information regarding the rights and obligations of owners and tenants under state law. The statement shall include the telephone number and address of the attorney general.”*

Amend the title as follows:

Page 1, line 2, delete the second “landlords”

Page 1, line 3, delete "of residential rental units to notify" and insert "cities and towns to include notification of rights on certificates or licenses of occupancy; requiring the attorney general to publish a statement informing"

Page 1, line 4, delete "providing a penalty;"

Page 1, line 6, delete "subdivision 1" and insert "subdivisions 1, 3, 4, and 5," and before the period, insert "; proposing new law coded in Minnesota Statutes, chapter 471"

The motion prevailed. So the amendment was adopted.

H.F. No. 1203 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 45 and nays 9, as follows:

Those who voted in the affirmative were:

Adkins	Freeman	Lessard	Petty	Spear
Belanger	Hughes	Luther	Pogemiller	Storm
Bertram	Johnson, D.E.	McQuaid	Purfeerst	Stumpf
Dahl	Jude	Merriam	Ramstad	Taylor
Davis	Knaak	Moe, R. D.	Reichgott	Ulland
DeCramer	Kroening	Olson	Renneke	Vega
Diessner	Laidig	Peterson, D.C.	Samuelson	Waldorf
Dieterich	Langseth	Peterson, D.L.	Sieloff	Wegscheid
Frederickson	Lantry	Peterson, R.W.	Solon	Willet

Those who voted in the negative were:

Anderson	Brataas	Isackson	Knutson	Mehrkens
Benson	Chmielewski	Kamrath	Kronebusch	

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

## MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Merriam moved that H.F. No. 1577 be taken from the table. The motion prevailed.

H.F. No. 1577: A bill for an act relating to solid and hazardous waste management; defining resource recovery facility; amending various provisions of the waste management act; prescribing various powers and duties of the waste management board and the pollution control agency relating to solid and hazardous waste management planning and the development of hazardous waste facilities; establishing programs for technical, financial, and research assistance to generators; development of hazardous waste reduction, processing, and collection facilities; requiring a report on the need and feasibility of hazardous waste facilities; authorizing volunteer candidate sites; requiring requests for proposals for hazardous waste processing facilities; prescribing procedures for the designation of resource recovery facilities by counties and waste management districts; amending various provisions relating to county and metropolitan solid waste management; imposing a solid waste landfill fee in the metropolitan area; providing an income tax credit and sales tax exemption to encourage processing of waste at resource recovery facilities; appropriating money; amending Minnesota Statutes



1982, sections 115A.03, subdivisions 1 and 28; 115A.06, by adding a subdivision; 115A.08, by adding a subdivision; 115A.18; 115A.21, by adding a subdivision; 115A.42; 115A.46, subdivisions 1 and 2; 115A.57, subdivision 1; 115A.59; 115A.70, by adding a subdivision; 116J.88, by adding a subdivision; 116J.90, by adding a subdivision; 290.06, by adding subdivisions; 400.04, subdivision 3, and by adding a subdivision; 400.162; 473.181, subdivision 4; 473.811, subdivision 10; 473.833, subdivision 4; Minnesota Statutes 1983 Supplement, sections 115A.08, subdivision 5; 115A.11; 115A.21, subdivision 1; 115A.22, subdivisions 1 and 4; 115A.24; 115A.241; 115A.25, subdivisions 1, 1a, and 1b; 115A.26; 115A.27, subdivision 2; 115A.28, subdivision 1; 115A.291; 115B.22, subdivision 1; 297A.25, subdivision 1; 473.823, subdivision 6; and 473.831; proposing new law coded in Minnesota Statutes, chapters 115A; and 473; repealing Minnesota Statutes 1982, sections 115A.071; 115A.46, subdivision 3; 115A.70, subdivisions 1, 2, 4, 5, and 6; 473.827; and Minnesota Statutes 1983 Supplement, section 115A.70, subdivisions 3 and 7.

### SUSPENSION OF RULES

Mr. Merriam moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 1577 and that the rules of the Senate be so far suspended as to give H.F. No. 1577 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 1577 was read the second time.

Mr. Merriam moved to amend H.F. No. 1577 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 1577, and insert the language after the enacting clause, and the title, of S.F. No. 1514, the third engrossment.

The motion prevailed. So the amendment was adopted.

Mr. Sieloff moved to amend H.F. No. 1577, as amended by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1514.)

Page 48, after line 9, insert:

“Sec. 55. Minnesota Statutes 1983 Supplement, section 115B.06, is amended to read:

#### 115B.06 [APPLICATION TO PAST ACTIONS.]

~~Subdivision 1. [APPLICATION OF SECTION 115B.05 AND ADDITIONAL DEFENSE.] (a) A defendant in an action under section 115B.05 has the additional defense provided in subdivision 2 for damages caused or significantly contributed to by the release of a hazardous substance from a facility if the defendant shows that the substance was placed or came to be located in or on the facility wholly before January 1, 1973.~~

(b) Section 115B.05 does not apply to any claim for damages arising out of the release of a hazardous substance which was placed or came to be located in or on the facility wholly before ~~January 1, 1960~~ June 11, 1980.

~~Subd. 2. [ADDITIONAL DEFENSE.] For a defendant who has made the showing required in subdivision 1, clause (a), it is a defense to liability under section 115B.05 that the activity by which the substance was kept, placed, or came to be located in or on the facility was not an abnormally dangerous activity. The determination of whether the activity was an abnormally dangerous activity shall be made by the court.~~

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "changing the date for retroactive liability;"

Page 1, line 39, after "115A.291;" insert "115B.06;"

Mr. Merriam questioned whether the amendment was germane. The President ruled that the amendment was not germane.

### CALL OF THE SENATE

Mr. Sieloff imposed a call of the Senate for the balance of the proceedings on H.F. No. 1577. The Sergeant at Arms was instructed to bring in the absent members.

Mr. Sieloff appealed the decision of the Chair.

The question was taken on "Shall the decision of the President be the judgment of the Senate?"

The roll was called, and there were yeas 32 and nays 25, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Lantry	Peterson, D.C.	Spear
Berglin	Dieterich	Luther	Peterson, R.W.	Stumpf
Bertram	Freeman	Merriam	Petty	Vega
Dahl	Hughes	Moe, R. D.	Purfeerst	Willet
Davis	Johnson, D.J.	Nelson	Reichgott	
DeCramer	Jude	Pehler	Samuelson	
Dicklich	Kroening	Peterson, C.C.	Schmitz	

Those who voted in the negative were:

Anderson	Brataas	Kamrath	Mehrkens	Sieloff
Belanger	Frederick	Knaak	Olson	Storm
Benson	Frederickson	Knutson	Peterson, D.L.	Ulland
Berg	Isackson	Laidig	Ramstad	Waldorf
Bernhagen	Johnson, D.E.	McQuaid	Renneke	Wegscheid

The decision of the Chair was sustained.

Mr. Sieloff then moved to amend H.F. No. 1577, as amended by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1514.)

Page 48, after line 9, insert:

"Sec. 55. Minnesota Statutes 1983 Supplement, section 115B.05, is amended by adding a subdivision to read:

*Subd. 5a. [SMALL GENERATOR.] There is no strict liability for a release*

*or threatened release of a hazardous substance by a small quantity generator as defined in Code of Federal Regulations, title 40, section 261.5 (1983) to be a generator of less than 1,000 kilograms of hazardous waste per month."*

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Mr. Merriam questioned whether the amendment was germane. The President ruled the amendment was germane.

The question was taken on the adoption of the amendment.

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

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

Those who voted in the affirmative were:

Anderson	Chmielewski	Knutson	Olson	Solon
Belanger	Frederick	Kroening	Peterson, D.L.	Storm
Benson	Frederickson	Kronebusch	Purfeerst	Taylor
Berg	Isackson	Laidig	Ramstad	Ulland
Bernhagen	Johnson, D.E.	Lessard	Renneke	
Bertram	Kamrath	McQuaid	Schmitz	
Brataas	Knaak	Mehrkens	Sieloff	

Those who voted in the negative were:

Adkins	Dieterich	Lantry	Pehler	Spear
Berglin	Frank	Luther	Peterson, C.C.	Stumpf
Dahl	Freeman	Merriam	Peterson, D.C.	Vega
Davis	Hughes	Moe, D. M.	Peterson, R.W.	Waldorf
DeCramer	Johnson, D.J.	Moe, R. D.	Petty	Wegscheid
Dicklich	Jude	Nelson	Pogemiller	Willet
Diessner	Langseth	Novak	Reichgott	

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

Mr. Sieloff moved to amend H.F. No. 1577, as amended by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1514.)

Page 48, after line 9, insert:

"Sec. 55. [REPEALER.]

*Minnesota Statutes 1983 Supplement, section 115B.07, is repealed."*

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 45, delete "section" and insert "sections"

Page 1, line 46, before the period, insert "; and 115B.07"

The question was taken on the adoption of the amendment.

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

The roll was called, and there were yeas 30 and nays 35, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Johnson, D.E.	Lessard	Renneke
Belanger	Chmielewski	Kamrath	McQuaid	Sieloff
Benson	Diessner	Knaak	Mehrkens	Storm
Berg	Frederick	Knutson	Olson	Taylor
Bernhagen	Frederickson	Kronebusch	Peterson, D.L.	Ulland
Bertram	Isackson	Laidig	Ramstad	Waldorf

Those who voted in the negative were:

Adkins	Frank	Luther	Peterson, C.C.	Schmitz
Berglin	Freeman	Merriam	Peterson, D.C.	Solon
Dahl	Hughes	Moe, D. M.	Peterson, R.W.	Spear
Davis	Johnson, D.J.	Moe, R. D.	Petty	Stumpf
DeCramer	Jude	Nelson	Pogemiller	Vega
Dicklich	Kroening	Novak	Purfeerst	Wegscheid
Dieterich	Lantry	Pehler	Reichgott	Willet

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

Mr. Sieloff then moved to amend H.F. No. 1577, as amended by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1514.)

Page 29, after line 21, insert:

“Sec. 28. [115A.40] [HAZARDOUS WASTE FACILITY OPERATOR LIABILITY; STATE LIABILITY.]

*Notwithstanding any other provision or rule of law, the operator of a hazardous waste facility located on a site selected under chapter 115A shall be the sole person responsible for any liability of whatever nature that results from the facility or the hazardous wastes or substances or pollutants or contaminants, as defined in chapter 115B, which are deposited, stored, processed, treated, or released at the facility. The operator's liability is in force from the date the first hazardous waste is accepted at the facility until the final closure and post-closure obligations of the facility operator have been fully satisfied in accordance with applicable regulations adopted pursuant to chapter 116 and the Resource Conservation and Recovery Act, United States Code, title 42, sections 6901 et seq., as amended through December 31, 1983. Upon termination of the facility operator's liability as set forth herein and if, before or after that termination, the operator does not fully meet its liability obligations, the state of Minnesota through the general fund shall be solely responsible for any liability of whatever nature which results from the facility or the hazardous wastes or substances or pollutants or contaminants, as defined in chapter 115B, which are deposited, stored, processed, treated, or released at the facility. This section does not prevent the state of Minnesota from seeking reimbursement from a facility operator for any money expended by the state to satisfy the operator's liability prior to lawful termination as specified herein.”*

Page 48, after line 9, insert:

“Sec. 55. Minnesota Statutes 1983 Supplement, section 115B.03, is amended by adding a subdivision to read:

*Subd. 4. [USE OF SITE SELECTED UNDER CHAPTER 115A.] A generator of hazardous waste who, at the time its wastes are delivered to a hazardous waste facility located on a site selected under chapter 115A, has*

*complied with all applicable rules for the waste adopted under chapter 116 and the Resource Conservation and Recovery Act, United States Code, title 42, sections 6901 et seq., as amended through December 31, 1983, is not a person responsible for the release or threatened release of a hazardous substance or waste or pollutant or contaminant from a hazardous waste facility."*

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 23, after the semicolon, insert "providing state liability after termination of a hazardous waste facility operator's liability; defining responsible person; proposing new law coded in Minnesota Statutes, chapter 115A;"

Page 1, line 39, after the second semicolon, insert "115B.03, by adding a subdivision;"

The motion prevailed. So the amendment was adopted.

Mr. Schmitz moved to amend H.F. No. 1577, as amended by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1514.)

Pages 2 to 6, delete section 4

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Dicklich moved to amend H.F. No. 1577, as amended by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1514.)

Page 40, line 9, delete "90" and insert "50"

Page 47, line 12, delete "30" and insert "25"

Pages 47 and 48, delete section 54

Renumber the sections in sequence and correct the internal references

Mr. Merriam requested division of the amendment as follows:

First portion:

Page 40, line 9, delete "90" and insert "50"

Page 47, line 12, delete "30" and insert "25"

Second portion:

Pages 47 and 48, delete section 54

Renumber the sections in sequence and correct the internal references

The question was taken on the adoption of the first portion of the amendment.

The roll was called, and there were yeas 35 and nays 18, as follows:

Those who voted in the affirmative were:

Anderson	Chmielewski	Kamrath	Lantry	Sieloff
Belanger	Dicklich	Knaak	Lessard	Solon
Benson	Diessner	Knutson	McQuaid	Taylor
Berglin	Frederick	Kroening	Mehrkens	Ulland
Bernhagen	Frederickson	Kronebusch	Peterson, D.C.	Vega
Bertram	Isackson	Laidig	Peterson, D.L.	Wegscheid
Brataas	Johnson, D.E.	Langseth	Petty	Willet

Those who voted in the negative were:

Adkins	Hughes	Moe, D. M.	Pehler	Stumpf
Dahl	Jude	Nelson	Peterson, C.C.	Waldorf
Dieterich	Luther	Novak	Peterson, R. W.	
Frank	Merriam	Olson	Schmitz	

The motion prevailed. So the first portion of the amendment was adopted.

The question was taken on the adoption of the second portion of the amendment.

The motion did not prevail. So the second portion of the amendment was not adopted.

Mr. Chmielewski moved to amend H.F. No. 1577, as amended by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1514.)

Page 74, line 12, delete "*except that the fees imposed in*" and insert "*and shall expire on December 31, 1987*"

Page 74, delete lines 13 and 14

Page 74, line 15, delete "*facilities*"

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

Mr. Wegscheid moved to amend H.F. No. 1577, as amended by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1514.)

Page 42, line 15, delete "*grants and*"

Page 42, line 16, after "*loans*" insert "*or loan guarantees*"

Page 42, line 25, delete "*Grants and*" and after "*loans*" insert "*or loan guarantees*"

Page 42, line 27, delete "*grants and*" and after "*loans*" insert "*or loan guarantees*"

Page 42, line 28, delete "*grants and*"

Page 42, line 29, after "*loans*" insert "*or loan guarantees*"

Page 42, line 31, delete "*Grants and*" and after "*loans*" insert "*or loan guarantees*"

Page 42, line 33, delete "*Grants*" and insert "*Loans or loan guarantees*"

Page 42, line 35, delete "*grants*" and insert "*loans or loan guarantees*" and delete "*four*" and insert "*ten*"

Page 43, line 2, delete "*grant or*" and after "*loan*" insert "*or loan guar-*

antee”

Page 43, line 5, delete “grant and”

Page 43, line 6, after “loan” insert “and loan guarantee”

The motion prevailed. So the amendment was adopted.

Mr. Novak moved to amend H.F. No. 1577, as amended by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1514.)

Page 74, line 17, delete “fee charged” and insert “disposal charge for nonhazardous solid waste from metalcasting facilities the fee imposed”

Page 74, line 18, delete everything after “54”

Page 74, line 19, delete everything before the period

The motion prevailed. So the amendment was adopted.

Mr. Stumpf moved to amend H.F. No. 1577, as amended by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1514.)

Page 7, line 13, after the period, insert “The board through its chairperson shall issue an interim report by February 1, 1985, on the research on need and economic feasibility.”

The motion prevailed. So the amendment was adopted.

Mr. Stumpf then moved to amend H.F. No. 1577, as amended by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1514.)

Page 22, line 3, before the semicolon, insert “based to the extent practical on data obtained from generators who are likely to use the facility”

The motion prevailed. So the amendment was adopted.

Mr. Merriam moved to amend H.F. No. 1577, as amended by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1514.)

Page 71, line 4, delete “\$350,000” and insert “\$200,000”

The motion prevailed. So the amendment was adopted.

Mr. Merriam then moved to amend H.F. No. 1577, as amended by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1514.)

Page 43, line 19, delete “\$1.80” and insert “\$1.00”

The motion prevailed. So the amendment was adopted.

Mr. Isackson moved to amend H.F. No. 1577, as amended by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1514.)

Page 69, line 1, delete "of property which" and insert "greater than three percent of the sale price of the property that"

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

Mr. Wegscheid moved to amend H.F. No. 1577, as amended by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1514.)

Page 74, line 5, after the period, insert "Notwithstanding any other law to the contrary House File No. 2317, article 2, section 29, relating to restriction of resource recovery facilities is repealed whether enacted before or after this act."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 43 and nays 10, as follows:

Those who voted in the affirmative were:

Anderson	Frank	Knutson	Nelson	Renneke
Belanger	Frederick	Kronebusch	Olson	Schmitz
Benson	Frederickson	Laidig	Peterson, C.C.	Sieloff
Berg	Freeman	Langseth	Peterson, D.L.	Taylor
Berglin	Hughes	McQuaid	Peterson, R.W.	Ulland
Bernhagen	Isackson	Mehrkens	Petty	Waldorf
Bertram	Johnson, D.E.	Merriam	Pogemiller	Wegscheid
Brataas	Jude	Moe, D. M.	Purfeerst	
Chmielewski	Knaak	Moe, R. D.	Ramstad	

Those who voted in the negative were:

Adkins	DeCramer	Johnson, D.J.	Pehler	Vega
Davis	Diessner	Kroening	Solon	Willet

The motion prevailed. So the amendment was adopted.

H.F. No. 1577 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 62 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Novak	Solon
Anderson	Diessner	Kroening	Olson	Spear
Belanger	Dieterich	Kronebusch	Pehler	Storm
Benson	Frank	Laidig	Peterson, C.C.	Stumpf
Berg	Frederickson	Langseth	Peterson, D.L.	Taylor
Berglin	Freeman	Lantry	Peterson, R.W.	Ulland
Bernhagen	Hughes	Lessard	Petty	Vega
Bertram	Isackson	Luther	Pogemiller	Waldorf
Brataas	Johnson, D.E.	McQuaid	Purfeerst	Wegscheid
Chmielewski	Johnson, D.J.	Mehrkens	Ramstad	Willet
Dahl	Jude	Merriam	Renneke	
Davis	Kamrath	Moe, R. D.	Schmitz	
DeCramer	Knaak	Nelson	Sieloff	

Mr. Frederick voted in the negative.

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

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Pogemiller moved that the following members be



excused for a Conference Committee on S.F. No. 1336 at 1:00 p.m.:

Messrs. Pogemiller, Freeman, Spear, Ramstad and Purfeerst. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Messages From the House.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1810, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 1810: A bill for an act relating to insurance; homeowner's; providing certain notice requirements upon policy nonrenewal, reduction in the limits of coverage, or elimination of coverage; authorizing the commissioner to adopt rules; amending Minnesota Statutes 1982, section 65A.29, by adding subdivisions; repealing Minnesota Statutes 1982, section 65A.29, subdivision 2.

Senate File No. 1810 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1258, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 1258: A bill for an act relating to the environment; requiring an agreement between the state and federal government prior to test drilling of geologic structures for disposal of high level radioactive waste and notification of results; regulating transportation of high level radioactive waste in the state; providing penalties; regulating nuclear fission electric generating plants in Minnesota; amending Minnesota Statutes 1982, section 116C.71, by adding subdivisions; and 116C.74; proposing new law coded in Minnesota Statutes, chapters 116C and 216B.

Senate File No. 1258 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1511, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 1511: A bill for an act relating to taxation; property; modifying the exemption for property held by political subdivisions; amending Minnesota Statutes 1982, section 272.02, subdivision 5.

Senate File No. 1511 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

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. 1149, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1149 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 1149

A bill for an act relating to liens; right of possession and liens on fabrication molds and patterns; providing a nonpossessory lien on personal property; lengthening the time limit for veterinary liens; amending Minnesota Statutes 1982, sections 514.18; 514.19; and 514.92, subdivision 1.

April 18, 1984

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

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 1149, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 1149 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 514.18, is amended to read:

514.18 [RETAINING.]

*Subdivision 1.* [MECHANICS' LIEN ON PERSONAL PROPERTY; PROPERTY IN POSSESSION.] Whoever, at the request of the owner or legal possessor of any personal property, shall store or care for or contribute in any of the modes mentioned in section 514.19 to its preservation, care, or to the enhancement of its value, shall have a lien upon such property for the price or value of such storage, care, or contribution, and for any legal charges against the same paid by such person to any other person, and the right to retain the property in his possession until such lien is lawfully discharged; ~~but a voluntary surrender of possession shall extinguish the lien herein given.~~

*Subd. 2.* [NONPOSSESSORY LIEN; NOTICE.] *Notwithstanding the*

*voluntary surrender or other loss of possession of the property on which the lien is claimed, the person entitled thereto may preserve the lien, if at any time within 60 days after the surrender or loss of possession he gives notice of his lien by filing in the appropriate filing office under the uniform commercial code, Minnesota Statutes, section 336.9-401 a verified statement and notice of his intention to claim a lien. The statement shall contain a description of the property upon which the lien is claimed, the work performed or materials furnished and the amount due.*

*Subd. 3. [PRIORITY; SECURITY; INTEREST; FORECLOSURE.] The lien shall be valid against everyone except a purchaser or encumbrancer in good faith without notice and for value whose rights were acquired prior to the filing of the lien statement and who has filed a statement of his interest in the appropriate filing office. The lien shall be considered a security interest under the uniform commercial code and foreclosure thereon shall be in the manner prescribed for security interests under article 9 of the uniform commercial code.*

*Subd. 4. [MOTOR VEHICLES EXCLUDED.] Subdivisions 2 and 3 shall apply to machinery, implements and tools of all kinds but shall not apply to motor vehicles."*

Delete the title and insert:

"A bill for an act relating to liens; providing a nonpossessory lien on personal property; amending Minnesota Statutes 1982, section 514.18."

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

House Conferees: (Signed) John T. Clawson, Joel Jacobs, Douglas W. Carlson

Senate Conferees: (Signed) Randolph W. Peterson, Marilyn M. Lantry, Donald A. Storm

Mr. Peterson, R.W. moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1149 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. 1149 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:

Adkins	Dicklich	Knaak	Nelson	Spear
Anderson	Diessner	Knutson	Novak	Stumpf
Belanger	Dieterich	Kronebusch	Olson	Taylor
Benson	Frank	Laidig	Pehler	Ulland
Berg	Frederick	Langseth	Peterson, D.C.	Vega
Berglin	Frederickson	Lessard	Peterson, D.L.	Waldorf
Bernhagen	Freeman	Luther	Peterson, R.W.	Wegscheid
Bertram	Hughes	McQuaid	Petty	Willet
Chmielewski	Isackson	Mehrrens	Pogemiller	
Dahl	Johnson, D.E.	Merriam	Ramstad	
Davis	Jude	Moe, D. M.	Schmitz	
DeCramer	Kamrath	Moe, R. D.	Sieloff	

So the bill, as amended by the Conference Committee, was repassed and

its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1939, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1939 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 1939

A bill for an act relating to commerce; removing preference for Minnesota made materials in state purchasing; clarifying definition of public contract for resident preference; amending Minnesota Statutes 1982, section 16.365; Minnesota Statutes 1983 Supplement, section 16.0721; repealing Minnesota Statutes 1982, section 16.073; Minnesota Statutes 1983 Supplement, section 16.072; and Laws 1983, chapter 336, section 3.

April 18, 1984

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

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 1939, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments

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

House Conferees: (Signed) Patrick W. Beard, David T. Bishop, Virgil J. Johnson

Senate Conferees: (Signed) Florian Chmielewski, Howard A. Knutson, Bob Lessard

Mr. Chmielewski moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1939 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. 1939 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Moe, R. D.	Renneke
Anderson	Diessner	Knutson	Nelson	Schmitz
Belanger	Frank	Kronebusch	Novak	Sieloff
Berglin	Frederick	Laidig	Olson	Stumpf
Bernhagen	Frederickson	Langseth	Pehler	Taylor
Bertram	Freeman	Lessard	Peterson, D.C.	Waldorf
Brataas	Hughes	Luther	Peterson, D.L.	Wegscheid
Chmielewski	Isackson	McQuaid	Peterson, R.W.	Willet
Dahl	Johnson, D.E.	Mehrkens	Pogemiller	
Davis	Jude	Merriam	Purfeerst	
DeCramer	Kamrath	Moe, D. M.	Ramstad	

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 adoption by the House of the following Senate Concurrent Resolution, AS AMENDED by the House.

Senate Concurrent Resolution No. 18: A Senate concurrent resolution requiring the establishment of an affirmative action plan for the legislature; requiring employment of an affirmative action officer.

Senate Concurrent Resolution No. 18 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

Mr. Moe, D.M. moved that the Senate concur in the amendments by the House to Senate Concurrent Resolution No. 18 and that the resolution be adopted as amended. The motion prevailed.

Mr. Moe, D.M. moved the adoption of the resolution. The motion prevailed. So the resolution was adopted.

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 2099.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 18, 1984

### FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 2099: A bill for an act relating to insurance; no-fault auto; providing uninsured and underinsured motorist coverages; defining terms; amending Minnesota Statutes 1982, sections 65B.43, by adding subdivisions; and 65B.49, subdivision 4.

Ms. Peterson, D.C. moved that H.F. No. 2099 be laid on the table. The motion prevailed.

Without objection, the Senate reverted to the Order of Business of Mes-

sages From the House.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to the following House File No. 1257:

H.F. No. 1257: A bill for an act relating to occupations and professions; regulating entertainment agencies; providing penalties; proposing new law coded as Minnesota Statutes, chapter 184A.

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

Rice, Jacobs and Jennings have been appointed as such committee on the part of the House.

House File No. 1257 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

Mr. Solon moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1257, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

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

S.F. No. 1114: A bill for an act relating to natural resources; authorizing additions to and deletions from certain state parks and waysides; authorizing land acquisition in relation thereto.

Senate File No. 1114 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 18, 1984

### CONCURRENCE AND REPASSAGE

Mr. Jude moved that the Senate concur in the amendments by the House to S.F. No. 1114 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1114: A bill for an act relating to natural resources; authorizing additions to and deletions from certain state parks and waysides; authorizing land acquisition in relation thereto; authorizing land exchange within Lake County; authorizing the conveyance of certain property to the city of Melrose; amending Minnesota Statutes 1982, section 86A.05, by adding a subdivision.

Was read the third time, as amended by the House, and placed on its re-passage.

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

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Jude	Mehrkens	Samuelson
Anderson	DeCramer	Kamrath	Merriam	Schmitz
Belanger	Dicklich	Knaak	Moe, R. D.	Sieloff
Benson	Diessner	Knutson	Nelson	Stumpf
Berg	Frank	Kroening	Olson	Ulland
Berglin	Frederick	Kronebusch	Pehler	Vega
Bernhagen	Frederickson	Laidig	Peterson, D.C.	Waldorf
Bertram	Hughes	Langseth	Peterson, D.L.	Wegscheid
Brataas	Isackson	Lessard	Peterson, R.W.	
Chmielewski	Johnson, D.E.	Luther	Petty	
Dahl	Johnson, D.J.	McQuaid	Renneke	

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

### SPECIAL ORDER

H.F. No. 1561: A bill for an act relating to health; health maintenance organizations; providing continued coverage upon replacement of an insurance carrier; including health maintenance organization contracts in certain statutorily mandated coverages; providing for the disclosure and reporting by the organization of detailed financial, administrative and ownership information; providing for reporting of changes in provider agreements; granting the commissioner authority to adopt rules regarding the content of provider and other agreements; requiring certain deposits against insolvency; authorizing organizations to enter into certain health services contracts; requiring certain consumer rights information in evidences of coverage and annual information statements; providing for reimbursement of, and direct payments to, enrollees; providing for examination by the commissioner of health; specifying the examination powers of the commissioner; classifying certain data used for review purposes; prescribing penalties; amending Minnesota Statutes 1982, sections 60A.082; 62A.041; 62A.042; 62A.044; 62A.14; 62A.147; 62D.02, subdivision 8, and by adding subdivisions; 62D.04; 62D.05, subdivision 3; 62D.07, subdivisions 1 and 3, and by adding subdivisions; 62D.08, subdivisions 1, 3, and by adding subdivisions; 62D.09; 62D.10, subdivision 3, and by adding a subdivision; 62D.101, subdivisions 2 and 2a; 62D.12, subdivisions 2, 4, 9, 10, and by adding subdivisions; 62D.14; 62D.15, subdivision 1; 62D.17, subdivisions 1 and 4; 62D.19; 62D.22, subdivision 5, and by adding a subdivision; amending Minnesota Statutes 1983 Supplement, sections 62A.17, subdivision 6; 62D.03, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 62D; repealing Minnesota Statutes 1982, sections 62D.10, subdivision 2; 62D.12, subdivision 7; 62D.22, subdivision 9; 62D.27; and 62E.17.

### SUSPENSION OF RULES

Ms. Berglin moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 1561 and that the rules of the Senate be so far suspended as to give H.F.

No. 1561, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

Ms. Berglin moved that the amendment made to H.F. No. 1561 by the Committee on Rules and Administration in the report adopted April 19, 1984, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 1561 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Moe, D. M.	Samuelson
Anderson	Dicklich	Knutson	Moe, R. D.	Schmitz
Belanger	Diessner	Kroening	Nelson	Sieloff
Benson	Frank	Kronebusch	Olson	Solon
Berg	Frederick	Laidig	Pehler	Stumpf
Berglin	Frederickson	Langseth	Peterson, D.C.	Ulland
Bertram	Hughes	Lessard	Peterson, D.L.	Vega
Brataas	Isackson	Luther	Peterson, R.W.	Waldorf
Chmielewski	Johnson, D.E.	McQuaid	Petty	Wegscheid
Dahl	Jude	Mehrkens	Ramstad	
Davis	Kamrath	Merriam	Renneke	

So the bill passed and its title was agreed to.

## MOTIONS AND RESOLUTIONS - CONTINUED

### RECONSIDERATION

Mr. Moe, R.D. moved that the vote whereby H.F. No. 1577 was passed by the Senate on April 19, 1984, be now reconsidered. The motion prevailed.

H.F. No. 1577: A bill for an act relating to solid and hazardous waste management; amending various provisions of the waste management act; prescribing various powers and duties of the waste management board and the pollution control agency relating to hazardous waste management planning and the development of hazardous waste facilities; establishing programs for public education, technical and research assistance to generators, and grants for hazardous waste reduction and processing and collection facilities; requiring requests for proposals for hazardous waste processing and collection facilities; authorizing hazardous waste processing facility loans; prescribing procedures for the designation of solid waste facilities by counties and waste management districts; reducing the number of proposed sites in certain metropolitan counties for mixed municipal solid waste disposal facilities; amending various provisions relating to county and metropolitan solid waste management; appropriating money; amending Minnesota Statutes 1982, sections 115A.03, subdivisions 15 and 28; 115A.06, by adding a subdivision; 115A.08, by adding a subdivision; 115A.09, by adding a subdivision; 115A.11; 115A.18; 115A.24; 115A.241; 115A.46, subdivisions 1 and 2; 115A.70, by adding a subdivision; 116.07, by adding subdivisions; 116J.88, by adding a subdivision; 400.04, subdivision 3; 400.162; 473.181, subdivision 4; 473.801, subdivisions 1 and 4; 473.803, subdivisions 2, 3, and by adding a subdivision; 473.811, subdivision 10; 473.833, subdivision 4;



Minnesota Statutes 1983 Supplement, sections 115A.08, subdivision 5; 115A.21, subdivision 1, and by adding a subdivision; 115A.22, subdivisions 1 and 4; 115A.241; 115A.25, subdivisions 1, 1a, and 1b; 115A.26; 115A.27, subdivision 2; 115A.28, subdivision 1; 115A.291; 115B.22, subdivision 1; 116J.90, by adding a subdivision; 473.149, subdivisions 2d and 2e; 473.803, subdivisions 1a and 1b; and 473.823, subdivision 6; proposing new law coded in Minnesota Statutes, chapters 115A and 473; repealing Minnesota Statutes 1982, sections 115A.071; 115A.46, subdivision 3; 115A.70, subdivisions 1, 2, 4, 5, and 6; 473.827; and Minnesota Statutes 1983 Supplement, section 115A.70, subdivisions 3 and 7.

### RECONSIDERATION

Having voted on the prevailing side, Mr. Moe, R.D. moved that the vote whereby the second Wegscheid amendment to H.F. No. 1577 was adopted on April 19, 1984, be now reconsidered. The motion prevailed.

The question was taken on the adoption of the second Wegscheid amendment.

The roll was called, and there were yeas 40 and nays 17, as follows:

Those who voted in the affirmative were:

Benson	Hughes	Laidig	Nelson	Schmitz
Berg	Isackson	Langseth	Olson	Sieloff
Bernhagen	Johnson, D.E.	Lessard	Peterson, D.L.	Solon
Bertram	Jude	McQuaid	Peterson, R.W.	Stumpf
Brataas	Kamrath	Mehrkens	Petty	Taylor
Chmielewski	Knaak	Merriam	Purfeerst	Ulland
Frederick	Knutson	Moe, D. M.	Ramstad	Waldorf
Frederickson	Kronebusch	Moe, R. D.	Renneke	Wegscheid

Those who voted in the negative were:

Adkins	Davis	Frank	Pehler	Vega
Anderson	DeCramer	Freeman	Peterson, D.C.	
Belanger	Dicklich	Johnson, D.J.	Pogemiller	
Berglin	Diessner	Kroening	Samuelson	

The motion prevailed. So the second Wegscheid amendment was adopted.

H.F. No. 1577 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 56 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knutson	Nelson	Schmitz
Anderson	Dicklich	Kroening	Olson	Sieloff
Belanger	Diessner	Kronebusch	Pehler	Solon
Benson	Frank	Laidig	Peterson, D.C.	Stumpf
Berg	Frederickson	Langseth	Peterson, D.L.	Ulland
Berglin	Freeman	Lessard	Peterson, R.W.	Vega
Bernhagen	Hughes	Luther	Petty	Waldorf
Bertram	Isackson	McQuaid	Pogemiller	Wegscheid
Brataas	Johnson, D.E.	Mehrkens	Purfeerst	
Chmielewski	Jude	Merriam	Ramstad	
Dahl	Kamrath	Moe, D. M.	Renneke	
Davis	Knaak	Moe, R. D.	Samuelson	

Mr. Frederick voted in the negative.

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

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Novak moved that the following members be excused for a Conference Committee on S.F. No. 1349 at 4:00 p.m.:

Mr. Spear, Mrs. Lantry, Messrs. Novak, Dieterich and Storm. The motion prevailed.

### MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 989 and the Conference Committee Report thereon were reported to the Senate.

### CONFERENCE COMMITTEE REPORT ON S.F. NO. 989

A bill for an act relating to collection and dissemination of data; classifying government data as public, private, and nonpublic; clarifying issues relating to classifications of data, access to data, the effect of death of individuals on classifications, and the temporary classification of data; refining provisions of the data practice act; amending Minnesota Statutes 1982, sections 13.02, subdivision 8, and by adding a subdivision; 13.03, subdivisions 3 and 4, and by adding subdivisions; 13.04, subdivision 2; 13.05, subdivisions 3, 7, 9, and 10, and by adding a subdivision; 13.06, subdivisions 1 and 6; 13.31, subdivision 2; 13.41, by adding a subdivision; 13.43, subdivision 2; 13.44; 13.46, subdivision 2, and by adding subdivisions; 13.67; 144.335, subdivision 2; and 253B.03, subdivision 8; proposing new law coded in Minnesota Statutes, chapter 13.

April 17, 1984

The Honorable Jerome M. Hughes  
President of the Senate

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

We, the undersigned conferees for S.F. No. 989, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 989 be further amended as follows:

Delete everything after the enacting clause and insert:

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

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

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

Subd. 3. [REQUEST FOR ACCESS TO DATA.] Upon request to a responsible authority or designee, a person shall be permitted to inspect and

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

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

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

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

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

*If data on individuals is classified as both private and confidential by this chapter, or any other statute or federal law, the data is private.*

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

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

Subd. 5. [COPYRIGHT OF PATENT OR COMPUTER PROGRAM.] *Nothing in this chapter or any other statute shall be construed to prevent a state agency, statewide system, or political subdivision from acquiring a copyright or patent for a computer software program or components of a program created by that government agency. In the event that a government*

*agency does acquire a patent or copyright to a computer software program or component of a program, the data shall be treated as trade secret information pursuant to section 13.37.*

Sec. 5. Minnesota Statutes 1982, section 13.04, subdivision 2, is amended to read:

Subd. 2. [INFORMATION REQUIRED TO BE GIVEN INDIVIDUAL.] An individual asked to supply private or confidential data concerning himself shall be informed of: (a) the purpose and intended use of the requested data within the collecting state agency, political subdivision, or statewide system; (b) whether he may refuse or is legally required to supply the requested data; (c) any known consequence arising from his supplying or refusing to supply private or confidential data; and (d) the identity of other persons or entities authorized by state or federal law to receive the data. This requirement shall not apply when an individual is asked to supply investigative data, *pursuant to section 13.82, subdivision 5*, to a law enforcement officer.

Sec. 6. Minnesota Statutes 1982, section 13.05, subdivision 3, is amended to read:

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

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

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

Sec. 8. Minnesota Statutes 1982, section 13.05, subdivision 9, is amended to read:

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

*Data shall have the same classification in the hands of the agency receiving it*

as it had in the agency providing it.

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

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

Sec. 10. Minnesota Statutes 1982, section 13.06, subdivision 1, is amended to read:

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

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

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

Sec. 11. Minnesota Statutes 1982, section 13.06, subdivision 6, is amended to read:

Subd. 6. [EXPIRATION OF TEMPORARY CLASSIFICATION.] ~~Emergency classifications granted before July 1, 1979 are redesignated as temporary classifications. All A temporary classifications classification granted under this section prior to April 24, 1980 and still in effect, and all temporary classifications thereafter applied for and granted pursuant to this section shall expire on July 31, 1981 or 24 months ten days after the classification is granted, whichever occurs later end of the second complete regular legislative session that follows the commissioner's granting of the temporary classification.~~

Sec. 12. Minnesota Statutes 1982, section 13.31, subdivision 2, is amended to read:

Subd. 2. [PUBLIC DATA.] The names and addresses of applicants for and recipients of benefits ~~characterized as the urban homesteading, home ownership, and new housing programs operated by a housing and redevelopment authority in a city of the first class, aid, or assistance through programs administered by any political subdivision, state agency, or statewide system~~

that are intended to assist with the purchase of housing or other real property are classified as public data on individuals.

Sec. 13. Minnesota Statutes 1982, section 13.31, subdivision 3, is amended to read:

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

Sec. 14. Minnesota Statutes 1982, section 13.32, subdivision 3, is amended to read:

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

(a) Pursuant to section 13.05;

(b) Pursuant to a valid court order;

(c) Pursuant to a statute specifically authorizing access to the private data;

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

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

(f) To appropriate health authorities ~~but only~~ to the extent necessary to administer immunization programs and for bona fide epidemiologic investigations which the commissioner of health determines are necessary to prevent disease or disability to individuals in the public educational agency or institution in which the investigation is being conducted.

Sec. 15. Minnesota Statutes 1982, section 13.37, subdivision 2, is amended to read:

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

Sec. 16. Minnesota Statutes 1982, section 13.41, is amended by adding a subdivision to read:

Subd. 5. [RELEASING DATA.] Any licensing agency may make any data classified as private or confidential pursuant to this section accessible to an

*appropriate person or agency if the licensing agency determines that failure to make the data accessible is likely to create a clear and present danger to public health or safety.*

Sec. 17. Minnesota Statutes 1982, section 13.43, subdivision 2, is amended to read:

Subd. 2. [PUBLIC DATA.] Except for employees described in subdivision 5, the following personnel data on current and former employees, volunteers, and independent contractors of a state agency, statewide system, or political subdivision and members of advisory boards or commissions is public: name; actual gross salary; salary range; contract fees; actual gross pension; the value and nature of employer paid fringe benefits; the basis for and the amount of any added remuneration, including expense reimbursement, in addition to salary; job title; job description; education and training background; previous work experience; date of first and last employment; the status of any complaints or charges against the employee, whether or not the complaint or charge resulted in a disciplinary action; and the final disposition of any disciplinary action and supporting documentation; work location; a work telephone number; badge number; honors and awards received; ~~data which accounts for the individual's work time payroll time sheets or other comparable data that are only used to account for employee's work time for payroll purposes, except to the extent that release of time sheet data would reveal the employee's reasons for the use of sick or other medical leave or other not public data;~~ and, city and county of residence.

Sec. 18. Minnesota Statutes 1982, section 13.44, is amended to read:

#### 13.44 [PROPERTY COMPLAINT DATA.]

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

Sec. 19. Minnesota Statutes 1982, section 13.46, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section:

(a) "Individual" means an individual pursuant to section 13.02, subdivision 8, but does not include a vendor of services.

(b) "Program" includes all programs for which authority is vested in a component of the welfare system pursuant to statute or federal law.

(c) "Welfare system" includes the department of public welfare, county welfare boards, *county welfare agencies*, human services boards, community mental health *center* boards, state hospitals, state nursing homes, and persons, agencies, institutions, organizations, and other entities under contract to any of the above agencies to the extent specified in the contract.

Sec. 20. Minnesota Statutes 1983 Supplement, section 13.46, subdivision 2, is amended to read:

Subd. 2. [GENERAL.] Unless the data is summary data or a statute specifically provides a different classification, data on individuals collected, maintained, used or disseminated by the welfare system is private data on

individuals, and shall not be disclosed except:

- (a) Pursuant to section 13.05;
- (b) Pursuant to a ~~valid~~ court order;
- (c) Pursuant to a statute specifically authorizing access to the private data;
- (d) To an agent of the welfare system, including appropriate law enforcement personnel, who are acting in the investigation, prosecution, criminal or civil proceeding relating to the administration of a program;
- (e) To personnel of the welfare system who require the data to determine eligibility, amount of assistance, and the need to provide services of additional programs to the individual;
- (f) To administer federal funds or programs;
- (g) Between personnel of the welfare system working in the same program;
- (h) The amounts of cash public assistance and relief paid to welfare recipients in this state, including their names and social security numbers, upon request by the department of revenue to administer the property tax refund law, supplemental housing allowance, and the income tax; or
- (i) To the Minnesota department of economic security for the purpose of monitoring the eligibility of the data subject for unemployment compensation or for any employment or training program administered by that agency, whether alone or in conjunction with the welfare system.

*Data on individual clients or patients of public or private community mental health centers, established by section 245.62, or mental health divisions of counties and other providers under contract to deliver mental health services shall be treated as provided in subdivisions 7, 8, and 9.*

Sec. 21. Minnesota Statutes 1982, section 13.46, is amended by adding a subdivision to read:

*Subd. 7. [MENTAL HEALTH CENTER DATA.] Data on individual clients and patients of public or private community mental health centers or mental health divisions of counties and other providers under contract to deliver mental health services shall not be disclosed, except:*

- (a) pursuant to section 13.05;*
- (b) pursuant to court order; or*
- (c) pursuant to a statutes specifically authorizing access to or disclosure of private data.*

Sec. 22. Minnesota Statutes 1982, section 13.46, is amended by adding a subdivision to read:

*Subd. 8. [ACCESS FOR AUDITING.] To the extent required by state or federal law, representatives of federal, state, or local agencies shall have access to data maintained by public or private community mental health centers, mental health divisions of counties, and other providers under contract to deliver mental health services which is necessary to achieve the purpose of auditing. Public or private community mental health centers, mental health divisions of counties, and other providers under contract to deliver*



*mental health services shall not permit this data to identify any particular patient or client by name or contain any other unique personal identifier.*

Sec. 23. Minnesota Statutes 1982, section 13.46, is amended by adding a subdivision to read:

*Subd. 9. [FRAUD.] In cases of suspected fraud, in which access to mental health data maintained by public or private community mental health centers or mental health divisions of counties and other providers under contract to deliver mental health services is necessary to a proper investigation, the county board or the appropriate prosecutorial authority shall refer the matter to the commissioner of public welfare. The commissioner and his agents, while maintaining the privacy rights of individuals and families, shall have access to mental health data to conduct an investigation. If, as a result of the investigation, the commissioner deems it appropriate, he shall refer the matter to the appropriate legal authorities and may disseminate to those authorities whatever mental health data are necessary to properly prosecute the case.*

Sec. 24. Minnesota Statutes 1982, section 13.46, is amended by adding a subdivision to read:

*Subd. 10. [RESPONSIBLE AUTHORITY.] Notwithstanding any other provision of chapter 13 to the contrary, the responsible authority for each component of the welfare system listed in subdivision 1, clause (c), shall be as follows:*

*(a) The responsible authority for the department of public welfare, state hospitals, and nursing homes is the commissioner of the department of public welfare;*

*(b) The responsible authority of a county welfare agency is the director of the county welfare agency;*

*(c) The responsible authority for a county welfare board, human services board, or community mental health center board is the chairman of the board; and*

*(d) The responsible authority of any person, agency, institution, organization, or other entity under contract to any of the components of the welfare system listed in subdivision 1, clause (c), of this section is the person specified in the contract.*

*A responsible authority shall allow another responsible authority in the welfare system access to data classified as restricted when access is necessary for the administration and management of programs, or is authorized or required by statute or federal law.*

Sec. 25. [13.58] [HOMESTEAD APPLICATION DATA.]

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

Sec. 26. [13.59] [REDEVELOPMENT DATA.]

*Subdivision 1. [PRIVATE DATA.] The following data collected in sur-*

*veys of individuals conducted by cities and housing and redevelopment authorities for the purposes of planning, development, and redevelopment, are classified as private data pursuant to section 13.02, subdivision 12: the names and addresses of individuals and the legal descriptions of property owned by individuals.*

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

**Sec. 27. [13.60] [ELECTED OR APPOINTED OFFICIALS; FINANCIAL DISCLOSURE STATEMENTS.]**

*Financial disclosure statements of elected or appointed officials which, by requirement of the political subdivision, are filed with the political subdivision, are public data on individuals.*

**Sec. 28. [13.64] [DEPARTMENT OF ADMINISTRATION DATA.]**

*Notes and preliminary drafts of reports created, collected, or maintained by the management analysis division, department of administration, and prepared during audits or investigations of state departments and agencies are classified as confidential or protected nonpublic data until the final report has been published or preparation of the report is no longer being actively pursued. Data that support the conclusions of the report and that the commissioner of administration reasonably believes will result in litigation are confidential or protected nonpublic until the litigation has been completed or until the litigation is no longer being actively pursued. Data on individuals that could reasonably be used to determine the identity of an individual supplying data for a report are private if (a) the data supplied by the individual were needed for an audit and (b) the data would not have been provided to the management analysis division without an assurance to the individual that his identity would remain private.*

**Sec. 29. Minnesota Statutes 1982, section 13.67, is amended to read:**

**13.67 [EMPLOYEE RELATIONS DATA.]**

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

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

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

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

agencies; and

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

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

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

Sec. 31. [13.75] [BUREAU OF MEDIATION SERVICES DATA.]

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

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

Sec. 32. Minnesota Statutes 1983 Supplement, section 48.512, subdivision 3, is amended to read:

*Subd. 3. [CONFIRM NO INVOLUNTARY CLOSING.] Before opening or authorizing signatory power over a transaction account, the financial intermediary shall attempt to verify the information disclosed for subdivision 2, clause (i). The financial intermediary may not open or authorize signatory power over a transaction account if (i) the applicant had a transaction account closed by a financial intermediary without his consent because of his issuance of dishonored checks within 12 months immediately preceding the application, or (ii) the applicant has been convicted of a criminal offense because of the use of a check or other similar item within 24 months immediately preceding the application.*

*If the transaction account is refused pursuant to this subdivision, the reasons for the refusal shall be given to the applicant in writing and the applicant shall be allowed to provide additional information.*

Sec. 33. [144.336] [REGISTRY OF PERSONS TYPED FOR HUMAN LEUKOCYTE ANTIGENS.]

*Subdivision 1. [RELEASE RESTRICTED.] No person, including the state, a state agency, or a political subdivision, that maintains or operates a registry of the names of person, their human leukocyte antigen types, and their willingness to be a tissue donor shall reveal the identity of the person or his human leukocyte antigen type without the person's consent. If the data are maintained by a governmental entity, the data are classified as private data on individuals as defined in section 13.02, subdivision 12.*

*Subd. 2. [DUTIES.] Persons that maintain or operate a registry described in subdivision 1 have no responsibility for any search beyond their own records to identify potential donors for the benefit of any person seeking a tissue transplant and have no duty to encourage potential donors to assist persons seeking a tissue transplant, and are not liable for their failure to do so.*

Sec. 34. Minnesota Statutes 1983 Supplement, section 609.535, subdivision 7, is amended to read:

**Subd. 7. [RELEASE OF ACCOUNT INFORMATION TO PAYEE OR HOLDER.]** A drawee shall release the information specified in clauses (1) and (2) to the payee or holder of a check that has been dishonored who makes a written request for this information and states in writing that the check has been dishonored and that 30 days have elapsed since the mailing of the notice described in subdivision 8 and who accompanies this request with a copy of the dishonored check and a copy of the notice of dishonor.

The requesting payee or holder shall notify the drawee immediately to cancel this request if payment is made before the drawee has released this information.

This subdivision applies to the following information relating to the drawer's account:

(1) Whether at the time the check was issued or presented for payment the drawer had sufficient funds or credit with the drawee, and whether at that time the account was open, closed, or restricted for any reason and the date it was closed or restricted; and

(2) The last known home address and telephone number of the drawer. ~~A The drawee may be liable in a civil or criminal proceeding for releasing may not release the business address or business telephone number of the place of employment of the drawer to the payee or holder unless the drawer is a business entity or the place of employment is the home.~~

The drawee shall release all of the information described in clauses (1) and (2) that it possesses within ten days after receipt of a request conforming to all of the provisions of this subdivision. The drawee may require the person requesting the information to pay the reasonable costs, not to exceed 15 cents per page, of reproducing and mailing the requested information.

A drawee is not liable in a criminal or civil proceeding for releasing information in accordance with this subdivision.

Sec. 35. [EFFECTIVE DATE.]

*Sections 1 to 34 are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to collection and dissemination of data; classify-

ing government data as public, private, and nonpublic; clarifying issues relating to classifications of data, access to data, and the temporary classification of data; refining provisions of the data practices act; amending Minnesota Statutes 1982, sections 13.02, by adding a subdivision; 13.03, subdivisions 3 and 4, and by adding a subdivision; 13.04, subdivision 2; 13.05, subdivisions 3, 7, 9, and 10; 13.06, subdivisions 1 and 6; 13.31, subdivisions 2 and 3; 13.32, subdivision 3; 13.37, subdivision 2; 13.41, by adding a subdivision; 13.44; 13.46, subdivision 1, and by adding subdivisions; and 13.67; and Minnesota Statutes 1983 Supplement, sections 13.46, subdivision 2; 48.512, subdivision 3; and 609.535, subdivision 7; proposing new law coded in Minnesota Statutes, chapters 13 and 144."

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

Senate Conferees: (Signed) Randolph W. Peterson, Gene Merriam, Ron Sieloff

House Conferees: (Signed) Bob Ellingson, Lona Minne, Terry Dempsey

Mr. Peterson, R.W. moved that the foregoing recommendations and Conference Committee Report on S.F. No. 989 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. 989 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Jude	Merriam	Renneke
Anderson	DeCramer	Kamrath	Moe, R. D.	Samuelson
Belanger	Dicklich	Knaak	Nelson	Schmitz
Benson	Diessner	Knutson	Olson	Sieloff
Berg	Frank	Kronebusch	Pehler	Solon
Berglin	Frederick	Laidig	Peterson, D.C.	Stumpf
Berhagen	Frederickson	Langseth	Peterson, D.L.	Ulland
Bertram	Freeman	Lessard	Peterson, R.W.	Vega
Brataas	Hughes	Luther	Petty	Waldorf
Chmielewski	Isackson	McQuaid	Pogemiller	Wegscheid
Dahl	Johnson, D.E.	Mehrkens	Ramstad	

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

## MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Bertram moved that H.F. No. 2182 be taken from the table. The motion prevailed.

H.F. No. 2182: A bill for an act relating to agriculture; changing certain duties of the commissioner; changing certain reporting requirements concerning agricultural land ownership; refining procedures and deadlines for investment reimbursement; authorizing the commissioner to use certain

funds for short-term loans to help participants meet their family farm security loan obligations; exempting certain corporations and persons from the definition of warehouseman; exempting the family farm security program from certain loan commitment approval requirements; amending Minnesota Statutes 1982, sections 21.118; 29.27; 31.11; 31A.08; 41.56, subdivision 3; 231.01, subdivision 5; 500.221, subdivision 2a; 500.24, subdivision 4; and Minnesota Statutes 1983 Supplement, sections 16A.80, subdivision 2; 32.417; 38.02, subdivisions 1 and 3; and 500.221, subdivision 4.

Mr. Schmitz moved to amend H.F. No. 2182 as follows:

Page 9, after line 6, insert:

“Sec. 11. Minnesota Statutes 1982, section 325E.06, subdivision 1, is amended to read:

Subdivision 1. [OBLIGATION TO REPURCHASE.] Whenever any person, firm, or corporation engaged in the business of selling and retailing farm implements and repair parts for farm implements enters into a written contract, sales agreement or security agreement whereby the retailer agrees with any wholesaler, manufacturer, or distributor of farm implements, machinery, attachments or repair parts to maintain a stock of parts or complete or whole machines, or attachments, and thereafter the written contract, sales agreement or security agreement is terminated, cancelled or discontinued, then the wholesaler, manufacturer, or distributor shall pay to the retailer or credit to the retailer's account, if the retailer has outstanding any sums owing the wholesaler, manufacturer, or distributor, unless the retailer should desire and has a contractual right to keep such merchandise, a sum equal to 100 percent of the net cost of all current unused complete farm implements, machinery and attachments in new condition which have been purchased by the retailer from the wholesaler, manufacturer or distributor within the 24 months immediately preceding notification by either party of intent to cancel or discontinue the contract, including transportation charges which have been paid by the retailer, or invoiced to retailer's account by the wholesaler, manufacturer or distributor and 80 percent of the current net prices on repair parts, including superseded parts listed in current price lists or catalogs in use by the wholesaler, manufacturer or distributor on the date of cancellation or discontinuance of the contract, which parts had previously been purchased by the retailer from the wholesaler, manufacturer, or distributor and are held by the retailer on the date of the cancellation or discontinuance of the contract or thereafter received by the retailer from the wholesaler, manufacturer or distributor. The wholesaler, manufacturer, or distributor shall also pay the retailer or credit to his account a sum equal to five percent of the current net price of all parts returned for the handling, packing, and loading of the parts back to the wholesaler, manufacturer, or distributor unless the wholesaler, manufacturer or distributor elects to perform inventorying, packing and loading of the parts itself. Upon the payment or allowance of credit to the retailer's account of the sum required by this subdivision, the title to the farm implements, farm machinery, attachments or repair parts shall pass to the manufacturer, wholesaler or distributor making the payment or allowing the credit and the manufacturer, wholesaler or distributor shall be entitled to the possession of the farm implements, machinery, attachments or repair parts. However, this section shall not in any way affect any security interest which the wholesaler, manufacturer or distributor may have in the inventory of the

retailer.

*Payment required under this subdivision must be made to the retailer by the tenth day of the month following the month in which the retailer returned the farm implements, farm machinery, attachments, and repair parts.*

*If payment is not made within this period, interest at the same rate the wholesaler, manufacturer, or distributor charges on its overdue accounts will be applied to this payment beginning 30 days after due date specified."*

Page 11, after line 35, insert:

"Sec. 14. [EFFECTIVE DATE.]

*Section 11 is effective the day following final enactment."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "providing for payment to a farm implement retailer by the manufacturer, wholesaler, or distributor who purchases inventory; requiring the payment of interest on overdue accounts;"

Page 1, line 14, after "5;" insert "325E.06, subdivision 1;"

Mr. Benson moved to amend the Schmitz amendment to H.F. No. 2182 as follows:

Page 1, after line 2 of the Schmitz amendment, insert:

"Sec. 11. Minnesota Statutes 1982, section 297A.01, subdivision 15, is amended to read:

Subd. 15. "Farm machinery" means new or used machinery, equipment, implements, accessories and contrivances used directly and principally in the production for sale, but not including the processing, of livestock, dairy animals, dairy products, poultry and poultry products, fruits, vegetables, forage, grains and bees and apiary products. "Farm machinery" shall include machinery for the preparation, seeding or cultivation of soil for growing agricultural crops, harvesting and threshing of agricultural products, and certain machinery for dairy, livestock and poultry farms, together with barn cleaners, milking systems, grain dryers, automatic feeding systems and similar installations. Irrigation equipment sold for exclusively agricultural use, including pumps, pipe fittings, valves, sprinklers and other equipment necessary to the operation of an irrigation system when sold as part of an irrigation system, except irrigation equipment which is situated below ground and considered to be a part of the real property, shall be included in the definition of farm machinery. Repair or replacement parts for farm machinery shall ~~not~~ be included in the definition of farm machinery.

Tools, shop equipment, grain bins, feed bunks, fencing material, communication equipment and other farm supplies shall not be considered to be farm machinery. "Farm machinery" does not include motor vehicles taxed under chapter 297B, snowmobiles, snow blowers, lawn mowers, garden-type tractors or garden tillers and the repair and replacement parts for those vehicles and machines."

Page 1, line 3 of the Schmitz amendment, delete "11" and insert "12"

Page 2, line 25 of the Schmitz amendment, delete "14" and insert "15"

Amend the title amendment accordingly

Mr. Pogemiller questioned whether the Benson amendment to the Schmitz amendment was germane.

The President ruled that the amendment was not germane.

Mr. Benson appealed the decision of the President.

The question was taken on "Shall the decision of the President be the judgment of the Senate?"

The roll was called, and there were yeas 31 and nays 23, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kroening	Petty	Stumpf
Berglin	Diessner	Lessard	Pogemiller	Vega
Bertram	Frank	Merriam	Purfeerst	Wegscheid
Chmielewski	Freeman	Moe, R. D.	Reichgott	
Dahl	Hughes	Pehler	Samuelson	
Davis	Johnson, D.J.	Peterson, D.C.	Schmitz	
DeCramer	Jude	Peterson, R.W.	Solon	

Those who voted in the negative were:

Anderson	Brataas	Kamrath	McQuaid	Sieloff
Belanger	Frederick	Knaak	Mehrrens	Taylor
Benson	Frederickson	Knutson	Olson	Ulland
Berg	Isackson	Kronebusch	Peterson, D.L.	
Bernhagen	Johnson, D.E.	Laidig	Renneke	

The decision of the President was sustained.

The question recurred on the Schmitz amendment.

Mr. Belanger questioned whether the amendment was germane.

The President ruled the amendment was not germane.

H.F. No. 2182 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 45 and nays 13, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Jude	Pehler	Renneke
Belanger	DeCramer	Kroening	Peterson, C.C.	Samuelson
Benson	Dicklich	Kronebusch	Peterson, D.C.	Schmitz
Berg	Diessner	Langseth	Peterson, D.L.	Solon
Berglin	Frederickson	Lessard	Peterson, R.W.	Stumpf
Bertram	Freeman	Luther	Petty	Taylor
Brataas	Hughes	Mehrrens	Pogemiller	Vega
Chmielewski	Isackson	Merriam	Purfeerst	Waldorf
Dahl	Johnson, D.E.	Moe, R. D.	Reichgott	Wegscheid

Those who voted in the negative were:

Anderson	Frederick	Knutson	Olson	Ulland
Bernhagen	Kamrath	Laidig	Ramstad	
Frank	Knaak	McQuaid	Sieloff	

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



**MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Pehler moved that H.F. No. 1291 be taken from the table. The motion prevailed.

H.F. No. 1291: A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 8; removing the constitutional restrictions on permanent school fund investments; establishing statutory restrictions; amending Minnesota Statutes 1982, section 11A.16, subdivision 4.

**SUSPENSION OF RULES**

Mr. Pehler 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. 1291 and that the rules of the Senate be so far suspended as to give H.F. No. 1291 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 1291 was read the second time.

H.F. No. 1291 was read the third time 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:

Adkins	Dicklich	Kamrath	Merriam	Reichgott
Anderson	Diessner	Knaak	Moe, D. M.	Renneke
Belanger	Dieterich	Knutson	Moe, R. D.	Samuelson
Berg	Frank	Kroening	Novak	Schmitz
Berglin	Frederick	Kronebusch	Olson	Sieloff
Bernhagen	Frederickson	Laidig	Pehler	Storm
Bertram	Freeman	Langseth	Peterson, C.C.	Stumpf
Brataas	Hughes	Lantry	Peterson, D.C.	Taylor
Chmielewski	Isackson	Lessard	Peterson, D.L.	Ulland
Dahl	Johnson, D.E.	Luther	Peterson, R.W.	Vega
Davis	Johnson, D.J.	McQuaid	Petty	Waldorf
DeCramer	Jude	Mehrkens	Ramstad	Wegscheid

So the bill passed and its title was agreed to.

**MOTIONS AND RESOLUTIONS - CONTINUED**

Mr. Pehler moved that S.F. No. 1240, No. 63 on Special Orders, be stricken and laid on the table. The motion prevailed.

Mr. Freeman moved that S.F. No. 1932, No. 42 on Special Orders, be stricken and returned to its author. The motion prevailed.

Mr. Wegscheid moved that S.F. No. 1419, No. 57 on Special Orders, be stricken and returned to its author. The motion prevailed.

Mr. Wegscheid moved that S.F. No. 1780, No. 13 on Special Orders, be stricken and returned to its author. The motion prevailed.

**SPECIAL ORDER**

H.F. No. 1386: A bill for an act relating to children; authorizing intervention by the juvenile court to protect children from abuse committed by family

or household members; providing for prosecution by the county attorney of certain gross misdemeanors; amending Minnesota Statutes 1982, sections 260.015, by adding subdivisions; 260.111, by adding a subdivision; 260.191, by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 388.051, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 260.

Mr. Sieloff moved to amend H.F. No. 1386, as amended pursuant to Rule 49, adopted by the Senate April 18, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1462.)

Page 5, delete lines 23 to 28

Page 6, delete lines 6 to 8

Renumber the subdivisions in sequence

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 17 and nays 37, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Kamrath	Peterson, D.L.	Ulland
Belanger	Frederick	Knutson	Renneke	
Benson	Isackson	Laidig	Sieloff	
Bernhagen	Johnson, D.E.	McQuaid	Storm	

Those who voted in the negative were:

Berglin	Frank	Langseth	Pehler	Solon
Bertram	Freeman	Lantry	Peterson, C.C.	Stumpf
Dahl	Hughes	Lessard	Peterson, D.C.	Vega
Davis	Johnson, D.J.	Mehrkens	Peterson, R.W.	Waldorf
DeCramer	Jude	Merriam	Petty	Wegscheid
Dicklich	Knaak	Moe, R. D.	Purfeerst	
Diessner	Kroening	Novak	Ramstad	
Dieterich	Kronebusch	Olson	Reichgott	

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

H.F. No. 1386 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 2, as follows:

Those who voted in the affirmative were:

Anderson	Diessner	Knaak	Nelson	Renneke
Belanger	Dieterich	Kroening	Novak	Samuelson
Benson	Frank	Kronebusch	Olson	Solon
Berg	Frederick	Laidig	Pehler	Spear
Berglin	Frederickson	Langseth	Peterson, D.C.	Storm
Bernhagen	Freeman	Lantry	Peterson, D.L.	Stumpf
Bertram	Hughes	Lessard	Peterson, R.W.	Taylor
Brataas	Isackson	McQuaid	Petty	Ulland
Dahl	Johnson, D.E.	Mehrkens	Pogemiller	Vega
Davis	Johnson, D.J.	Merriam	Purfeerst	Waldorf
DeCramer	Jude	Moe, D. M.	Ramstad	Wegscheid
Dicklich	Kamrath	Moe, R. D.	Reichgott	

Messrs. Knutson and Sieloff voted in the negative.

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

Remaining on the Order of Business of Motions and Resolutions, 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. 2016, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 2016 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 2016

A bill for an act relating to taxation; repealing the income tax surtax; modifying the designation of enterprise zones; increasing the funding for enterprise zones; modifying the definition of political party under the political contribution credit; providing an income tax credit for conservation tillage farm equipment; eliminating racehorses from the farm loss modification; permitting certain net operating loss carrybacks; permitting deduction of certain foreign taxes paid; allowing deduction of foreign dividends and royalties; modifying the definition of apportionment factors; restricting tax exemptions for redevelopment companies; changing the computation of the school agricultural credit retroactive to taxes payable in 1984 in certain cases; modifying the maximum targeting credit for payable 1984; providing a targeting credit for payable 1985; changing computation of certain local government aid payments; directing the department of revenue to issue guidelines on certain topics; instructing the commissioner to determine production value ratio; authorizing certain additional levies in counties; modifying the use of the sales ratio study as evidence in court; changing the methodology of the sales ratio study; changing certain property tax appeal procedures; imposing requirements for disaster relief credits; increasing agricultural aid to certain property; modifying the homestead credit provisions for certain property and providing refunds; changing the classification ratio maximum value on commercial and industrial property; limiting the property tax exemption for certain projects; repealing the exemption for franchise and special taxes and fees for certain projects; modifying the property tax refund with respect to certain claims; repealing rent capitalization; changing the estate tax; allowing the commissioner more discretion in valuing railroad property; providing for equalization of railroad valuations; authorizing the Ramsey-Washington metro watershed district to establish a maintenance and repair fund and levy taxes; creating the Croft historical park board; authorizing the board to levy taxes; authorizing the city of Cloquet to levy taxes for certain transit expenses; authorizing the conveyance of certain land in St. Louis County; clarifying the application of the mortgage registry tax to revolving lines of credit; changing the procedures for refunds of the motor fuels

tax; reducing the sales tax rate for purchases of capital equipment and manufactured housing; exempting agricultural electricity, residential hot water district heating, and used manufactured housing from the sales tax; exempting certain sales by nonprofit organizations from the sales tax; exempting residential district heating from the St. Paul franchise tax; repealing the accelerated payment of sales tax; transferring motor vehicle excise tax proceeds to the highway user and transit funds; providing for the priority of certain liens securing revolving lines of credit; increasing the interest rate on state tax refunds; appropriating money; amending Minnesota Statutes 1982, sections 10A.31, subdivisions 3a and 5; 124.2131, subdivision 1; 270.80, subdivision 4; 270.84, subdivision 1; 270.86; 270.87; 270A.07, subdivision 5; 271.01, subdivision 5; 271.06, subdivision 6; 271.12; 273.123, by adding subdivisions; 273.13, subdivisions 9 and 19; 287.05, by adding subdivisions; 290.01, subdivision 20e; 290.06, by adding a subdivision; 290.19, subdivision 1a; 290.21, by adding a subdivision; 290.92, subdivision 11; 290.936; 290A.04, by adding a subdivision; 290A.07, subdivision 2a; 291.075; 291.09, subdivision 1a; 291.132, subdivision 2; 291.18; 291.215, subdivision 1; 294.09, subdivision 1; 296.18, subdivisions 3 and 8; 297A.01, by adding subdivisions; 297A.15, by adding a subdivision; 297B.035, subdivision 3; 298.09, subdivision 4; 299.05; 462.651, subdivision 1, and by adding a subdivision; and 477A.13; Minnesota Statutes 1983 Supplement, sections 16A.15, subdivision 6; 124.2137, subdivision 1; 273.11, subdivision 1; 273.13, subdivisions 6 and 21; 273.1314, subdivisions 6, 8, and 15; 278.01, subdivision 1; 278.05, subdivision 4; 290.06, subdivision 11; 290.09, subdivision 29; 290.18, subdivision 2; 290.21, subdivision 4; 290.50, subdivision 1; 290.92, subdivision 13; 290.93, subdivision 9; 290A.03, subdivisions 8 and 13; 290A.04, subdivision 2e, and by adding a subdivision; 290A.05; 290A.07, subdivision 3; 291.005, subdivision 1; 291.03, subdivision 1; 291.09, subdivision 3a; 296.14, subdivision 4; 296.18, subdivision 1; 297A.02, subdivision 2, and by adding a subdivision; 297A.14; 297A.25, subdivision 1; 297A.27, subdivision 1; 297A.35, subdivision 1; 297B.09; and 477A.013, subdivision 1; Laws 1979, chapter 189, section 2; proposing new law coded in Minnesota Statutes, chapters 270, 507 and 508; repealing Minnesota Statutes 1982, sections 270.90; 291.015; 291.03, subdivisions 3, 4, 5, 6, and 7; 291.05; 291.051; 291.06; 291.065; 291.07; 291.08; 291.09, subdivision 5; 291.111; and 462.651, subdivision 2; Minnesota Statutes 1983 Supplement, sections 273.11, subdivision 7; 290.06, subdivisions 2e and 13; 297A.275; and 462.651, subdivision 3; and Laws 1983, chapter 342, article 1, section 8.

April 19, 1984

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

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 2016, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H.F. No. 2016 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1  
BUDGET RESERVE

Section 1. Minnesota Statutes 1983 Supplement, section 16A.15, subdivision 6, is amended to read:

Subd. 6. [BUDGET RESERVE ACCOUNT.] *A budget reserve account is created in the general fund in the state treasury. The commissioner of finance on July 1, 1983, shall transfer \$250,000,000 to a the budget reserve account in the general fund in the state treasury. The commissioner of finance on July 1, 1984, shall transfer an additional \$125,000,000 to the budget reserve account in the general fund. The amounts transferred shall remain in the budget reserve account until expended under subdivision 1.*

ARTICLE 2

INCOME TAX

Section 1. Minnesota Statutes 1982, section 10A.31, subdivision 3a, is amended to read:

Subd. 3a. A minor political party as defined in section 10A.01, subdivision 13 qualifies for inclusion on the income tax form *and property tax refund return* as provided in subdivision 3, provided that

(1) (a) if a petition is filed, it is filed by June 1 of the taxable year; or

(b) *if the party ran a candidate for statewide office, that office must have been the office of governor and lieutenant governor, secretary of state, state auditor, state treasurer, or attorney general; and*

(2) *the secretary of state certifies to the commissioner of revenue by July 1, 1984, and by July 1 of every odd-numbered year thereafter the parties which qualify as minor political parties under this subdivision.*

*A minor party shall be certified only if the secretary of state determines that the party satisfies the following conditions:*

(a) *the party meets the requirements of section 10A.01, subdivision 13, and in the last applicable election ran a candidate for the statewide offices listed in clause (1)(b) of this subdivision;*

(b) *it is a political party, not a principal campaign committee;*

(c) *it has held a state convention in the last two years, adopted a state constitution, and elected state officers; and*

(d) *an officer of the party has filed with the secretary of state a certification that the party held a state convention in the last two years, adopted a state constitution, and elected state officers.*

Sec. 2. Minnesota Statutes 1982, section 10A.31, subdivision 5, is amended to read:

Subd. 5. In each calendar year the moneys in each party account and the general account shall be allocated to candidates as follows:

(1) 21 percent for the offices of governor and lieutenant governor together;

(2) 3.6 percent for the office of attorney general;

(3) 1.8 percent each for the offices of secretary of state, state auditor and state treasurer;

(4) In each calendar year during the period in which state senators serve a four year term, 23-1/3 percent for the office of state senator and 46-2/3 percent for the office of state representative;

(5) In each calendar year during the period in which state senators serve a two year term, 35 percent each for the offices of state senator and state representative;

(6) To assure that moneys will be returned to the counties from which they were collected, and to assure that the distribution of those moneys rationally relates to the support for particular parties or for particular candidates within legislative districts, moneys from the party accounts for legislative candidates shall be distributed as follows:

Each candidate for the state senate and state house of representatives whose name is to appear on the ballot in the general election shall receive moneys from his party account set aside for candidates of the state senate or state house of representatives, whichever applies, according to the following formula;

For each county within his district the candidate's share of the dollars allocated in that county to his party account and set aside for that office shall be:

(a) The sum of the votes cast in the last general election in that part of the county in his district for all candidates of his party (i) whose names appeared on the ballot in each voting precinct of the state and (ii) for the state senate and state house of representatives, divided by

(b) The sum of the votes cast in that county in the last general election for all candidates of his party (i) whose names appeared on the ballot in each voting precinct in the state and (ii) for the state senate and state house of representatives, multiplied by

(c) The amount in his party account allocated in that county and set aside for the candidates for the office for which he is a candidate.

The sum of all the county shares calculated in the formula above is the candidate's share of his party account.

In a year in which an election for the state senate occurs, with respect to votes for candidates for the state senate only, "last general election" means the last general election in which an election for the state senate occurred.

For any party under whose name no candidate's name appeared on the ballot in each voting precinct in the state in the last general election, "~~last general election~~" means the last general election in which the name of a candidate of that party appeared on the ballot in each voting precinct in the state amounts in the party's account shall be allocated based on (a) the number of people voting in the last general election in that part of the county in his district, divided by (b) the number of the people voting in that county in the last general election, multiplied by (c) the amount in his party account allocated in that county and set aside for the candidates for the office for which he is a candidate.

Sec. 3. Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20a, is amended to read:

Subd. 20a. [MODIFICATIONS INCREASING FEDERAL ADJUSTED GROSS INCOME.] There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;

(3) Interest on indebtedness incurred or continued to purchase or carry securities the income from which is exempt from tax under this chapter, to the extent deductible in determining federal adjusted gross income;

(4) In the case of a change of residence from Minnesota to another state or nation, the amount of moving expenses which exceed total reimbursements and which were therefore deducted in arriving at federal adjusted gross income;

(5) The amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954 to the extent of the credit under section 38 of the Internal Revenue Code of 1954 that was previously allowed as a deduction under Minnesota Statutes 1982, section 290.01, subdivision 20b, clause (7);

(6) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(7) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101;

(8) The amount by which the gain determined pursuant to section 41.59, subdivision 2 exceeds the amount of such gain included in federal adjusted gross income;

(9) To the extent deducted in computing the taxpayer's federal adjusted gross income for the taxable year, losses recognized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(10) Interest income from qualified scholarship funding bonds as defined in section 103(e) of the Internal Revenue Code of 1954, if the nonprofit corporation is domiciled outside of Minnesota;

(11) Exempt-interest dividends, as defined in section 852(b)(5)(A) of the Internal Revenue Code of 1954, not included in federal adjusted gross income pursuant to section 852(b)(5)(B) of the Internal Revenue Code of 1954, except for that portion of exempt-interest dividends derived from interest income on obligations of the state of Minnesota, any of its political or governmental subdivisions, any of its municipalities, or any of its governmental agencies or instrumentalities;

(12) The amount of any excluded gain recognized by a trust on the sale or exchange of property as defined in section 641(c)(1) of the Internal Revenue Code of 1954;

(13) To the extent not included in the taxpayer's federal adjusted gross income, the amount of any gain, from the sale or other disposition of property

having a lower adjusted basis for Minnesota income tax purposes than for federal income tax purposes. This modification shall not exceed the difference in basis. If the gain is considered a long term capital gain for federal income tax purposes, the modification shall be limited to 40 percent of the portion of the gain. This modification is limited to property that qualified for the equity investment credit contained in section 290.069, subdivision 4, and to property acquired in exchange for the release of the taxpayer's marital rights contained in section 290.14, clause (7);

(14) The amount of any loss from a source outside of Minnesota which is not allowed under section 290.17 including any capital loss or net operating loss carryforwards or carrybacks resulting from the loss;

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

(16) The deduction for two-earner married couples provided in section 221 of the Internal Revenue Code of 1954;

(17) Losses from the business of mining as defined in section 290.05, subdivision 1, clause (a) which is not subject to the Minnesota income tax;

(18) Expenses and depreciation attributable to property subject to Laws 1982, chapter 523, article 7, section 3 which has not been registered;

(19) The amount of contributions to an individual retirement account, including a qualified voluntary employee contribution, simplified employee pension plan, or self-employed retirement plan which is allowed under sections 311 and 312 of Public Law Number 97-34, section 238 of Public Law Number 97-248, and section 103(d)(1)(B) of Public Law Number 97-448 to the extent those contributions were not an allowable deduction prior to the enactment of that law; *provided that an individual on whose behalf stock worth less than \$300 is contributed during the taxable year to a tax credit employee stock ownership plan that satisfies the requirements of sections 44G and 409A of the Internal Revenue Code of 1954 shall not be required, as a consequence of that contribution, to include contributions to another plan or account in gross income under this clause to the extent the contributions do not exceed the difference between the value of the stock contributed during the taxable year and \$1,500; and*

(20) To the extent not included in the taxpayer's federal adjusted gross income, the amount of any contributions to a qualified pension plan, designated as employee contributions but which the employing unit picks up and which are treated as employer contributions pursuant to section 414(h)(2) of the Internal Revenue Code of 1954, *provided that employee contributions to police and fire relief associations that previously were not included within gross income as contributions to organizations qualified under section 501(c)(4) of the Internal Revenue Code of 1954 shall not be included in gross income under this clause.*

Sec. 4. Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20b, is amended to read:

Subd. 20b. [MODIFICATIONS REDUCING FEDERAL ADJUSTED GROSS INCOME.] There shall be subtracted from federal adjusted gross income:



(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to 40 per centum of the portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

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

(4) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks or out of state loss carryforwards resulting from the losses, and including any farm loss carryforwards or carrybacks;

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

(6) To the extent included in federal adjusted gross income, or the amount reflected as the ordinary income portion of a lump sum distribution under section 402(e) of the Internal Revenue Code of 1954, notwithstanding any other law to the contrary, the amount received by any person (i) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, (ii) as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408, 409 or 409A of the Internal Revenue Code of 1954, or (iii) severance pay distributed to an individual upon discontinuance of the individual's employment due to termination of business operations by the individual's employer, provided that the termination is reasonably likely to be permanent, involves the discharge of at least 75 percent of the employees at that site within a one-year period, and the business is not acquired by another person who continues operations at that site. The maximum amount of this subtraction shall be \$11,000 less the amount by which the individual's federal adjusted gross income, plus the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, exceeds \$17,000. For purposes of this clause, "severance pay" means an amount received for cancellation of an employment contract or a collectively bargained termination payment made as a substitute for income which would have been earned for personal services to be rendered in the future. In the case

of a volunteer firefighter who receives an involuntary lump sum distribution of his pension or retirement benefits; the maximum amount of this subtraction shall be \$11,000; this subtraction shall not be reduced by the amount of the individual's federal adjusted gross income in excess of \$17,000 *Pension income as provided by section 7;*

(7) To the extent included in the taxpayer's federal adjusted gross income for the taxable year, gain recognized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(8) The amount of any distribution from a qualified pension or profit sharing plan included in federal adjusted gross income in the year of receipt to the extent of any contribution not previously allowed as a deduction by reason of a change in federal law which was not adopted by Minnesota law for a taxable year beginning in 1974 or later;

(9) Interest, including payment adjustment to the extent that it is applied to interest, earned by the seller of the property on a family farm security loan executed before January 1, 1986 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60;

(10) The first \$3,000 of compensation for personal services in the armed forces of the United States or the United Nations, and the next \$2,000 of compensation for personal services in the armed forces of the United States or the United Nations wholly performed outside the state of Minnesota. This modification does not apply to compensation defined in subdivision 20b, clause (6);

(11) The amount of any income earned for personal services rendered outside of Minnesota prior to the date when the taxpayer became a resident of Minnesota. This modification does not apply to compensation defined in subdivision 20b, clause (6);

(12) In the case of wages or salaries paid or incurred on or after January 1, 1977, the amount of any credit for employment of certain new employees under sections 44B and 51 to 53 of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(13) In the case of work incentive program expenses paid or incurred on or after January 1, 1979, the amount of any credit for expenses of work incentive programs under sections 40, 50A and 50B of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(14) Unemployment compensation to the extent includible in gross income for federal income tax purposes under section 85 of the Internal Revenue Code of 1954;

(15) The amount of any income or gain which is not assignable to Minnesota under the provisions of section 290.17;

(16) Interest earned on a contract for deed entered into for the sale of property for agricultural use if the rate of interest set in the contract is no more than nine percent per year for the duration of the term of the contract. This exclusion shall be available only if (1) the purchaser is an individual who, together with his spouse and dependents, has a total net worth valued at less than \$150,000 and (2) the property sold under the contract is farm land as defined in section 41.52, subdivision 6 of no more than 1,000 acres that the purchaser intends to use for agricultural purposes. Compliance with these requirements shall be stated in an affidavit to be filed with the first income tax return on which the taxpayer claims the exclusion provided in this clause. Upon request accompanied by the information necessary to make the determination, the commissioner shall determine whether interest to be paid on a proposed transaction will qualify for this exclusion; the determination shall be provided within 30 days of receipt of the request, unless the commissioner finds it necessary to obtain additional information, or verification of the information provided, in which case the determination shall be provided within 30 days of receipt of the final item of information or verification. The exclusion provided in this clause shall apply to interest earned on contracts for deed entered into after December 31, 1981 and before July 1, 1983;

(17) Income from the business of mining as defined in section 290.05, subdivision 1, clause (a) which is not subject to the Minnesota income tax;

(18) To the extent included in federal adjusted gross income, distributions from a qualified governmental pension plan which represent a return of designated employee contributions to the plan and which contributions were included in gross income pursuant to subdivision 20a, clause (20); and

(19) To the extent included in federal adjusted gross income, distributions from an individual retirement account which represent a return of designated employee contributions if the contributions were included in gross income pursuant to subdivision 20a, clause (19). The distribution shall be allocated first to return of contributions included in gross income until the amount of the contributions has been exhausted.

Sec. 5. Minnesota Statutes 1983 Supplement, section 290.06, subdivision 11, is amended to read:

Subd. 11. [CONTRIBUTIONS TO POLITICAL PARTIES AND CANDIDATES.] A taxpayer may take a credit against the tax due under this chapter of 50 percent of his contributions to candidates for elective state or federal public office and to any political party. The maximum credit for an individual shall not exceed \$50 and, for a married couple filing jointly or filing a combined return, shall not exceed \$100. No credit shall be allowed under this subdivision for a contribution to any candidate, other than a candidate for elective judicial office or federal office, who has not signed an agreement to limit his campaign expenditures as provided in section 10A.32, subdivision 3b. For purposes of this subdivision, a political party means a major political party as defined in section 200.02, subdivision 7, or a minor political party qualifying for inclusion on the income tax or property tax refund form under section 10A.31, subdivision 3a. A major or minor party includes the aggregate of the party organization within each house of the legislature, the state party organization, and the party organization within congressional districts, counties, legislative districts, municipalities, and

precincts. A "federal office" means the office of the president or vice president of the United States or the office of United States senator or congressman from Minnesota.

This credit shall be allowed only if the contribution is verified in the manner the commissioner of revenue shall prescribe.

Sec. 6. Minnesota Statutes 1982, section 290.06, is amended by adding a subdivision to read:

*Subd. 16. [CONSERVATION TILLAGE FARM EQUIPMENT; CREDIT.] (a) A credit is allowed against the tax imposed by this chapter in an amount equal to ten percent of the net cost of conservation tillage planters.*

*(b) The credit for a taxable year may not exceed the liability for tax. "Liability for tax" means the tax imposed under this chapter for the taxable year reduced by the sum of any nonrefundable credits allowed under this chapter except the credit provided in section 290.068. The amount of any unused credit for a taxable year shall be a carryback to each of the preceding three taxable years and a carryover to each of the succeeding five taxable years. The entire amount of the credit shall be carried to the earliest of the taxable years to which it may be carried.*

*(c) For the purposes of sections 290.46 and 290.50, if the claim for refund relates to an overpayment attributable to a carryback under this subdivision, in lieu of the period of limitation prescribed in sections 290.46 and 290.50, the period of limitation shall be that period which ends with the expiration of the 15th day of the 46th month, or the 45th month, in the case of a corporation, following the end of the taxable year in which the credit arises which results in the carryback. With respect to any portion of a credit carryback from a taxable year attributable to a loss carryback from a subsequent taxable year, the period of limitations shall be that period which ends with the expiration of the 15th day of the 46th month, or, in the case of a corporation, the 45th month following the end of the subsequent taxable year. In any case in which a taxpayer is entitled to a refund in a carryback year due to the carryback, interest shall be computed only from the end of the taxable year in which the credit arises. With respect to any portion of a credit carryback from a taxable year attributable to a loss carryback from a subsequent taxable year, interest shall be computed from the end of the subsequent taxable year.*

*(d) For purposes of this subdivision, the following terms have the meanings given:*

*(1) "Conservation tillage planters" means planters or planting attachments designed and configured in a manner to plant row or small grain crops under a no-till, ridge-till, or strip-till method of conservation tillage.*

*(2) "No-till" means a conservation tillage system in which the soil is left undisturbed prior to planting and planting is completed in a narrow seedbed approximately one to three inches wide.*

*(3) "Ridge-till" means a conservation tillage system in which the soil is left undisturbed prior to planting and approximately one-third of the soil surface is tilled at planting with sweeps or row cleaners. Planting is completed on ridges several inches higher than the row middles.*

*(4) "Strip-till" means a conservation tillage system in which the soil is left*

*undisturbed prior to planting and approximately one-third of the soil surface is tilled at planting using a rototiller, inrow chisel, row cleaner, or other similar conservation tillage equipment.*

Sec. 7. Minnesota Statutes 1982, section 290.08, is amended by adding a subdivision to read:

*Subd. 26. [PENSION INCOME.] (a) [EXCLUSION.] Gross income shall not include the taxpayer's pension income. The maximum amount of this exclusion is the greater of the following two amounts:*

*(1) \$11,000 reduced by the amount of the taxpayer's federal adjusted gross income in excess of \$17,000; or*

*(2) \$11,000 reduced by the sum of*

*(A) social security benefits,*

*(B) railroad retirement benefits, and*

*(C) the excess over \$23,000 of federal adjusted gross income, but excluding social security benefits and railroad retirement benefits to the extent included in federal adjusted gross income.*

*(3) Notwithstanding clauses (1) and (2), in the case of an involuntary lump sum distribution of pension or retirement benefits to volunteer firefighters, the maximum amount of the exclusion is \$11,000. This amount is not subject to reduction for other income of the taxpayer.*

*(4) Pension income consisting of severance pay qualifies only for the exclusion computed according to paragraph (a), clause (1).*

*(b) [DEFINITIONS.] For purposes of this subdivision the following terms have the meanings given:*

*(1) "Internal Revenue Code" means the Internal Revenue Code of 1954, as amended through December 31, 1983.*

*(2) "Federal adjusted gross income" is the federal adjusted gross income referred to in section 290.01, subdivision 20, for the current taxable year, and includes the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code.*

*(3) "Pension income" means to the extent included in the taxpayer's federal adjusted gross income the amount received by the taxpayer*

*(A) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof,*

*(B) as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408, 409, or 409A of the Internal Revenue Code, or*

*(C) severance pay distributed to an individual upon discontinuance of the individual's employment due to termination of business operations by the individual's employer, if the termination is reasonably likely to be perma-*

*ment, involves the discharge of at least 75 percent of the employees at that site within a one-year period, and the business is not acquired by another person who continues operations at that site.*

*(4) "Severance pay" means an amount received for cancellation of an employment contract or a collectively bargained termination payment made as a substitute for income which would have been earned for personal services to be rendered in the future.*

Sec. 8. Minnesota Statutes 1983 Supplement, section 290.089, subdivision 2, is amended to read:

Subd. 2. [ITEMIZED DEDUCTIONS.] Subject to the provisions of section 290.18, subdivision 1, an amount equal to the amount determined pursuant to section 63(f) of the Internal Revenue Code is allowed with the following adjustments:

(a) Add the amount paid to others not to exceed ~~\$500~~ \$650 for each dependent in grades K to 6 and ~~\$700~~ \$1,000 for each dependent in grades 7 to 12, for tuition, textbooks, and transportation of each dependent in attending an elementary or secondary school situated in Minnesota, North Dakota, South Dakota, Iowa, or Wisconsin, wherein a resident of this state may legally fulfill the state's compulsory attendance laws, which is not operated for profit, and which adheres to the provisions of the Civil Rights Act of 1964 and chapter 363. As used in this clause, "textbooks" includes books and other instructional materials and equipment used in elementary and secondary schools in teaching only those subjects legally and commonly taught in public elementary and secondary schools in this state. "Textbooks" does not include instructional books and materials used in the teaching of religious tenets, doctrines, or worship, the purpose of which is to instill such tenets, doctrines, or worship, nor does it include books or materials for, or transportation to, extracurricular activities including sporting events, musical or dramatic events, speech activities, driver's education, or similar programs;

(b) Add the amount of Minnesota and other states' estate or inheritance taxes which were allowed as a deduction under section 290.077, subdivision 4, on income in respect of a decedent;

(c) Add the amount by which the deduction for the taxable year allowed pursuant to subdivision 4 exceeds the amount determined pursuant to section 222 of the Internal Revenue Code;

(d) Subtract income taxes paid or accrued within the taxable year under this chapter;

(e) Subtract income taxes paid to any other state or to any province or territory of Canada if a credit is allowed for the taxes under section 290.081;

(f) If the deduction computed under section 164 of the Internal Revenue Code is not reduced by the amount of the credit or refund allowed under chapter 290A, subtract that amount;

(g) Subtract the amount of interest on investment indebtedness paid or accrued in a taxable year beginning before January 1, 1981, which has been carried forward and is allowed as a deduction in the taxable year under section 163(d) of the Internal Revenue Code;

(h) Subtract the amount of charitable contributions deducted under section

170 of the Internal Revenue Code that (i) exceeds the following limitations: (A) an overall limit of 30 percent of the taxpayer's Minnesota gross income which, for purposes of this paragraph, shall include the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code; and (B) the aggregate of contributions to organizations described in section 290.21, subdivision 3, clause (c) shall not exceed 20 percent of the taxpayer's Minnesota gross income; or (ii) was deducted as a carryover under section 170(d) of the Internal Revenue Code.

Sec. 9. Minnesota Statutes 1983 Supplement, section 290.09, subdivision 29, is amended to read:

Subd. 29. [DEDUCTIONS ATTRIBUTABLE TO FARMING.] (a) [DEFINITIONS.] For purposes of this subdivision, income and gains and expenses and losses shall be considered as "arising from a farm" if such items are received or incurred in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, including horses for horse racing, bees, poultry, and fur-bearing animals and wildlife, and all operations incident thereto, including but not limited to the common use of "hedging."

(b) [DEDUCTIONS LIMITED.] Except as provided in this subdivision, expenses and losses, except for interest and taxes, arising from a farm shall not be allowed as deductions in excess of income and gains arising from a farm.

(c) [DEDUCTIONS ALLOWED; CARRYOVER DEDUCTIONS.] Expenses and losses arising from a farm or farms shall be allowed as deductions up to the amount of the income and gains arising from a farm or farms in any taxable year, plus the first \$30,000 of nonfarm gross income, or nonfarm taxable net income in the case of a corporation, provided however that in any case where nonfarm income exceeds \$30,000, the maximum allowable amount of \$30,000 shall be reduced by an amount equal to the nonfarm income in excess of \$30,000 multiplied by three. For this purpose and for the purpose of applying the limitation in the following paragraph regarding the application of any carryback or carryforward, the term gross income shall include the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, as amended through December 31, 1981, and no deduction shall be allowed for two-earner married couples as provided in section 221 of the Internal Revenue Code of 1954, as amended through December 31, 1981. Any remaining balance of the deductions shall be carried back three years and carried forward five years, in chronological order, provided, however, that in any case in which any individual, estate or trust which elects a net operating loss carryforward under section 172(b)(3)(C) of the Internal Revenue Code of 1954, as amended through December 31, 1981, such losses shall not be carried back but shall only be carried forward.

Current expenses and losses shall be utilized as deductions in any taxable year, to the extent herein allowable, prior to the application of any carryback or carryover deductions. In any event, the combined amounts of such current expenses and losses and carryback or carryover deductions shall be allowed as deductions up to the amount of the income and gains arising from a farm or

farms in any taxable year, plus the first \$30,000 of nonfarm gross income, or nonfarm taxable net income in the case of a corporation, provided however that in any case where nonfarm income exceeds \$30,000, the maximum allowable amount of \$30,000 shall be reduced by an amount equal to the nonfarm income in excess of \$30,000 multiplied by three. *For taxable years beginning after December 31, 1984, the \$30,000 amount in this subdivision shall be adjusted for inflation in the manner provided in section 290.06, subdivision 2d. The commissioner shall round that amount to the nearest hundred dollar amount. When adjusting the amount for inflation, the commissioner shall use the actual dollar amount of the maximum allowable amount of nonfarm income prior to rounding. Carryback or carryover deductions will be subject to the maximum amount in effect for the year to which the deduction is carried.*

(d) [SHAREHOLDERS SEPARATE ENTITIES.] For purposes of this subdivision, individual shareholders of an S corporation shall be considered separate entities.

(e) [SPECIAL PERIOD OF LIMITATION WITH RESPECT TO FARM LOSS LIMITATION CARRYBACKS.] For the purposes of sections 290.46 and 290.50, if the claim for refund relates to an overpayment attributable to a farm loss limitation carryback under this subdivision, in lieu of the period of limitation prescribed in sections 290.46 and 290.50, the period of limitation shall be that period which ends with the expiration of the 15th day of the 46th month (or the 45th month, in the case of a corporation) following the end of the taxable year of the farm loss which results in the carryback. During this extended period, married individuals who elected to file separate returns or a combined return may change their election and file a joint return.

(f) [INTEREST ON CLAIMS.] In any case in which a taxpayer is entitled to a refund in a carryback year due to the carryback of a farm loss, interest shall be computed only from the end of the taxable year in which the loss occurs.

(g) [ORDER OF APPLICATION.] The application of this subdivision shall be made after applying any limitation to out of state losses contained in section 290.17.

Sec. 10. Minnesota Statutes 1983 Supplement, section 290.18, subdivision 2, is amended to read:

Subd. 2. [FEDERAL INCOME TAX PAYMENTS AND REFUNDS.] The adjusted gross income shall be computed by deducting from the gross income assignable to this state under section 290.17, the deduction for allowable federal income taxes determined under the provisions of sections ~~290.09, subdivision 4,~~ 290.10 (8), (9) or (10), and 290.18. *For purposes of the preceding sentence, federal income tax shall include the foreign tax credit allowed under section 33 of the Internal Revenue Code of 1954, as amended through December 31, 1983.*

This deduction shall be allowed to individuals, estates, or trusts (i) for taxable years beginning after December 31, 1980 in the taxable year to which the liability applies. Such liability includes the portion of self-employment tax allowed under section 290.10, clause (8). The self-employment tax must be deducted by the person who is deriving the income. When the federal tax



liability is joint and several under the computation of a joint federal return of husband and wife, the federal tax liability must be split between the spouses in the same ratio that the federal adjusted gross income of that spouse bears to the total federal adjusted gross income. For purposes of the preceding sentence, "federal adjusted gross income" includes the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, as amended through December 31, 1981.

(ii) Taxes paid for a taxable year beginning before January 1, 1981 shall be allowed as follows:

(1) Those taxes paid in a taxable year beginning before January 1, 1981, shall be claimed in the year in which the payment was made.

(2) Those paid in a taxable year beginning after December 31, 1980 but before January 1, 1983 shall be divided and deducted in equal installments reflected by the yearly periods beginning with the first day of the taxable year in which the payment was made and ending December 31, 1986. For an amount which remains to be deducted in a taxable year beginning after December 31, 1982, where the federal tax liability for the year in which the payment was made is joint and several under the computation of a joint federal return of husband and wife, the remaining amounts to be deducted shall be claimed by the same spouse and in the same dollar amount as the deduction was claimed in the first taxable year beginning after December 31, 1981.

(3) Those paid in a taxable year beginning after December 31, 1982 shall be claimed in the year in which the payment was made. This amount shall be apportioned between spouses as provided in clause (i) and shall be allocated for exempt income under the provisions of section 290.10, clause (9) or (10) as though the payment was part of the federal tax liability for the year in which the payment was made.

(4) In the case of a person who was self employed during all or a portion of the taxable year, the federal income tax liability for purposes of this clause shall be increased by the self-employment tax allowed under section 290.10, clause (8). The self-employment tax shall be deducted in the year paid as provided in paragraph (1), (2), or (3). The self-employment tax must be deducted by the person who earned the income. Self-employment tax paid in a taxable year beginning after December 31, 1982 shall be allocated for exempt income as provided in paragraph (3).

(iii) If a taxpayer's federal tax liability is eventually not paid by reason of compromise, discharge, or court order, the deduction allowed pursuant to this subdivision shall be disallowed for the taxable year in which the liability was accrued.

(iv) In the event a federal tax liability for a taxable year commencing after December 31, 1980 is increased, decreased or modified, and such increase, decrease or modification has resulted in a change in the amount of Minnesota income tax in the year to which such increase, decrease or modification is attributable, the taxpayer's deduction under this subdivision shall be modified for such year.

(v) If the readjustments required in (iii) or (iv) are for taxes reflected in the transition rule described in (ii)(2), the readjustment shall be made equally to the remaining installments and if a reduction to such installments is required

under this readjustment which exceeds the total of all remaining installments, the remaining installments will be reduced to zero and the excess included in income as a federal income tax refund.

(vi) Refunds which are not involved with any readjustments under the transition rule shall be included in income under Minnesota Statutes 1982, section 290.01, subdivision 20a, clause (6) if it is from a year beginning before January 1, 1981.

(vii) Refunds of taxes for years beginning after December 31, 1980, shall be used to adjust the deduction in the taxable year of the liability unless that year is closed by statute and no other adjustments are to be required or allowable in which case such refund shall be reportable in the year received.

Sec. 11. Minnesota Statutes 1982, section 290.19, subdivision 1a, is amended to read:

Subd. 1a. [DETERMINATION OF SALES MADE WITHIN THIS STATE.] For purposes of this section the following rules shall apply in determining whether or not sales are made within this state.

Sales of tangible personal property are made within this state if the property is ~~delivered or shipped to~~ *received by* a purchaser at a point within this state, and the taxpayer is taxable in this state, regardless of the f.o.b. point or other conditions of the sale, *or the ultimate destination of the property. However, when intoxicating liquor, wine, fermented malt beverages, cigarettes, or tobacco products are sold to a purchaser who is licensed by a state or political subdivision to resell this property only within the state of ultimate destination, the sale is made in that state. Tangible personal property delivered to a common or contract carrier or foreign vessel for delivery to a purchaser in another state or nation is a sale in that state or nation, regardless of f.o.b. point or other conditions of the sale.*

Sales made by or through a corporation which is qualified as a domestic international sales corporation under section 992 of the Internal Revenue Code of 1954, as amended through December 31, 1981, shall not be considered to have been made within this state.

Sec. 12. Minnesota Statutes 1982, section 290.61, is amended to read:

290.61 [PUBLICITY OF RETURNS, INFORMATION.]

It shall be unlawful for the commissioner or any other public official or employee to divulge or otherwise make known in any manner any particulars set forth or disclosed in any report or return required by this chapter, or any information concerning, the taxpayer's affairs acquired from his or its records, officers, or employees while examining or auditing any taxpayer's liability for taxes imposed hereunder, except in connection with a proceeding involving taxes due under this chapter from the taxpayer making such return or to comply with the provisions of sections 290.612 and 302A.821. The commissioner may furnish a copy of any taxpayer's return to any official of the United States or of any state having duties to perform in respect to the assessment or collection of any tax imposed upon or measured by income, if such taxpayer is required by the laws of the United States or of such state to make a return therein. The commissioner may disclose information from withholding tax returns received from the taxpayer to the Minnesota depart-

ment of economic security for purposes of auditing unemployment tax. Prior to the release of any information to any official of the United States or any other state or the department of economic security under the provisions of this section, the person to whom the information is to be released shall sign an agreement which provides that he will protect the confidentiality of the returns and information revealed thereby to the extent that it is protected under the laws of the state of Minnesota. The commissioner and all other public officials and employees shall keep and maintain the same secrecy in respect to any information furnished by any department, commission, or official of the United States or of any other state in respect to the income of any person as is required by this section in respect to information concerning the affairs of taxpayers under this chapter. Nothing herein contained shall be construed to prohibit the commissioner from publishing statistics so classified as not to disclose the identity of particular returns or reports and the items thereof. Upon request of a majority of the members of the senate tax committee or of the house tax committee or the tax study commission, the commissioner shall furnish abstracted financial information to those committees for research purposes from returns or reports filed pursuant to this chapter, provided that he shall not disclose the name, address, social security number, business identification number or any other item of information associated with any return or report which the commissioner believes is likely to identify the taxpayer. The commissioner shall not furnish the actual return, or a portion thereof, or a reproduction or copy of any return or portion thereof. "Abstracted financial information" means only the dollar amounts set forth on each line on the form including the filing status.

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

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

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

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

*Information from a tax return required under this chapter on a holder of a*

*license issued by the Minnesota racing commission or an owner of a horse may be provided by the commissioner to the Minnesota racing commission.*

Sec. 13. Minnesota Statutes 1983 Supplement, section 290.92, subdivision 27, is amended to read:

Subd. 27. Any holder of a class A, B, or D license issued by the Minnesota horse racing commission, ~~who makes a payment or payments for winnings on a pari-mutuel betting ticket or tickets in an amount of \$200 or more to the same individual,~~ shall deduct from the payment or payments and withhold ~~4~~ ten percent of the amount the payment of winnings which are subject to withholding as Minnesota withholding tax. For purposes of this subdivision, ~~winnings from a pari-mutuel betting ticket must be determined by reducing the amount received by the amount paid for the ticket, and payments for winning on a pari-mutuel betting ticket which are not money must be taken into account at their fair market value the term "winnings which are subject to withholding" has the meaning given in section 3402(q)(3) of the Internal Revenue Code of 1954, as amended through December 31, 1983.~~ For purposes of the provisions of this section, a payment to any person of winnings which are subject to withholding must be treated as if the payment was a wage paid by an employer to an employee. Every individual who is to receive a payment of winnings which are subject to withholding shall furnish the license holder with a statement, made under the penalties of perjury, containing the name, address, and social security account number of the person receiving the payment and of each person entitled to any portion of such payment. The license holder is liable for the payment of the tax required to be withheld under this subdivision and subdivision 28 but is not liable to any person for the amount of the payment.

Sec. 14. Minnesota Statutes 1983 Supplement, section 290.92, subdivision 28, is amended to read:

Subd. 28. Any holder of a class A or B license issued by the Minnesota horse racing commission who makes a payment to a holder of a class C license issued by the commission, ~~or who pays except~~ an amount paid as a purse, shall deduct from the payment and withhold seven percent of the amount as Minnesota withholding tax when the amount paid to that individual during the calendar year exceeds ~~\$200~~ \$600. For purposes of the provisions of this section, a payment to any person which is subject to withholding under this subdivision must be treated as if the payment was a wage paid by an employer to an employee. Every individual who is to receive a payment which is subject to withholding under this subdivision shall furnish the license holder with a statement, made under the penalties of perjury, containing the name, address, and social security account number of the person receiving the payment. No withholding is required if the individual presents a signed certificate from his employer which states that the individual is an employee of that employer. A nonresident individual who holds a class C license must be treated as an athlete for purposes of applying the provisions of sections 290.17, subdivision 2(1)(b)(ii) and 290.92, subdivision 4a.

Sec. 15. [TRANSITION PROVISION; UNITARY NET OPERATING LOSSES.]

*(a) If for a taxable year a corporation is subject to the provisions of Minnesota Statutes, section 290.095, subdivision 3, clause (d), the corporation may*

*elect to take a net operating loss carryback pursuant to this section. If the taxpayer elects to be covered by the provisions of this section, the carryback shall be subject to the provisions of Minnesota Statutes, section 290.095, subdivision 3, but excluding clause (d).*

*(b) If the corporation elects to be covered by this section, all members of the unitary group must file amended returns for the year to which the loss is carried back. The amended returns must reflect the income of the entire unitary business as provided in Minnesota Statutes, section 290.34, subdivision 2. The unitary group of corporations must calculate the sum of the separate tax liabilities prior to the amended returns and the sum of the tax liabilities after the amended returns are filed. (1) If the sum of the separate tax liabilities is more than the sum of the unitary tax liabilities per amended returns, no refund is allowed from the filing of the amended returns. (2) If the sum of the separate tax liabilities is less than the sum of the unitary tax liabilities per amended returns, the difference must be paid with the filing of the amended returns.*

*(c) After filing the amended returns required by clause (b), the corporation shall be allowed a net operating loss carryback pursuant to section 290.095, subdivision 3. The net operating loss carryback is allowable only to the extent of the tax liability on the amended returns. The time limit on the filing of the amended return allowed under this section shall be the same as the time limit on the filing of the return for the year from which the loss is carried back.*

*(d) This section is effective for taxable years beginning after June 1981 and is repealed for taxable years beginning after December 31, 1984.*

*If the taxpayer elects to be covered by this section, the extension of net operating loss carryovers provided by the last sentence of Minnesota Statutes, section 290.095, subdivision 3, clause (d), does not apply to any year to which a loss is carried back under this section.*

Sec. 16. Laws 1983, chapter 342, article 1, section 44, is amended to read:

Sec. 44. [REPEALER.]

Minnesota Statutes 1982, sections 290.01, subdivisions 23, 27, and 28; 290.032, subdivision 5; 290.06, subdivisions 9 and 9a; 290.077, subdivision 2; 290.08, subdivision 25; 290.09, subdivisions 10, 15, 22, and 27; 290.21, subdivision 3a; 290.501; and 352C.07; and Laws 1982, ~~chapter 523, article VII, section 3,~~ and Third Special Session chapter 1, article 5, section 4, are repealed.

Sec. 17. [REPEALER.]

Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e, and Laws 1983, chapter 342, article 1, section 8, are repealed.

Sec. 18. [EFFECTIVE DATE.]

Sections 1, 5, 10, 11, 17, and the amendment to clause (19) in section 3 are effective for taxable years beginning after December 31, 1983, and, to the extent applicable, for property tax refund claims based on rent paid in 1984 and thereafter and property taxes payable in 1985 and thereafter. Sections 2 and 12 to 14 are effective the day following final enactment. Sections 4, 6, 7,

*and 8 are effective for taxable years beginning after December 31, 1984. In section 16, Laws 1982, chapter 523, article VII, section 3, is reenacted and effective the day following final enactment of this act for taxable years beginning after December 31, 1983. The amendment to clause (20) in section 3 is effective for taxable years beginning after December 31, 1982.*

### ARTICLE 3

#### PROPERTY TAX

Section 1. Minnesota Statutes 1982, section 105.482, subdivision 8, is amended to read:

Subd. 8. [HYDROPOWER GENERATION POLICY; LEASING OF DAMS AND DAM SITES.] Consistent with laws relating to dam construction, reconstruction, repair, and maintenance, the legislature finds that the public health, safety, and welfare of the state is also promoted by the use of state waters to produce hydroelectric or hydromechanical power. Further, the legislature finds that the leasing of existing dams and potential dam sites primarily for such power generation is a valid public purpose. A local governmental unit, or the commissioner of natural resources with the approval of the state executive council, may provide pursuant to a lease or development agreement for the development and operation of dams, dam sites, and hydroelectric or hydromechanical power generation plants owned by the respective government by an individual, a corporation, an organization, or other legal entity upon such terms and conditions as the local governmental unit or the commissioner may negotiate for a period not to exceed 50 99 years. *For installations of 15,000 kilowatts or less at a dam site and reservoir that is not being used on January 1, 1984 in connection with the production of hydroelectric or hydromechanical power, the lease or development agreement negotiated by the local governmental unit and the developer shall constitute full payment by the lessee and may be in lieu of all real or personal property taxes that might otherwise be due to a local governmental unit.* If the dam, dam site, or power generation plant is located in or contiguous to a city or town, other than the lessor governmental unit, the lease or agreement shall not be effective unless it is approved by the governing body of ~~such~~ the city or town. For purposes of this subdivision, city means a statutory or home rule charter city.

Sec. 2. Minnesota Statutes 1982, section 105.482, subdivision 9, is amended to read:

Subd. 9. [CONTENTS OF DEVELOPMENT AGREEMENT.] An agreement for the development or redevelopment of a hydropower site may contain, but need not be limited to, the following provisions:

(a) Length of the development agreement, subject to negotiations between the parties but not more than 50 99 years, and conditions for extension, modification, or termination;

(b) Provisions for a performance bond on the developer, or, certification that the equipment and its installation have a design life at least as long as the lease;

(c) Provisions to assure adequate maintenance and safety in the impoundment structures, if any, and to assure access to recreational sites, if any.

Sec. 3. Minnesota Statutes 1983 Supplement, section 124.2137, subdivision 1, is amended to read:

Subdivision 1. [TAX REDUCTIONS.] The county auditor shall reduce the tax for school purposes on all property receiving the homestead credit pursuant to section 273.13, subdivision 6, by an amount equal to ~~29~~ 33 percent of the tax levy imposed on up to 320 acres of land including the buildings and structures thereon but excluding the homestead dwelling and surrounding one acre of land. The county auditor shall reduce the tax for school purposes on the next 320 acres classified pursuant to section 273.13, subdivision 6 by an amount equal to ~~43~~ 15 percent of the tax levy imposed on the property. The tax on all other agricultural lands classified pursuant to section 273.13, subdivision 6 shall be reduced by an amount equal to ten percent of the tax levy imposed on the property. The tax on the first 320 acres of agricultural land classified pursuant to section 273.13, subdivision 4 *including buildings and structures thereon but excluding all dwellings and an acre of land for each dwelling* and all real estate devoted to temporary and seasonal residential occupancy for recreational purposes, but not devoted to commercial purposes, shall be reduced by an amount equal to ~~43~~ 15 percent of the tax imposed on the property. The tax on timber land classified pursuant to section 273.13, subdivision 8a and agricultural land in excess of 320 acres classified pursuant to section 273.13, subdivision 4 shall be reduced by an amount equal to ten percent of the tax levy imposed on the property. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review the certifications to determine their accuracy. He may make changes in the certification as he may deem necessary or return a certification to the county auditor for corrections. The amount of the reduction provided under this subdivision which any taxpayer can receive on all qualifying property which he owns shall not exceed ~~\$2,000~~ \$4,000 in the case of agricultural property and shall not exceed \$100 in the case of seasonal residential recreational property. In the case of property owned by more than one person, the maximum amount of the reduction shall apply to the total of all the owners. For purposes of computing the credit pursuant to this subdivision, the "tax levy" shall be the tax levy reduced by the credits provided by sections 273.115, 273.116, 273.123, 273.42, subdivision 2, and 473H.10.

Sec. 4. Minnesota Statutes 1983 Supplement, section 272.02, subdivision 1, is amended to read:

Subdivision 1. Except as provided in other subdivisions of this section or in section 272.025 or section 273.13, subdivisions 17, 17b, 17c or 17d, all property described in this section to the extent herein limited shall be exempt from taxation:

- (1) All public burying grounds;
- (2) All public schoolhouses;
- (3) All public hospitals;
- (4) All academies, colleges, and universities, and all seminaries of learning;

(5) All churches, church property, and houses of worship;

(6) Institutions of purely public charity except *parcels of property containing structures and the structures* assessed pursuant to section 273.13, subdivisions 17, 17b, 17c or 17d;

(7) All public property exclusively used for any public purpose;

(8) (a) Class 2 property of every household of the value of \$100, maintained in the principal place of residence of the owner thereof. The county auditor shall deduct the exemption from the total valuation of the property as equalized by the commissioner of revenue assessed to the household, and extend the levy of taxes upon the remainder only. The term "household" as used in this section is defined to be a domestic establishment maintained either (1) by two or more persons living together within the same house or place of abode, subsisting in common and constituting a domestic or family relationship, or (2) by one person.

(b) During the period of his active service and for six months after his discharge therefrom, no member of the armed forces of the United States shall lose status of a householder under paragraph (a) which he had immediately prior to becoming a member of the armed forces.

In case there is an assessment against more than one member of a household the \$100 exemption shall be divided among the members assessed in the proportion that the assessed value of the Class 2 property of each bears to the total assessed value of the Class 2 property of all the members assessed. The Class 2 property of each household claimed to be exempt shall be limited to property in one taxing district, except in cases where a single domestic establishment is maintained in two or more adjoining districts.

Bonds, certificates of indebtedness, or other obligations issued by the state of Minnesota, or by any county or city of the state, or any town, or any common or independent school district of the state, or any governmental board of the state are exempt from ad valorem property taxation; provided, that this subdivision shall not exempt the obligations or their interest from any excise or other tax levied on income, gross earnings, estates, inheritance, bequests, gifts, transfers, sales, or other transactions, other than an ad valorem property tax.

(9) Farm machinery manufactured prior to 1930, which is used only for display purposes as a collectors item;

(10) The taxpayer shall be exempted with respect to all agricultural products, inventories, stocks of merchandise of all sorts, all materials, parts and supplies, furniture and equipment, manufacturers material, manufactured articles including the inventories of manufacturers, wholesalers, retailers and contractors; and the furnishings of a room or apartment in a hotel, rooming house, tourist court, motel or trailer camp, tools and machinery which by law are considered as personal property, and the property described in section 272.03, subdivision 1, clause (c), except personal property which is part of an electric generating, transmission, or distribution system or a pipeline system transporting or distributing water, gas, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings and structures. Railroad docks and wharves which are part of the operating property of a railroad company as defined in



section 270.80 are not exempt.

(11) Containers of a kind customarily in the possession of the consumer during the consumption of commodities, the sale of which are subject to tax under the provisions of the excise tax imposed by chapter 297A;

(12) All livestock, poultry, all horses, mules and other animals used exclusively for agricultural purposes;

(13) All agricultural tools, implements and machinery used by the owners in any agricultural pursuit.

(14) Real and personal property used primarily for the abatement and control of air, water, or land pollution to the extent that it is so used, other than real property used primarily as a solid waste disposal site.

Any taxpayer requesting exemption of all or a portion of any equipment or device, or part thereof, operated primarily for the control or abatement of air or water pollution shall file an application with the commissioner of revenue. The equipment or device shall meet standards, regulations or criteria prescribed by the Minnesota Pollution Control Agency, and must be installed or operated in accordance with a permit or order issued by that agency. The Minnesota Pollution Control Agency shall upon request of the commissioner furnish information or advice to the commissioner. If the commissioner determines that property qualifies for exemption, he shall issue an order exempting the property from taxation. The equipment or device shall continue to be exempt from taxation as long as the permit issued by the Minnesota Pollution Control Agency remains in effect.

(15) Wetlands. For purposes of this subdivision, "wetlands" means (1) land described in section 105.37, subdivision 15, or (2) land which is mostly under water, produces little if any income, and has no use except for wildlife or water conservation purposes. ~~"Wetlands" shall be land, provided it is preserved in its natural condition, and drainage of which it would be legal, feasible, and economically practical for the production of livestock, dairy animals, poultry, fruit, vegetables, forage and grains, except wild rice.~~ "Wetlands" shall include adjacent land which is not suitable for agricultural purposes due to the presence of the wetlands. "Wetlands" shall not include woody swamps containing shrubs or trees, wet meadows, meandered water, streams, rivers, and floodplains or river bottoms. Exemption of wetlands from taxation pursuant to this section shall not grant the public any additional or greater right of access to the wetlands or diminish any right of ownership to the wetlands.

(16) Native prairie. The commissioner of the department of natural resources shall determine lands in the state which are native prairie and shall notify the county assessor of each county in which the lands are located. Pasture land used for livestock grazing purposes shall not be considered native prairie for the purposes of this clause and section 273.116. Upon receipt of an application for the exemption and credit provided in this clause and section 273.116 for lands for which the assessor has no determination from the commissioner of natural resources, the assessor shall refer the application to the commissioner of natural resources who shall determine within 30 days whether the land is native prairie and notify the county assessor of his decision. Exemption of native prairie pursuant to this clause shall not grant

the public any additional or greater right of access to the native prairie or diminish any right of ownership to it.

(17) Property used in a continuous program to provide emergency shelter for victims of domestic abuse, provided the organization that owns and sponsors the shelter is exempt from federal income taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1954, as amended through December 31, 1982, notwithstanding the fact that the sponsoring organization receives funding under section 8 of the United States Housing Act of 1937, as amended.

(18) If approved by the governing body of the municipality in which the property is located, property not exceeding one acre which is owned and operated by any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation, and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders; provided the property is used primarily as a clubhouse, meeting facility or recreational facility by the group or association and the property is not used for residential purposes on either a temporary or permanent basis.

(19) To the extent provided by section 295.44, real and personal property used or to be used primarily for the production of hydroelectric or hydromechanical power on a site owned by the state or a local governmental unit which is developed and operated pursuant to the provisions of section 105.482, subdivisions 1, 8 and 9.

(20) If approved by the governing body of the municipality in which the property is located, a direct satellite broadcasting facility or fixed satellite regional or national program service facility, construction of which is commenced after June 30, 1983, for a period not to exceed five years. When the facility no longer qualifies for exemption, it shall be placed on the assessment rolls as provided in subdivision 4. As used in this clause, a "direct satellite broadcasting facility" is a facility operated by a corporation licensed by the federal communications commission to provide direct satellite broadcasting services using direct broadcast satellites operating in the 12-ghz. band and a "fixed satellite regional or national program service facility" is a facility operated by a corporation licensed by the federal communications commission to provide fixed satellite-transmitted regularly scheduled broadcasting services using satellites operating in the 6-ghz. band. Before approving a tax exemption pursuant to this paragraph, the governing body of the municipality shall provide an opportunity to the members of the county board of commissioners of the county in which the facility is proposed to be located and the members of the school board of the school district in which the facility is proposed to be located to meet with the governing body. The governing body shall present to the members of those boards its estimate of the fiscal impact of the proposed property tax exemption. The tax exemption shall not be approved by the governing body until the county board of commissioners has presented its written comment on the proposal to the governing body, or 30 days has passed from the date of the transmittal by the governing body to the board of the information on the fiscal impact, whichever occurs first.

(21) If approved by the governing body of the municipality in which the property is located, a facility construction of which is commercial after June

30, 1983, at which a licensed Minnesota manufacturer produces distilled spirituous liquors, liqueurs, cordials, or liquors designated as specialties regardless of alcoholic content, but not including ethyl alcohol, distilled with a majority of the ingredients grown or produced in Minnesota, for a period not to exceed five years. When the facility no longer qualifies for exemption, it shall be placed on the assessment rolls as provided in subdivision 4. Before approving a tax exemption pursuant to this paragraph, the governing body of the municipality shall provide an opportunity to the members of the county board of commissioners of the county in which the facility is proposed to be located and the members of the school board of the school district in which the facility is proposed to be located to meet with the governing body. The governing body shall present to the members of those boards its estimate of the fiscal impact of the proposed property tax exemption. The tax exemption shall not be approved by the governing body until the county board of commissioners has presented its written comment on the proposal to the governing body, or 30 days has passed from the date of the transmittal by the governing body to the board of the information on the fiscal impact, whichever occurs first.

Sec. 5. Minnesota Statutes 1982, section 272.02, is amended by adding a subdivision to read:

*Subd. 6. Notwithstanding the provisions of subdivision 5, real and personal property used or to be used primarily for the production of hydroelectric or hydromechanical power and leased from the state or a local governmental unit pursuant to section 105.482, subdivisions 1, 8, and 9 may be exempt from taxation or payments in lieu of taxes.*

*The exemption from taxation or payments in lieu of taxes provided by this subdivision does not apply to hydroelectric or hydromechanical facilities operated at any time between January 1, 1980 and January 1, 1984.*

Sec. 6. Minnesota Statutes 1983 Supplement, section 273.11, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] Except as provided in subdivisions 6, 7, 8, and 9 or section 273.17, subdivision 1, all property shall be valued at its market value. The market value as determined pursuant to this section shall be stated such that any amount under \$100 is rounded up to \$100 and any amount exceeding \$100 shall be rounded to the nearest \$100. In estimating and determining such value, the assessor shall not adopt a lower or different standard of value because the same is to serve as a basis of taxation, nor shall he adopt as a criterion of value the price for which such property would sell at a forced sale, or in the aggregate with all the property in the town or district; but he shall value each article or description of property by itself, and at such sum or price as he believes the same to be fairly worth in money. In assessing any tract or lot of real property, the value of the land, exclusive of structures and improvements, shall be determined, and also the value of all structures and improvements thereon, and the aggregate value of the property, including all structures and improvements, excluding the value of crops growing upon cultivated land. In valuing real property upon which there is a mine or quarry, it shall be valued at such price as such property, including the mine or quarry, would sell for a fair, voluntary sale, for cash. In valuing real property which is vacant, the fact that such property is platted shall not be taken into

account. An individual lot of such platted property shall not be assessed in excess of the assessment of the land as if it were unplatted until the lot is improved with a permanent improvement all or a portion of which is located upon the lot, or for a period of three years after final approval of said plat whichever is shorter. When a lot is sold or construction begun, the assessed value of that lot or any single contiguous lot fronting on the same street shall be eligible for reassessment. All property, or the use thereof, which is taxable under sections 272.01, subdivision 2, or 273.19, shall be valued at the market value of such property and not at the value of a leasehold estate in such property, or at some lesser value than its market value.

Sec. 7. Minnesota Statutes 1982, section 273.123, is amended by adding a subdivision to read:

*Subd. 2a. [APPLICATION REQUIREMENTS.] A request for property tax relief shall be considered by the executive council only if the following requirements are met by the local unit of government submitting the request:*

*(1) a completed disaster survey shall be included with the request;*

*(2) the average dollar amount of damage for the homes which are damaged and located within the geographic boundaries of the applicant shall be \$5,000 or more; and*

*(3) either (a) at least 25 homes located within the geographic boundaries of the applicant must have been damaged or destroyed; or (b) the total dollar amount of damage to all of the damaged homes located within the geographic boundaries of the applicant shall be equal to at least one percent of the total market value of all homestead property located within the geographic boundaries of the applicant.*

Sec. 8. Minnesota Statutes 1982, section 273.123, is amended by adding a subdivision to read:

*Subd. 7. [LOCAL OPTION.] The owner of homestead property not qualifying for an adjustment in valuation pursuant to subdivisions 1 to 5 may receive a reduction in the amount of taxes payable for the year in which the destruction occurs on the homestead portion if:*

*(a) 50 percent or more of the homestead dwelling, as established by the county assessor, is unintentionally or accidentally destroyed and the homestead is uninhabitable;*

*(b) the owner of the property makes written application to the county assessor as soon as practical after the damage has occurred; and*

*(c) the owner of the property makes written application to the county board, upon completion of the restoration of the destroyed structure.*

*The county board may grant a reduction in the amount of property tax which the owner must pay on the qualifying home in the year of destruction. Any reduction in the amount of tax payable which is authorized by county board action shall be calculated based upon the number of months that the home is uninhabitable. The amount of net tax due from the taxpayer shall be multiplied by a fraction, the numerator of which is the number of months the dwelling was occupied by that taxpayer and the denominator of which is 12. For purposes of this subdivision, if a structure is occupied for a fraction of a*

*month, it is considered a month. "Net tax" is defined as the amount of tax after the subtraction of all of the state paid property tax credits. If application is made following payment of all property taxes due for the year of destruction, the amount of the reduction granted by the county board shall be refunded to the taxpayer by the county treasurer as soon as practical.*

*Any reductions or refunds approved by the county board shall not be subject to approval by the commissioner of revenue.*

*The county board may levy in the following year the amount of tax dollars lost to the county government as a result of the reductions granted pursuant to this subdivision. Any amount levied for this purpose shall be exempt from the levy limit provisions of sections 275.50 to 275.56.*

Sec. 9. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 9, is amended to read:

Subd. 9. [CLASS 4A, 4B, 4C, AND 4D.] (1) All property not included in the preceding classes shall constitute class 4a and shall be valued and assessed at 43 percent of the market value thereof, except as otherwise provided in this subdivision.

(2) Real property which is not improved with a structure and which is not utilized as part of a commercial or industrial activity shall constitute class 4b and shall be valued and assessed at 40 percent of market value.

(3) Commercial and industrial property, except as provided in this subdivision, shall constitute class 4c and shall be valued and assessed at ~~34~~ 28 percent of the first ~~\$50,000~~ \$60,000 of market value and 43 percent of the remainder, provided that in the case of state-assessed commercial or industrial property owned by one person or entity, only one parcel shall qualify for the ~~34~~ 28 percent assessment, and in the case of other commercial or industrial property owned by one person or entity, only one parcel in each county shall qualify for the ~~34~~ 28 percent assessment.

(4) Employment property defined in section 273.1313, during the period provided in section 273.1313, shall constitute class 4d and shall be valued and assessed at 20 percent of the first \$50,000 of market value and 21.5 percent of the remainder, except that for employment property located in an enterprise zone designated pursuant to section 273.1312, subdivision 4, paragraph (c), clause (3), the first \$50,000 of market value shall be valued and assessed at 31.5 percent and the remainder shall be assessed and valued at 38.5 percent, unless the governing body of the city designated as an enterprise zone determines that a specific parcel shall be assessed pursuant to the first clause of this sentence. The governing body may provide for assessment under the first clause of the preceding sentence only for property which is located in an area which has been designated by the governing body for the receipt of tax reductions authorized by section 273.1314, subdivision 9, paragraph (a).

Sec. 10. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 17, is amended to read:

Subd. 17. [TITLE II OR STATE HOUSING FINANCE AGENCY PROPERTY USED FOR ELDERLY AND LOW AND MODERATE INCOME FAMILIES.] (a) Except as provided in clause (b), a structure situated

on real property that is used for housing for the elderly or for low and moderate income families as defined by Title II of the National Housing Act or the Minnesota housing finance agency law of 1971 or regulations promulgated by the agency pursuant thereto and financed by a direct federal loan or federally insured loan or a loan made by the Minnesota housing finance agency pursuant to the provisions of either of those acts and acts amendatory thereof shall, for 15 years from the date of the completion of the original construction or substantial rehabilitation, or for the original term of the loan, be assessed at 20 percent of the market value thereof, provided that the fair market value as determined by the assessor is based on the normal approach to value using normal unrestricted rents.

(b) In the case of a structure described in clause (a) ~~with respect to which construction or substantial rehabilitation had not been commenced prior to January 1, 1984~~, the 20 percent assessment ratio shall apply only to that portion of the structure that is occupied by elderly persons or low and moderate income families as defined above *unless (1) construction or substantial rehabilitation of the structure had been commenced prior to January 1, 1984; or (2) the project had been approved by the governing body of the municipality in which it is located prior to June 30, 1983; or (3) financing of the project had been approved by a federal or state agency prior to June 30, 1983.*

Sec. 11. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 17b, is amended to read:

Subd. 17b. [VALUATION OF FARMERS HOME ADMINISTRATION PROPERTY IN MUNICIPALITIES OF UNDER 10,000.] (a) Notwithstanding any other provision of law, except as provided in clause (b), any structure

(1) situated on real property that is used for housing for the elderly or for low and moderate income families as defined by the farmers home administration,

(2) located in a municipality of less than 10,000 population,

(3) financed by a direct loan or insured loan from the farmers home administration, and

(4) which qualifies under subdivision 17a, shall, for 15 years from the date of the completion of the original construction or for the original term of the loan, be assessed at five percent of the market value thereof, provided that the fair market value as determined by the assessor is based on the normal approach to value using normal unrestricted rents.

(b) A structure described in clause (a) ~~with respect to which construction had not been commenced prior to January 1, 1984~~, shall be assessed at 20 percent of its market value, but only in proportion to its occupancy by elderly persons or low and moderate income families as defined above *unless (1) construction of the structure had been commenced prior to January 1, 1984; or (2) the project had been approved by the governing body of the municipality in which it is located prior to June 30, 1983; or (3) financing of the project had been approved by a federal or state agency prior to June 30, 1983.*

Sec. 12. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 17c, is amended to read:

Subd. 17c. [VALUATION OF LOWER INCOME HOUSING.] (a) Except as provided in clause (b), a structure which is

(1) situated upon real property that is used for housing lower income families or elderly or handicapped persons, as defined in section 8 of the United States Housing Act of 1937, as amended, and

(2) owned by an entity which has entered into a housing assistance payments contract under section 8 which provides assistance for 100 percent of the dwelling units in the structure, other than dwelling units intended for management or maintenance personnel, shall, for the term of the housing assistance payments contract, including all renewals, or for the term of its permanent financing, whichever is shorter, be assessed at 20 percent of its market value. The market value determined by the assessor shall be based on the normal approach to value using normal unrestricted rents.

(b) In the case of a structure described in clause (a) ~~with respect to which construction had not been commenced prior to January 1, 1984~~, the 20 percent assessment ratio shall apply only to that portion of the structure that is occupied by lower income families or elderly or handicapped persons as defined above *unless (1) construction of the structure had been commenced prior to January 1, 1984; or (2) the project had been approved by the governing body of the municipality in which it is located prior to June 30, 1983; or (3) financing of the project had been approved by a federal or state agency prior to June 30, 1983.*

Sec. 13. Minnesota Statutes 1982, section 273.13, subdivision 19, is amended to read:

Subd. 19. [CLASS 3D, 3DD.] Residential real estate containing four or more units, other than seasonal residential, recreational and homesteads shall be classified as class 3d property and shall have a taxable value equal to ~~36 percent of market value for taxes levied in 1981 and~~ 34 percent of market value for taxes levied in 1982 and thereafter. Residential real estate containing three or less units, other than seasonal residential, recreational and homesteads, shall be classified as class 3dd property and shall have a taxable value equal to 28 percent of market value.

Residential real estate as used in this subdivision means real property used or held for use by the owner thereof, or by his tenants or lessees as a residence for rental periods of 30 days or more, but shall not include homesteads, or real estate devoted to temporary or seasonal residential occupancy for recreational purposes. Where a portion of a parcel of property qualified for class 3d or 3dd and a portion does not qualify for class 3d or 3dd the valuation shall be apportioned according to the respective uses.

Residential real estate containing less than ~~three~~ four units when entitled to homestead classification for one or more units shall be classed as 3b, 3c or 3cc according to the provisions of subdivisions 6 and 7. *A single rented or leased dwelling unit located within or attached to a private garage or similar structure owned by the owner of a homestead and located on the premises of that homestead must be classified as 3b, 3c, or 3cc as part of the owner's homestead according to the provisions of subdivisions 6 and 7. If more than one dwelling unit is attached to the structure, the units must be assessed as class 3d or 3dd property.*

Sec. 14. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 21, is amended to read:

Subd. 21. [LIMITATION ON HOMESTEAD CLASSIFICATION.] If the assessor has classified a property as both homestead and nonhomestead, ~~only the values greater of the value~~ attributable to the portion of the property classified as 3b, 3c, or 3cc ~~or the value of the first tier of assessment percentages provided under those subdivisions~~ shall be entitled to homestead treatment, *except as provided in subdivision 19 for buildings containing fewer than four residential units and for a single rented or leased dwelling unit located within or attached to a private garage or similar structure owned by the owner of a homestead and located on the premises of that homestead.*

*If the assessor has classified a property as both homestead and nonhomestead, the homestead credit provided under subdivisions 6 and 7 and the reductions in tax provided under sections 273.135 and 273.1391, shall apply to the value of both the homestead and the nonhomestead portions of the property.*

~~Except for buildings containing fewer than three units classified pursuant to section 273.13, subdivision 19, if the portion of a building used as the owner's homestead is separate from other dwelling units in the building, only the owner's residence plus the land attributable to the residence is to receive either the 3b, 3c, or 3cc classification.~~

Sec. 15. Minnesota Statutes 1982, section 273.19, is amended by adding a subdivision to read:

*Subd. 5. Notwithstanding the provisions of subdivision 4, real and personal property used or to be used primarily for the production of hydroelectric or hydromechanical power and leased from the state or a local governmental unit pursuant to section 105.482, subdivisions 1, 8, and 9 may be exempt from taxation or payments in lieu of taxes.*

*The exemption from taxation or payments in lieu of taxes provided by this subdivision does not apply to hydroelectric or hydromechanical facilities operated at any time between January 1, 1980 and January 1, 1984.*

Sec. 16. Minnesota Statutes 1983 Supplement, section 276.04, is amended to read:

#### 276.04 [NOTICE OF RATES; PROPERTY TAX STATEMENTS.]

On receiving the tax lists from the county auditor, the county treasurer shall, if directed by the county board, give three weeks' published notice in a newspaper specifying the rates of taxation for all general purposes and the amounts raised for each specific purpose. He shall, whether or not directed by the county board, cause to be printed on all tax statements, or on an attachment, a tabulated statement of the dollar amount due to each taxing authority ~~and the amount to be paid to the state of Minnesota~~ from the parcel of real property for which a particular tax statement is prepared. The dollar amounts due the ~~state~~, county, township or municipality and school district shall be separately stated but the amounts due other taxing districts, if any, may be aggregated. The dollar amounts may be rounded to the nearest even whole dollar. For purposes of this section whole odd-numbered dollars may be adjusted to the next higher even-numbered dollar. *The statement shall*



include the following sentence, printed in upper case letters in bold face print: "THE STATE OF MINNESOTA DOES NOT RECEIVE ANY PROPERTY TAX REVENUES. THE STATE OF MINNESOTA REDUCES YOUR PROPERTY TAX BY PAYING CREDITS AND REIMBURSEMENTS TO LOCAL UNITS OF GOVERNMENT." The property tax statements for class 2a property shall contain the same information that is required on the tax statements for real property. The county treasurer shall mail to taxpayers statements of their personal property taxes due, such statements to be mailed not later than February 15 (except in the case of Class 2a property), statements of the real property taxes due shall be mailed not later than January 31; provided, that the validity of the tax shall not be affected by failure of the treasurer to mail such statement. The taxpayer is defined as the owner who is responsible for the payment of the tax. Such real and personal property tax statements shall contain the market value, as defined in section 272.03, subdivision 8, used in determining the tax. The statement shall show the amount attributable to section 124.2137 as "state paid agricultural credit" and the amount attributable to section 273.13, subdivisions 6 and 7 as "state paid homestead credit." The statement shall show the reduction attributable to the aid given pursuant to section 273.139 and shall indicate that the reduction is paid by the state of Minnesota. If so directed by the county board, the treasurer shall visit places in the county as he deems expedient for the purpose of receiving taxes and the county board is authorized to pay the expenses of such visits and of preparing duplicate tax lists. Failure to mail the tax statement shall not be deemed a material defect to affect the validity of any judgment and sale for delinquent taxes.

Sec. 17. Minnesota Statutes 1983 Supplement, section 279.01, subdivision 1, is amended to read:

Subdivision 1. On May 16, of each year, with respect to property actually occupied and used as a homestead by the owner of the property, a penalty of three percent shall accrue and thereafter be charged upon all unpaid taxes on real estate on the current lists in the hands of the county treasurer, and a penalty of seven percent on nonhomestead property, *except that this penalty shall not accrue until June 1 of each year on commercial use real property used for seasonal residential recreational purposes and classified as class 3 or 3a, and on other commercial use real property classified as class 4c, provided that over 60 percent of the gross income earned by the enterprise on the class 4c property is earned during the months of May, June, July, and August. Any property owner of such class 4c property who pays the first half of the tax due on the property after May 15 and before June 1 shall attach an affidavit to his payment attesting to compliance with the income provision of this subdivision.* Thereafter, for both homestead and nonhomestead property, on the 16th day of each month, up to and including October 16 following, an additional penalty of one percent for each month shall accrue and be charged on all such unpaid taxes. When the taxes against any tract or lot exceed \$10, one-half thereof may be paid prior to May 16; and, if so paid, no penalty shall attach; the remaining one-half shall be paid at any time prior to October 16 following, without penalty; but, if not so paid, then a penalty of four percent shall accrue thereon for homestead property and a penalty of four percent on nonhomestead property. Thereafter, for homestead property, on the 16th day of each month up to and including December 16 following, an additional penalty of two percent for each month shall accrue and be charged on all such unpaid taxes. Thereafter, for nonhomestead property, on the 16th day of each month up to and including December 16 following, an additional penalty of four percent for each month shall accrue and be charged on all such unpaid

taxes. If one-half of such taxes shall not be paid prior to May 16, the same may be paid at any time prior to October 16, with accrued penalties to the date of payment added, and thereupon no penalty shall attach to the remaining one-half until October 16 following; provided, also, that the same may be paid in installments as follows: One-fourth prior to March 16; one-fourth prior to May 16; one-fourth prior to August 16; and the remaining one-fourth prior to October 16, subject to the aforesaid penalties. Where the taxes delinquent after October 16 against any tract or parcel exceed \$40, they may be paid in installments of not less than 25 percent thereof, together with all accrued penalties and costs, up to the next tax judgment sale, and after such payment, penalties, interest, and costs shall accrue only on the sum remaining unpaid. Any county treasurer who shall make out and deliver or counter-sign any receipt for any such taxes without including all of the foregoing penalties therein, shall be liable to the county for the amount of such penalties.

Sec. 18. Minnesota Statutes 1982, section 279.37, subdivision 1, is amended to read:

Subdivision 1. [COMPOSITION INTO ONE ITEM.] Delinquent taxes upon any parcel of real estate which have been bid in for and are held by the state and not assigned by it, may be composed into one item or amount by confession of judgment at any time prior to the forfeiture of ~~such the~~ parcel of land to the state for taxes, for the aggregate amount of all ~~such the~~ taxes, costs, penalties, and interest accrued against ~~said the~~ parcel, as hereinafter provided; ~~provided except that only~~ taxes upon property which, for the previous year's assessment, was classified as ~~homestead property pursuant to section 273.13, subdivisions 6, 6a, 7, and 14a~~ vacant land, mineral property, employment property, or commercial or industrial property shall not be eligible to be composed into any confession of judgment pursuant to this section.

Sec. 19. Minnesota Statutes 1982, section 279.37, subdivision 3, is amended to read:

Subd. 3. Upon the receipt of ~~said the~~ offer and payment of the ~~sums herein~~ sum required, the ~~said~~ auditor shall ~~notify the county board of the offer. If the county board approves the offer, the auditor shall note the same it~~ upon his records and shall ~~forthwith~~ file ~~said the~~ offer and confession of judgment with the clerk of the district court of the county who is ~~hereby~~ directed to enter judgment in accordance with ~~said the~~ offer. ~~If the county board does not approve the offer within 30 days of its notification by the county auditor, confession of judgment will not be allowed for the property, and the amount remitted pursuant to subdivision 2 shall be returned to the payor.~~

Sec. 20. [282.021] [NOTIFICATION OF SALE.]

*Thirty days before the sale of tax-forfeited land at public auction, the county auditor shall publish in a newspaper of general circulation the notice of sale and each parcel's appraised value or market value, whichever is higher, as determined by the county or local assessor who is responsible for valuing the property. The county auditor shall also mail notice to all owners of land adjoining each parcel to be sold and to all owners of platted or unplatted land whose boundaries are within 300 feet of the boundaries of each parcel to be sold.*

Sec. 21. Minnesota Statutes 1983 Supplement, section 290A.04, subdivision 2e, is amended to read:

Subd. 2e. If the net property taxes payable on a homestead increase more than 20 percent over the net property taxes payable in the previous year on the same property, a claimant who is a homeowner shall be allowed an additional refund equal to 50 100 percent of the amount by which the increase exceeds 20 percent. This subdivision shall not apply to any increase in the net property taxes payable attributable to improvements made to the homestead. ~~The refund shall not exceed \$200. The maximum refund shall be reduced by \$20 for each \$1,000 of the claimant's household income in excess of \$30,000. No refund shall be allowed if the claimant's household income exceeds \$40,000. The refund shall be reduced by one-tenth for each \$1,000 of claimant's household income in excess of \$40,000.~~

*No refund pursuant to this subdivision shall be allowed if the claimant's household income exceeds \$50,000.*

For purposes of this subdivision, "net property taxes payable" means property taxes payable after reductions made pursuant to sections 124.2137; 273.13, subdivisions 6, 7, and 14a; 273.115, subdivision 1; 273.116, subdivision 1; 273.135; 273.1391; and 273.42, subdivision 2, and any other state paid property tax credits and after the deduction of tax refund amounts for which the claimant qualifies pursuant to subdivisions 2, 2a and 2b.

In addition to the other proofs required by this chapter, each claimant under this subdivision shall file with the property tax refund return a copy of the property tax statement for taxes payable in the preceding year or other documents required by the commissioner.

~~On or before December 1, 1983, the commissioner shall estimate the cost of making the payments provided by this section. Notwithstanding the open appropriation provision of section 290A.23, if the estimated total refund claims exceed \$11,000,000, the commissioner shall adjust accordingly the percentage increase in net property taxes payable over the previous year which is required to qualify for the credit provided in this subdivision.~~

This subdivision is repealed effective for property taxes levied in 1984, payable in 1985.

Sec. 22. Minnesota Statutes 1983 Supplement, section 290A.04, subdivision 2f, is amended to read:

Subd. 2f. If the net property taxes payable in 1984 on a homestead increases more than ten percent over the net property taxes payable in 1983 on the same property, and if the effective tax rate of property tax paid in 1983 on that homestead as compared to the January 2, 1982, estimated market value exceeds 2.25 percent, an additional credit shall be paid by the commissioner to the claimant. The additional credit shall be equal to 50 percent of the amount by which the increase exceeds ten percent ~~but in no case shall the additional credit exceed \$200.~~ This subdivision shall not apply to any increase in the net property taxes payable attributable to improvements made to the homestead.

For purposes of this subdivision, "effective tax rate" means the net property tax paid by the claimant in 1983, divided by the assessor's 1982 esti-

mated market value times 100.

For purposes of this subdivision, "net property taxes" means the gross tax less the homestead credit and any other state paid credit and after the deduction of tax refund amounts for which the claimant qualifies.

The city assessor, or the county assessor if the property is located in a taxing district which does not have a city assessor, shall notify all affected property owners of the availability of this credit and furnish the forms which the commissioner shall prescribe.

The additional refunds shall be paid at the same time as the commissioner pays other property tax refund claims.

Sec. 23. Minnesota Statutes 1982, section 290A.04, is amended by adding a subdivision to read:

*Subd. 2g. If the net property taxes payable on a homestead in 1985 increase more than 12.5 percent over the net property taxes payable in 1984 on the same property, a claimant who is a homeowner shall be allowed an additional refund equal to 50 percent of the amount by which the increase exceeds 12.5 percent. This subdivision shall not apply to any increase in the net property taxes payable attributable to improvements made to the homestead. The refund shall not exceed \$400.*

*For purposes of this subdivision, "net property taxes payable" means property taxes payable after reductions made pursuant to sections 124.2137; 273.13, subdivisions 6, 7, and 14a; 273.115, subdivision 1; 273.116, subdivision 1; 273.135; 273.1391; and 273.42, subdivision 2, and any other state paid property tax credits and after the deduction of tax refund amounts for which the claimant qualifies pursuant to subdivisions 2, 2a, and 2b.*

*In addition to the other proofs required by this chapter, each claimant under this subdivision shall file with the property tax refund return a copy of the property tax statement for taxes payable in the preceding year or other documents required by the commissioner.*

*This subdivision is repealed effective for property taxes levied in 1985, payable in 1986.*

Sec. 24. Minnesota Statutes 1982, section 295.44, subdivision 1, is amended to read:

Subdivision 1. [EXEMPTION.] Notwithstanding the provisions of sections 272.01, subdivision 2, 272.02, subdivision 5, and 273.19, subdivision 1, real or personal property used or to be used primarily for the production of hydroelectric or hydromechanical power on a site owned by the state or a local governmental unit and developed and operated pursuant to section 105.482, subdivisions 1, 8 and 9 shall may be exempt from property taxation for the five calendar years succeeding the year in which the development agreement is executed all years during which the site is developed and operated under the terms of a lease or agreement authorized by section 105.482, subdivisions 1, 8, and 9.

Sec. 25. Minnesota Statutes 1983 Supplement, section 473.446, subdivision 1, is amended to read:

Subdivision 1. [TAXATION WITHIN TRANSIT TAXING DISTRICT.]

For the purposes of sections 473.401 to 473.451 and the metropolitan transit system, except as otherwise provided in this subdivision the metropolitan transit commission shall levy each year upon all taxable property within the metropolitan transit taxing district, defined in subdivision 2, a transit tax consisting of:

(a) An amount up to two mills times the assessed value of all such property, based upon the level of transit service provided for the property, the proceeds of which shall be used for payment of the expenses of operating transit and paratransit service;

(b) An additional amount, if any, as the commission determines to be necessary to provide for the full and timely payment of its certificates of indebtedness and other obligations outstanding on July 1, 1977, to which property taxes under this section have been pledged; and

(c) An additional amount necessary to provide full and timely payment of certificates of indebtedness, bonds, or other obligations issued or to be issued pursuant to section 473.436 for purposes of acquisition and betterment of property and other improvements of a capital nature and to which the commission has specifically pledged tax levies under this clause.

*The county auditor shall reduce the tax levied pursuant to this subdivision on all property within cities or towns that receive full peak service and limited off-peak service by an amount equal to the tax levy that would be produced by applying a rate of 0.5 mills on the property. The county auditor shall reduce the tax levied pursuant to this subdivision on all property within cities or towns that receive limited peak service by an amount equal to the tax levy that would be produced by applying a rate of 0.75 mills on the property. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner shall review the certifications to determine their accuracy. He may make changes in the certification as he may deem necessary or return a certification to the county auditor for corrections. The commissioner shall pay to the regional transit board the amounts certified by the county auditors on the dates provided in section 273.13, subdivision 15a, clause (3). There is annually appropriated from the general fund in the state treasury to the department of revenue the amounts necessary to make these payments in fiscal year 1985 and thereafter.*

*For the purposes of this subdivision, "full peak and limited off-peak service" means peak period service plus weekday midday service with a frequency of more than 60 minutes on the route with the greatest frequency; and "limited peak period service" means peak period service only.*

Sec. 26. Minnesota Statutes 1982, section 477A.13, is amended to read:

477A.13 [TIME OF PAYMENT, DEDUCTIONS.]

Payments to the counties shall be made from the general fund during the month of July of the year next following certification. There shall be deducted from amounts paid any amounts paid to a county or township during the preceding year pursuant to sections ~~84A.51~~, 89.036, 97.49, subdivision 3, and 272.68, subdivision 3 with respect to the lands certified pursuant to

section 477A.12.

*Payments under section 477A.12 must also be reduced by the following percentages of the amounts paid during the preceding year under section 84A.51:*

- (1) for the payment made July 15, 1984, 75 percent;*
- (2) for the payment made July 15, 1985, 50 percent;*
- (3) for the payment made July 15, 1986, 25 percent; and*
- (4) for the payment made thereafter, 0 percent.*

Sec. 27. [STATEMENT OF PURPOSE.]

*The legislature finds that the method of valuing farm property on the basis of sales of comparable properties overstates the value of farm property. Further, the legislature finds that methods of determining the production value of farm property are not suitable as a basis for directly determining the value of individual parcels of farm property. Therefore, the legislature determines that market value should continue to be used as the basis for taxation but that that market value should be adjusted to reflect the production value of farm property.*

Sec. 28. [DETERMINATION OF RATIO.]

*The commissioner of revenue shall consider alternative methods of determining the production value of farm property and shall make a recommendation to the legislature by January 15, 1985, as to the percentage of market value to be used in determining the production value to be used for the 1985 assessment, taxes payable in 1986.*

Sec. 29. [GUIDELINES TO COUNTY ASSESSORS.]

*The department of revenue is directed by the legislature to prepare and issue guidelines to all county assessors by October 1984, on the following two topics:*

- (a) the proper assessment methods which should be used when valuing land which is irrigated or capable of being irrigated, and*
- (b) the proper method for adjusting sales price for financing terms and other conditions of a sale in determining true market value.*

*The guidelines are not rules subject to the Administrative Procedure Act of chapter 14.*

Sec. 30. [COMPUTATION; REFUNDS.]

*An additional credit shall be allowed to owners of all property subject to the \$2,000 agricultural aid credit maximum imposed by Laws 1983, chapter 342, article 2, section 1. The county auditor shall determine the amount of credit to be allowed by recomputing the property tax for taxes payable in 1984 on this property, reducing the tax by the rates set by Minnesota Statutes 1983 Supplement, section 124.2137, subdivision 1. The difference so computed, not to exceed \$2,000, shall be allowed as an additional credit against the property taxes payable in 1984. Amended statements shall be mailed to the affected taxpayers by May 11, 1984. The statements shall contain the information required in Minnesota Statutes, section 276.04, except that a notice*

*must be enclosed stating that the statement is amended pursuant to this section. The auditor shall certify the additional agricultural aid amounts pursuant to this section to the commissioner of revenue by the time and in the form determined by the commissioner. The auditor shall also list the number of property tax statements which were revised as a result of the change in the maximum \$4,000 agricultural aid limitation. The commissioner shall reimburse the county \$5 for each revised statement for the administrative expenses incurred as a result of the recomputations pursuant to this section. The commissioner of revenue shall review the certifications to determine their accuracy. He may make changes in the certification he deems necessary or return a certification to the county auditor for corrections.*

*If property taxes payable in 1984 have been paid in full without the adjustments required by this section, the taxpayer shall receive a refund equal to the difference between the taxes paid and the tax as recomputed. The county treasurer or auditor shall determine the amount of the refund and mail it to the taxpayer as soon as practical.*

*If property taxes payable in 1984 have been partially paid without the adjustments required by this section, the county treasurer or auditor shall reduce the remaining taxes due by the amount of the tax reduction required by this section, and refund any excess. He shall notify the affected taxpayer of the corrected tax.*

*Refunds paid under this section do not include interest.*

*If the county treasurer or auditor has settled and distributed funds under Minnesota Statutes, section 276.10 with respect to any amounts which have been refunded to taxpayers under this section, the amounts of those refunds must be deducted from the next settlement and distribution. Additional credits payable under this section may be designated as state school agriculture credit on the tax statements, but for distribution purposes, the credit shall be distributed to all taxing districts in the same manner and the same proportion as taxes paid by the taxpayer for the property.*

#### Sec. 31. [PAYMENT; PENALTIES.]

*Section 30 does not excuse timely payment of taxes as required in Minnesota Statutes, section 279.01. Penalties shall accrue as provided in Minnesota Statutes, section 279.01 only on the amount of the taxes as recomputed under section 30.*

#### Sec. 32. [PROPERTY TAX REFUNDS.]

*For purposes of Minnesota Statutes, section 290A.03, subdivision 13, "property taxes payable" means property taxes as recomputed under section 30. Taxpayers who filed property tax refund returns utilizing the payable 1984 property taxes before the recomputation must file an amended return and attach an amended property tax statement to the amended return.*

#### Sec. 33. [APPROPRIATION.]

*There is appropriated from the general fund to the commissioner of revenue the amount necessary to pay the county the amount by which the property taxes payable in 1984 as certified under section 30 are reduced and the fee for issuing the revised tax statements. Payment must be made not later than September 15, 1984.*

**Sec. 34. [HOMESTEAD CREDIT ADJUSTMENTS.]**

*The commissioner of revenue shall by May 1, 1984, advise each county auditor to recompute the homestead credit to be applied against each parcel of property assessed by the county as both homestead and nonhomestead property. The homestead credit shall be applied against the entire parcel. The county auditor shall file an abatement with the county board listing each affected parcel and the additional homestead credit. The county board shall approve the abatement in the same manner as provided in Minnesota Statutes, section 375.192 and forward it to the commissioner. For purposes of this section, "homestead credit" means reductions paid pursuant to Minnesota Statutes, sections 273.13, subdivision 14a; 273.135; and 273.1391.*

*The county treasurer shall issue corrected property tax statements showing the corrected taxes. The additional homestead credit shall be a reduction against the second half taxes unless the county treasurer issues the corrected statements on or before May 11, 1984.*

*By July 1, 1984, each county auditor shall notify the commissioner in writing about the procedures used in the county to handle this process. The auditor shall also list the number of property tax statements which were revised as a result of the homestead credit adjustments. The commissioner shall reimburse the county \$5 for each revised statement for the administrative expenses incurred as a result of the recomputations pursuant to this section. There is appropriated from the general fund to the commissioner of revenue the amount necessary to make these payments to the county.*

**Sec. 35. [LEVY LIMIT ADJUSTMENT.]**

*If a governmental unit subject to the levy limitation provisions of Minnesota Statutes, sections 275.50 to 275.56 realizes savings in the form of reduced employer contributions to public pension funds resulting from the enactment of S.F. No. 147 at the 1984 regular session, its levy limit base is permanently reduced, beginning with taxes payable in 1985, by twice the amount of savings realized during the period from July 1, 1984, to December 31, 1984, but only to the extent that the doubled amount exceeds the amount levied as a special levy pursuant to section 275.50, subdivision 5, clause (o), for taxes payable in 1984.*

**Sec. 36. [REPEALER.]**

*Minnesota Statutes 1982, section 295.44, subdivisions 2, 3, and 4 and Minnesota Statutes 1983 Supplement, section 273.11, subdivision 7, is repealed.*

**Sec. 37. [EFFECTIVE DATE.]**

*The increase in the agricultural aid maximum to \$4,000 in section 3 is effective for the 1983 assessment and thereafter, taxes payable 1984 and thereafter. The remainder of section 3 and sections 4, 6 to 14 and the portion of section 36 relating to Minnesota Statutes, section 273.11, subdivision 7, are effective for the 1984 assessment and thereafter, taxes payable in 1985 and thereafter. Sections 1, 2, 5, 15, 17 to 24, 26 to 34 and the portion of section 36 relating to Minnesota Statutes, section 295.44, subdivisions 2, 3, and 4 are effective the day after final enactment. Section 25 is effective in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Wash-*



ington for taxes levied in 1985, payable in 1986, and thereafter, but is contingent upon the enactment of the reorganization of metropolitan transit governance in H.F. 2317.

#### ARTICLE 4

### LOCAL GOVERNMENT AIDS

#### Section 1. [LOCAL GOVERNMENT AID RESTORATION.]

*Subdivision 1. [ELIGIBLE AMOUNT.] For each town, statutory city, and home rule charter city in the state, the commissioner of revenue shall certify a supplemental aid amount equal to the difference, if any, between (a) its certified distribution for 1984 pursuant to Minnesota Statutes, sections 477A.011 to 477A.03, and (b) the amount that would have been certified had not the limitations of Minnesota Statutes, sections 477A.0131, subdivision 2, and 477A.03, subdivision 2, been in effect.*

*Subd. 2. [TIME OF PAYMENTS.] Aid amounts determined pursuant to this section shall be distributed to affected cities in calendar year 1984 according to the payment schedule provided in Minnesota Statutes, section 477A.015. However, if a city is subject to levy limitation pursuant to Minnesota Statutes, sections 275.50 to 275.56, and the amount distributed to it pursuant to this section exceeds the amount by which the city's levy limitation for taxes payable in 1984 exceeds its levy subject to limitation for taxes payable in 1984, the amount of that excess distribution shall be used to reduce the city's levy limitation for taxes payable in 1985 accordingly.*

*Subd. 3. [SUBSEQUENT YEARS.] For the purpose of aid distributions pursuant to Minnesota Statutes, sections 477A.011 to 477A.03 for 1985 and subsequent calendar years, aid amounts distributed according to the provisions of this section shall be considered as included in the definition of aids received in 1984 pursuant to Minnesota Statutes, sections 477A.011 to 477A.03.*

#### Sec. 2. [HIGH-GROWTH ADJUSTMENT.]

*Subdivision 1. [ELIGIBLE AMOUNT.] For any statutory city (a) which incorporated in 1974 or thereafter, and (b) whose current population as determined for the calendar year 1979 local government aids distribution exceeded its 1970 census population by a factor of two or more, the commissioner of revenue shall determine the additional amount that the city would have been allocated in the 1984 aid distribution, had the full amount of its then current population been used in the formula calculation for 1979 aids, with aids in the intervening years recalculated using the 1979 adjusted figures.*

*Subd. 2. [ADJUSTMENTS.] For every qualifying city, the amount determined pursuant to subdivision 1 shall be permanently added to its adjusted local revenue base pursuant to Minnesota Statutes, section 477A.011, subdivision 7a, and its maximum aid amount pursuant to Minnesota Statutes, section 477A.011, subdivision 10, for aids payable in 1984. 1984 aid distributions for all affected cities shall be based upon formula factors as amended by this section.*

*This amount shall also be a permanent adjustment to each city's adjusted levy limit base for taxes payable in 1984, pursuant to Minnesota Statutes,*

section 275.51, subdivision 3h.

Sec. 3. Minnesota Statutes 1983 Supplement, section 477A.013, subdivision 1, is amended to read:

Subdivision 1. [TOWNS.] ~~In each~~ (a) In 1984, each town shall receive a distribution equal to 50 percent of the amount received in 1983 pursuant to Minnesota Statutes 1982, sections 273.138, 273.139, and 477A.011 to 477A.03.

(b) In 1985 and each succeeding calendar year, each town which ~~has an average equalized mill rate of at least two mills~~ had levied for taxes payable in the previous year at least one mill on the dollar of the assessed value of the town shall receive a distribution equal to 50 percent of the amount received in 1983 pursuant to Minnesota Statutes 1982, sections 273.138, 273.139, and 477A.011 to 477A.03.

Sec. 4. Minnesota Statutes 1983 Supplement, section 477A.013, subdivision 2, is amended to read:

Subd. 2. [CITIES AND TOWNS.] In each calendar year, each statutory and home rule charter city shall receive a distribution equal to the amount obtained by subtracting ten mills multiplied by the municipality's equalized assessed value from the adjusted local revenue base.

An aid amount shall be computed in the same manner for all towns which ~~have an average equalized mill rate of at least two mills~~ had levied for taxes payable in the previous year at least one mill on the dollar of the assessed value of the town. A town's final aid amount shall be determined by either the subdivision 1 or the subdivision 2 calculation, whichever is greater.

Sec. 5. Minnesota Statutes 1983 Supplement, section 477A.0131, subdivision 1, is amended to read:

Subdivision 1. (a) No home rule charter or statutory city shall receive a distribution in ~~any~~ calendar year 1985 pursuant to sections 477A.011 to 477A.03 that is less than the ~~sum of the amounts~~ amount certified in the previous calendar year pursuant to sections 477A.011 to 477A.03, ~~section 273.139, and section 273.138, by more than an amount equal to three-fourths of one mill times the unit's equalized assessed value.~~

(b) No home rule charter or statutory city shall receive a distribution in calendar year 1986 or any subsequent calendar year pursuant to sections 477A.011 to 477A.03 that is less than the amount certified in the previous calendar year pursuant to sections 477A.011 to 477A.03 by more than an amount equal to three-fourths of one mill times the city's equalized assessed value.

Sec. 6. [LOCAL GOVERNMENT AIDS STUDY COMMISSION.]

A local government aids study commission consisting of 18 members is created. Nine members of the commission shall be members of the senate and appointed by the committee on committees. Nine members of the commission shall be members of the house of representatives and appointed by the speaker. The study commission shall elect a chairman from among its members and meetings of the commission will be held at the call of the chairman.

*The purpose of the commission is to study the current funding and distribution of state aid to local units of government including school districts. The commission may do all things necessary and reasonable to conduct the study including holding meetings and soliciting testimony and information. The commission shall make specific recommendations on changes in the present state aid formula and shall report to the legislature and the governor its conclusions and recommendations by January 15, 1985. The commission shall expire on February 1, 1985. Expenses of the commission including per diem and expenses of commission members will be provided by the appointing authority.*

Sec. 7. [APPROPRIATIONS.]

*Subdivision 1. An amount sufficient to carry out the provisions of sections 1 and 3 is appropriated from the general fund to the commissioner of revenue.*

*Subd. 2. The sum of \$120,000 is appropriated from the general fund to the commissioner of revenue for the purpose of providing increased local government aid distributions under section 2. If this appropriation is not sufficient, aid amounts determined pursuant to section 2 shall be proportionately reduced.*

Sec. 8. [REPEALER.]

*Minnesota Statutes 1983 Supplement, sections 477A.0131, subdivision 2, and 477A.03, subdivision 2, are repealed.*

Sec. 9. [EFFECTIVE DATE.]

*Sections 1 to 4 and 6 to 8 are effective the day following final enactment. Section 5 is effective for distributions beginning with calendar year 1985.*

ARTICLE 5

ECONOMIC DEVELOPMENT

Section 1. Minnesota Statutes 1983 Supplement, section 273.1312, subdivision 4, as amended by H.F. No. 1877, is amended to read:

Subd. 4. [ELIGIBILITY REQUIREMENTS.] An area is eligible for designation if the following requirements are met:

(a) The boundary of the zone or each subdivision of the zone is continuous and includes vacant or underutilized lands or buildings.

(b) The area of the zone is less than 400 acres. The total market value of the taxable property contained in the zone at the time of application is less than \$100,000 per acre or \$300,000 per acre for an area located wholly within a first class city. A zone which is located in a city of the third or fourth class may be divided into two to four separate subdivisions which need not be contiguous with each other. Each subdivision must contain not less than 100 acres. The restrictions provided by this paragraph shall not apply to areas designated pursuant to paragraph (c), clause (2) or (3).

(c) (1) The proposed zone is located within an economic hardship area, as established by meeting two or more of the following criteria:

(A) the number of residential housing units within the area which are substandard is 15 percent or greater under criteria prescribed by the commis-

sioner using data collected by the bureau of the census or data submitted by the municipality and approved by the commissioner;

(B) the percentage of households within the area that fall below the poverty level, as determined by the United States census bureau, is 20 percent or greater;

(C) (i) the total market value of commercial and industrial property in the area has declined over three of the preceding five years, or (ii) the total market value of all property in the area has declined or it has increased less than ~~ten~~ 10.5 percent over the preceding three-year period;

(D) for the last full year for which data is available, the per capita income in the area was 90 percent or less of the per capita income for the state, excluding standard metropolitan statistical areas, or for the standard metropolitan statistical area if the area is located in a standard metropolitan statistical area;

(E) (i) the current rate of unemployment in the area is 120 percent of the statewide average unemployment for the last 12-month period for which verifiable figures are available, or (ii) the total number of employment positions has declined by ten percent during the last 18 months; or

(2) The area is so designated under federal legislation providing for federal tax benefits to investors, employers or employees in enterprise zones; or

(3) The area consists of a statutory or home rule charter city with a contiguous border with a city in another state or with a contiguous border with a city in Minnesota which has a contiguous border with a city in another state and the area is determined by the commissioner to be economically or fiscally distressed.

For purposes of this subdivision, an economic hardship area must have a population under the most recent federal decennial census of at least (i) 4,000 if any of the area is located wholly or partly within a standard metropolitan statistical area, or (ii) 2,500 for an area located outside of a standard metropolitan statistical area, or (iii) no minimum in the case of an area located in an Indian reservation; except that, in the case of two or more cities seeking designation of an enterprise zone under a joint exercise of power pursuant to section 471.59, the minimum population required by this provision shall not exceed the sum of the populations of those cities.

Sec. 2. Minnesota Statutes 1983 Supplement, section 273.1314, subdivision 6, is amended to read:

Subd. 6. [LOCAL CONTRIBUTION.] No area may be designated as an enterprise zone unless the municipality agrees to make a qualifying local contribution in the form of (a) a property tax reduction for employment property as provided by section 273.1313 for any business qualifying for a state tax reduction pursuant to this section, or (b) an equivalent local contribution or investment out of other municipal funds, but excluding any special federal grants or loans. *In concluding the agreement with the municipality the commissioner may require that the local contribution will be made in a specified ratio to the amount of the state credits authorized.* If the local contribution is to be used to fund additional reductions in state taxes, the commissioner and the governing body of the municipality shall enter an agreement for timely payment to the state to reimburse the state for the amount of tax revenue

foregone as a result.

Sec. 3. Minnesota Statutes 1983 Supplement, section 273.1314, subdivision 8, is amended to read:

Subd. 8. [FUNDING LIMITATIONS.] The maximum amount of the tax reductions which may be authorized pursuant to designations of enterprise zones under section 273.1312 and this section is limited to ~~\$32,000,000~~ ~~\$35,600,000~~. The maximum amount of this total which may be authorized by the commissioner for tax reductions pursuant to subdivision 9 that will reduce tax revenues which otherwise would have been received during fiscal years 1984 and 1985 is limited to ~~\$8,000,000~~ ~~\$9,000,000~~. Of the total limitation and the 1984-1985 biennial limitation the commissioner shall allocate to enterprise zones designated under section 273.1312, subdivision 4, paragraph (c), clause (3), an amount equal to ~~\$10,000,000~~ ~~\$16,610,940~~ and ~~\$4,000,000~~ ~~\$5,000,000~~ respectively. These funds shall be allocated among such zones on a per capita basis *except that the maximum allocation to any one city is \$6,610,940 and no city's allocation shall exceed \$210 on a per capita basis.* An amount sufficient to fund the state funded property tax credits authorized pursuant to this section is appropriated to the commissioner of revenue. Upon designation of an enterprise zone the commissioner shall certify the total amount available for tax reductions in the zone for its duration. The amount certified shall reduce the amount available for tax reductions in other enterprise zones. If subsequent estimates indicate or actual experience shows that the approved tax reductions will result in amounts of tax reductions in excess of the amount certified, the commissioner shall implement a plan to reduce the available tax reductions in the zone to an amount within the sum certified. If subsequent estimates indicate or actual experience shows that the approved tax reductions will result in amounts of tax reductions below the amount certified, the difference shall be available for certification in other zones or used in connection with an amended plan of tax reductions for the zone as the commissioner determines appropriate. If the tax reductions authorized result in reduced revenues for a dedicated fund, the commissioner of finance shall transfer equivalent amounts to the dedicated fund from the general fund as necessary.

Sec. 4. Minnesota Statutes 1983 Supplement, section 273.1314, subdivision 15, is amended to read:

Subd. 15. [REPORTING.] The commissioner shall require municipalities receiving enterprise zone designations pursuant to section 273.1312, subdivision 4, to supply information or otherwise report to the state regarding the economic activity which has occurred in the zone following the designation. This information shall include the number of jobs created in the zone, the number of economically disadvantaged individuals hired in the zone, the average wage level of the jobs created, and descriptions of any affirmative action programs undertaken by the municipality in connection with the zone. *The amount of the municipality's local contribution and the number of businesses qualifying for or directly benefiting from the local contribution must be reported annually to the commissioner.*

Sec. 5. Minnesota Statutes 1983 Supplement, section 290.069, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (a) "Small business assistance office"

means a nonprofit corporation which is formed under chapter 317, is an exempt organization under section 501(c)(3) of the Internal Revenue Code, and satisfies the following conditions:

(1) The primary purpose of the corporation is to aid in the formation of new businesses which create jobs in the state by training or providing other direct assistance to entrepreneurs, managers, inventors, and other individuals in the development, financing, and operation of qualified small businesses.

(2) The corporation provides audited financial statements to all contributors and the commissioner of energy, planning, and development within 90 days following the close of the corporation's fiscal year.

(3) The corporation employs, at least, two full-time professional employees or the equivalent. *This clause is satisfied if the corporation employs one full-time professional employee and shares a professional employee with another organization engaged in related activities, including but not limited to providing development financing or other services to businesses.*

(4) The corporation is not engaged in providing financing or primarily engaged in arranging financing for businesses.

(5) The commissioner of energy, ~~planning~~ and economic development certifies that the corporation satisfies the requirements of this paragraph for the calendar year.

(b) "Technology" means a proprietary process, formula, pattern, device, or compilation of scientific or technical information unless it

(1) is in the public domain; or

(2) cannot be accurately valued.

(c) "Controlled group of corporations" means the controlled group of corporations as defined in section 1563 of the Internal Revenue Code, and if the corporation is part of a unitary business, includes the corporations or entities constituting the unitary business which are not in the controlled group of corporations as defined in section 1563.

(d) An "innovation center public corporation" is a nonprofit public corporation located at a state university in Minnesota that has the purpose of assisting, encouraging, developing, and advancing the high technology small business prosperity and economic welfare of the state.

(e) The "Internal Revenue Code" means the Internal Revenue Code of 1954, as amended through January 15, 1983.

(f) "Qualified small business" means ~~a business~~ an entity, whether organized as a corporation, partnership, or proprietorship, organized for profit ~~if the entity~~; that satisfies the following conditions.

(1) ~~Has~~ The entity had 20 or fewer employees and ~~has had~~ less than \$1,000,000 in gross annual receipts; in each of its three previous taxable years. The number of employees for purposes of this clause and clause (2) shall be determined on an annualized full-time equivalent basis.

(2) The entity is not a subsidiary or an affiliate of a ~~business~~ an entity which employs more than 20 employees or ~~has~~ which had total gross receipts for the previous year of more than \$1,000,000, computed by aggregating all of the

employees and gross receipts of the business entities affiliated with the business.

(3) *The entity has its commercial domicile in this state.*

(4) ~~Does~~ *The entity did not derive more than 20 percent of its gross receipts from royalties, rents, dividends, interest, annuities, and sales or exchanges of stock or securities in one or more of the three previous taxable years. Gross receipts from the sale of stock or securities shall be taken into account only to the extent of gains realized. If the business was not in operation for an entire year at the time of application for certification, this clause is not satisfied if the entity engages in or intends to engage in a trade or business producing or is likely to derive more than 20 percent of its gross receipts from rents, royalties, dividends, interest, annuities, and sales or exchanges of stock or securities. This clause does not apply to the first taxable year of the entity if the total amount of passive income for the year is less than \$3,000 or to a sole proprietor.*

(5) *The entity is not engaged in a trade or business, the primary purpose of which is described in section 103(b)(6)(O) of the Internal Revenue Code of 1954, as amended through January 15, 1983; and.*

(6) ~~Is certified by~~ *The commissioner of energy, planning and economic development certifies that ~~it~~ the entity satisfies the requirements of clauses (1) to (5). An income tax return filed with the commissioner of energy and economic development in order to obtain a certification is nonpublic data or private data on individuals, whichever is applicable, as defined in section 13.02.*

*A qualified small business does not include an entity engaged primarily in providing licensed professional services.*

Sec. 6. Minnesota Statutes 1983 Supplement, section 290.069, subdivision 2, is amended to read:

Subd. 2. [TECHNOLOGY TRANSFER CREDIT.] A credit may be claimed against the taxes imposed by this chapter in an amount equal to 30 percent of the net value of the technology transferred to a qualified small business if the following conditions are satisfied:

(a) The commissioner certifies that the technology has the value claimed by the transferor taxpayer.

(b) The transferor taxpayer is the exclusive and undisputed owner of the technology at the time the transfer is made.

(c) Except as provided in paragraph (h), the transferor retains no proprietary or financial interest in the technology subsequent to its transfer to the qualified small business and no credit is claimed for the transfer of the technology in a prior or subsequent taxable year, except pursuant to the carryover provisions of subdivision 5.

(d) The credit shall apply only to the first \$1,000,000 of the net value of the technology transferred during the taxable year. The value of the technology shall not exceed the total qualified research expenses, as defined in section 290.068, subdivision 2, expended by the transferor to create or develop the technology. For purposes of this ~~clause~~ *paragraph*, "net value" means the

total value of the technology less any payments received from the transferee and less the value of any equity interest in the transferee received by the transferor in exchange for the technology. For purposes of determining the value of the equity interest, the total value of the transferee shall be deemed to be not less than the value of the technology transferred, less any cash payment made to the transferor.

(e) The taxpayer has not deducted the value of the transferred property from income under any other provisions of this chapter, except that the costs of developing the technology may have been deducted as a business expense or depreciated or included in the computation of the research and experimental expenditure credit pursuant to section 290.068.

(f) The transferee business entity may not be a subsidiary or affiliate of the transferor taxpayer.

(g) The transferee makes a substantial investment in acquiring or developing the technology. The requirements of this clause are satisfied if *over a two-year period beginning not later than the date of the transfer* (1) the transferee pays the transferor an amount equal to 20 percent of the value of the technology in return for acquisition of the rights to the technology, or if (2) the transferee expends an equivalent amount for equipment, materials, wages, or other direct costs to develop, produce, or otherwise use the technology. The requirements of this paragraph may not be satisfied by granting the transferor an equity interest as provided by paragraph (h).

(h) The transferor may receive in exchange for the transfer of the technology an equity interest in the transferee, but this interest may not exceed 25 percent of the capital interest, if the transferee is a partnership, or 25 percent in value of the outstanding stock, if the transferee is a corporation. The transferor's basis in the equity interest shall be reduced by the amount of the credits received pursuant to this subdivision. The transferor may not deduct any loss realized on the sale or exchange of the equity interest.

*(i) The maximum credit which is allowed for technology transferred during the taxable year is \$300,000. The maximum credit which is allowable for technology transferred during all taxable years to an entity or a related person to the transferee entity is \$300,000. A person is a related person to the entity if (i) the relationship would result in disallowance of losses under section 267 or 707(b) of the Internal Revenue Code or (ii) the person and the entity are members of the same controlled group or corporation.*

The commissioner may require that the taxpayer obtain an appraisal of the value of the transferred technology by a reliable, expert third party. *The disclosure to a third party appraiser of information necessary to make an appraisal shall not be subject to the provisions of section 290.61.* The commissioner may promulgate administrative rules for appraising the value of transferred technology.

Sec. 7. Minnesota Statutes 1983 Supplement, section 290.069, is amended by adding a subdivision to read:

*Subd. 2a. [RECAPTURE; TECHNOLOGY TRANSFER CREDIT.] (a) A corporation which receives a tax reduction pursuant to subdivision 2 shall repay to the commissioner an amount of the tax reduction as specified in paragraph (b) if any of the following conditions occur within a three-year*



period after the date of transfer of the technology.

- (1) The transferee ceases operations in Minnesota.
  - (2) The transferee becomes a subsidiary or affiliate of the transferor.
  - (3) The transferee sells, transfers, or otherwise disposes of the rights to technology.
  - (4) The transferee fails to make the necessary payments or expenditures required by subdivision 2, paragraph (g).
  - (5) The transferee grants an interest to the transferor in violation of subdivision 2, paragraph (h).
- (b) The amount of the repayment is determined pursuant to the following schedule:

Occurrence of event causing recapture	Repayment portion
Less than six months	100 percent
Six months or more but less than 12 months	83-1/3 percent
12 months or more but less than 18 months	66-2/3 percent
18 months or more but less than 24 months	50 percent
24 months or more but less than 30 months	33-1/3 percent
30 months or more but less than 36 months	16-2/3 percent

Sec. 8. Minnesota Statutes 1983 Supplement, section 290.069, subdivision 4, is amended to read:

Subd. 4. [EQUITY INVESTMENT CREDIT.] (a) A credit shall be allowed against the tax imposed by this chapter for the taxable year in an amount equal to 30 percent of the net investment in excess of \$25,000 in the equity stock of a qualified small business, which is organized as a corporation. ~~The maximum amount of the credit for a taxable year may not exceed \$75,000. The credit for the taxable year is the least of~~

- (1) \$75,000, or
- (2) 30 percent of the sum of the following, computed for the investment in each qualified small business:
  - (A) The net investment made by the taxpayer during the taxable year in the equity stock of the qualified small business, less
  - (B) \$25,000; or
  - (3) 75 percent of the taxpayer's tax liability computed after subtraction of all nonrefundable credits.

(b) For purposes of this credit the following limitations apply:

(1) Equity stock means common or preferred stock in the qualified small business, and shall not include any security which provides for fixed or variable interest payments which would be treated as debt under section 385 of the Internal Revenue Code.

(2) The taxpayer and any related persons may not own more than 49 percent of the value of any class of stock. For purposes of this paragraph clause, a person is a related person to another person if (i) the relationship between the persons would result in a disallowance of losses under section 267 or

707(b) of the Internal Revenue Code of 1954 or (ii) the persons are members of the same controlled group of corporations. The restrictions provided by this subdivision shall apply for a three-year period beginning on the date the stock is purchased. If the taxpayer or a related person acquires more than 49 percent of the value of any class of stock after the allowance of a credit under this subdivision and prior to the end of the three-year period, the taxpayer's tax for the taxable year in which the credit was allowed shall be increased by the amount of the credit previously claimed.

(3) The credit shall not exceed 75 percent of the taxpayer's tax liability computed after the subtraction of all credits, other than the credit provided in this subdivision. "Net investment" is limited to cash or the fair market value of marketable securities which are transferred to the qualified small business in return for equity stock, less the value of any other property or other consideration received by the taxpayer. The amount of the net investment shall be reduced by any payments made by the qualified small business to redeem shares of its stock or to acquire the assets or stock of another business during a 24-month period beginning one year prior to the taxpayer's purchase of the stock in the qualified small business. Marketable securities are limited to (A) obligations of the United States government, (B) securities of a corporation or other entity the stock or other securities of which are listed by the New York or American Stock Exchange or by the National Association of Securities Dealers Automated Quotation System, or (C) state or local government obligations, other than industrial development bonds as defined in section 103(b) of the Internal Revenue Code. The transfer of the assets of an entity engaged in a trade or business as a corporation, partnership, association, or proprietorship to a corporation shall not qualify as a net investment for purposes of the credit, if the ownership of the transferee corporation is substantially the same as that of the entity. For purposes of the preceding sentence, any property owned by or used directly in the business, pledged as collateral, or used as working capital shall constitute assets of the business.

(b) (c) If the principal place of business of the qualified small business is located in an enterprise zone designated pursuant to section 273.1312, \$10,000 shall be substituted for \$25,000 and \$100,000 for \$75,000 in paragraph (a).

(e) (d) The taxpayer's basis in the stock shall be reduced by the amount of the credit.

(e) In the case of an investment made by a small business corporation, having a valid election in effect under section 1362 of the Internal Revenue Code, or by a partnership, the credit shall be allocated among the shareholders or partners on a pro rata basis and the limitations contained in paragraphs (a) and (c) shall apply to the small business corporation or partnership. In no case shall a taxpayer be allowed a maximum credit in excess of that permitted by paragraph (a) or (c).

Sec. 9. Minnesota Statutes 1983 Supplement, section 290.069, is amended by adding a subdivision to read:

*Subd. 4a. [RECAPTURE; EQUITY INVESTMENT CREDIT.]* (a) A taxpayer who receives a tax reduction pursuant to subdivision 4 shall repay to the commissioner an amount of the tax reduction as specified in paragraph (b) if any of the following conditions occur within a four-year period after the

date of the investment:

(1) The taxpayer transfers, sells, or otherwise disposes of the stock other than transfer by the estate of a taxpayer who died after acquiring the stock.

(2) The taxpayer or a related person acquires an interest in the qualified small business in excess of that permitted by subdivision 4, clause (b)(2).

(3) The transferee ceases operations in Minnesota.

(b) The amount of the repayment is determined pursuant to the following schedule:

Occurrence of event causing recapture	Repayment portion
Less than six months	100 percent
Six months or more but less than 12 months	87-1/2 percent
12 months or more but less than 18 months	75 percent
18 months or more but less than 24 months	62-1/2 percent
24 months or more but less than 30 months	50 percent
30 months or more but less than 36 months	37-1/2 percent
36 months or more but less than 42 months	25 percent
42 months or more but less than 48 months	12-1/2 percent

(c) If a credit was allowed for a qualified small business whose principal place of business was located in an enterprise zone and the business ceases operations in the zone within three years after the investment is made, the taxpayer shall file an amended return claiming the credit without regard to subdivision 4, paragraph (c).

Sec. 10. Minnesota Statutes 1983 Supplement, section 290.069, is amended by adding a subdivision to read:

*Subd. 4b. [MULTISTATE BUSINESSES.] If a qualified small business is engaged in a business partly within and partly without the state, the credit allowable pursuant to subdivision 2 or 4 for technology transferred to or a net investment made in the business must be apportioned. The credit determined pursuant to subdivision 2 or 4 must be multiplied by the arithmetical average of the qualified small business' property and payrolls, determined as provided by section 290.19, subdivision 1, clauses (2)(a)(2) and (2)(a)(3), using data from the most recently available year. After the technology is transferred or the investment made, the qualified small business shall certify to the transferor taxpayer its factors under section 290.19, subdivision 1, clauses (2)(a)(2) and (2)(a)(3) for each of the succeeding two tax years. If the factors for either of these years would result in at least a 25 percent change in the allowable credit, the taxpayer shall file an amended return repaying or claiming the difference in the credit. The preceding sentence does not apply if the qualified small business ceases operations in Minnesota and the recapture provisions of subdivision 2a or 4a apply.*

Sec. 11. Minnesota Statutes 1983 Supplement, section 290.069, subdivision 5, is amended to read:

*Subd. 5. [LIMITATIONS CARRYOVER; OTHER CONDITIONS.] The provisions of section 290.068, subdivisions 3, clause (a); 4; and 5 shall apply to the sum of the credits which this section allows, except that no carryback shall be allowed. The carryover provisions of section 290.068, subdivision 3, clause (b), shall apply to the sum of the credits allowed by this section except*

that the term "research credit" or "research and experimental expenditure credit" shall include the credits authorized by subdivisions 2 and 3 of this section. If the amount of the allowable credit pursuant to subdivision 2 or 3 for the taxable year exceeds the taxpayer's tax liability or if the limitation contained in subdivision 4, clause (a)(3) applies, the unused credit for the taxable year is a carryover to each of the succeeding five taxable years. The entire amount of the unused credit must be carried to the earliest of the taxable years to which it may be carried. "Tax liability" means the tax imposed by this chapter reduced by the sum of the nonrefundable credits allowed under this chapter except the credit allowed by section 290.068. The credits allowed by subdivisions 2 and 3 shall only be available to corporations and banks whose tax is computed pursuant to section 290.06, subdivision 1.

The maximum limitations on the amount of credits pursuant to subdivisions 2 and 3, and 4 shall be determined by aggregating together the credits of all the corporations in the controlled group of corporations with the taxpayer. In order to facilitate compliance with and enforcement of this provision the commissioner may require the taxpayer to claim the credit on a combined report of the unitary business or to file a copy of the consolidated federal return with the state return or both.

Sec. 12. Minnesota Statutes 1983 Supplement, section 290.069, is amended by adding a subdivision to read:

*Subd. 7. [COMMISSIONER'S POWER TO DISALLOW CREDIT.] The commissioner may disallow a credit under subdivision 2 or 4 if he determines that the transaction giving rise to the credit was entered into by the parties primarily to reduce taxes and not primarily for an independent business or commercial purpose other than the reduction of taxes.*

Sec. 13. [TRANSITION PROVISION; FARMS.]

*An investment made on or before June 30, 1985, in a corporation primarily engaged in the business of farming does not qualify for the equity investment credit under Minnesota Statutes, section 290.069. The business of farming includes the activities enumerated in Minnesota Statutes, section 290.09, subdivision 29, paragraph (a). The commissioner of energy and economic development may not certify an entity primarily engaged in farming as a qualified small business under Minnesota Statutes, section 290.069, subdivision 1, prior to July 1, 1985.*

Sec. 14. Minnesota Statutes 1983 Supplement, section 290.21, subdivision 4, is amended to read:

Subd. 4. (a) 85 percent of dividends received by a corporation during the taxable year from another corporation, when the corporate stock with respect to which dividends are paid does not constitute the stock in trade of the taxpayer or would not be included in the inventory of the taxpayer, or does not constitute property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business, or when the trade or business of the taxpayer does not consist principally of the holding of the stocks and the collection of the income and gains therefrom. The remaining 15 percent shall be allowed if the recipient owns 80 percent or more of all the voting stock of such the other corporation, and the dividends were paid from income arising out of business done in this state by the corporation paying such dividends; but

if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the remainder shall be 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 the other corporation, from income arising out of business done in this state by the corporation paying such dividends; but, if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the dividends shall be allowed as deduction as the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state bears to the entire net income of the corporation, such rate being determined by the returns under this chapter of the corporation paying such dividends for the taxable year preceding the distribution thereof. The burden shall be on the taxpayer of showing that the amount of dividends claimed as a deduction has been received from income arising out of business done in this state.

(c) The dividend deduction provided in this subdivision shall be allowed only with respect to dividends that are included in a corporation's Minnesota taxable net income for the taxable year.

The dividend deduction provided in this subdivision does not apply to a dividend from a corporation which, for the taxable year of the corporation in which the distribution is made or for the next preceding taxable year of the corporation, is a corporation exempt from tax under section 501 of the Internal Revenue Code of 1954, as amended through December 31, 1982.

The dividend deduction provided in this subdivision applies to the amount of regulated investment company dividends only to the extent determined under section 854(b) of the Internal Revenue Code of 1954, as amended through December 31, 1982.

(d) If dividends received by a corporation that does not have nexus with Minnesota under the provisions of Public Law 86-272 are included as income on the return of an affiliated corporation permitted or required to file a combined report under section 290.34, subdivision 2, then for purposes of this subdivision the determination as to whether the trade or business of the corporation consists principally of the holding of stocks and the collection of income and gains therefrom shall be made with reference to the trade or business of the affiliated corporation having a nexus with Minnesota.

*(e) Dividends received by a corporation from another corporation which is organized under the laws of a foreign country or a political subdivision of a foreign country, if the dividends are paid from income arising from sources without the United States, the commonwealth of Puerto Rico, and the possessions of the United States. The deduction provided by this clause does not*

*apply if the corporate stock with respect to which dividends are paid constitutes the stock in trade of the taxpayer, or would be included in the inventory of the taxpayer, or constitutes property held by the taxpayer primarily for sale to customers in the ordinary course of the taxpayer's trade or business, or if the trade or business of the taxpayer consists principally of the holding of stocks and the collection of the income or gains therefrom. No dividend may be deducted under this clause if it is deducted under clause (a).*

Sec. 15. Minnesota Statutes 1982, section 290.21, is amended by adding a subdivision to read:

*Subd. 8. [FOREIGN SOURCE ROYALTIES.] (a) Rentals, fees, and royalties accrued or received from a foreign corporation for the use of or for the privilege of using outside of the United States patents, copyrights, secret processes and formulas, good will, know-how, trademarks, trade brands, franchises, and other like property. Rentals, fees, or royalties deducted under this subdivision shall not be included in the taxpayer's apportionment factors under section 290.19, subdivision 1, clause (1)(a) or (2)(a)(1). The preceding sentence shall not be construed to imply that nondeductible rentals, fees, and royalties from such properties are or were included in or excluded from the apportionment factors under any other provision of law.*

*(b) A corporation is allowed the deduction provided by this subdivision only if during the taxable year it received or accrued at least 80 percent of its gross income from sources as defined in clause (a) and from dividends received from foreign corporations. The corporation's gross income for purposes of this clause shall be computed without regard to the requirement of section 290.34, subdivision 2, that a combined report be filed reflecting the entire income of the unitary business.*

*(c) For purposes of this subdivision, a foreign corporation is (i) a corporation organized under the laws of a foreign country or the political subdivision of a foreign country or (ii) a corporation which for the taxable year derives at least 80 percent of its gross income from sources without the United States, the commonwealth of Puerto Rico, and the possessions of the United States. A foreign corporation does not include a DISC as defined in section 992(a) of the Internal Revenue Code of 1954, as amended through December 31, 1983.*

*(d) The deduction provided in this subdivision is allowed only with respect to rentals, fees, and royalties that are included in a corporation's Minnesota taxable net income for the taxable year.*

Sec. 16. Minnesota Statutes 1982, section 462.651, subdivision 1, is amended to read:

**Subdivision 1. [GENERAL TAXES.]** The governing body of a municipality in which any project of a redevelopment company is located may, ~~by ordinance or resolution~~ *after the local approval as provided in subdivision 5,* exempt from all local taxes ~~so much~~ *up to 50 percent* of the value of the property included in that project ~~as~~ *which* represents an increase over the assessed valuation of the property, both land and improvements, acquired for the project at the time of its original acquisition for redevelopment purposes. ~~Should such a~~ *If the governing body grant such a tax grants an exemption,* the project shall, to the extent of the municipal exemption and during the period

thereof, be exempt from any and all ~~state, county,~~ and school district *ad valorem property* taxes. The tax exemption specified herein shall not operate for a period of more than ~~25~~ *ten* years, commencing in each instance from the date on which the benefits of such exemption first become available and effective. ~~There shall be~~ *No exemption may be granted* from payment of special assessments or from the payment of inspection, supervision, and auditing fees of the commissioner of energy, planning and development or the authority.

Sec. 17. Minnesota Statutes 1982, section 462.651, is amended by adding a subdivision to read:

*Subd. 5. [COMMENT BY COUNTY BOARD.] Before approving a tax exemption pursuant to this section, the governing body of the municipality must provide an opportunity to the members of the county board of commissioners of the county in which the project is proposed to be located and the members of the school board of the school district in which the project is proposed to be located to meet with the governing body. The governing body must present to the members of those boards its estimate of the fiscal impact of the proposed property tax exemption. The tax exemption may not be approved by the governing body until the county board of commissioners has presented its written comment on the proposal to the governing body, or 30 days have passed from the date of the transmittal by the governing body to the board of the information on the fiscal impact, whichever occurs first.*

Sec. 18. [ALLOCATION TO DULUTH.]

*The city of Duluth is allocated \$6,610,940 of the tax reductions permitted by section 273.1314, subdivision 8, pursuant to its designation under section 273.1312, subdivision 4, paragraph (c), clause (3).*

Sec. 19. [PLANT CONSTRUCTION AND EXPANSION GRANTS.]

*Subdivision 1. [APPROPRIATION.] The sum of \$3,400,000 is appropriated from the general fund to the commissioner of energy and economic development for the purpose of providing grants to industrial operations that are substantially renovating their facilities, provided that the renovation enables the operation to continue to provide a substantial portion of the industrial employment of the community in which it is located. The grant is intended to help meet the cost of property tax increases due to plant expansion or renovation and the cost of sales tax or equipment purchased to replace obsolete, inadequate, or inefficient equipment in the plant.*

*Of the sum appropriated, up to \$1,000,000 may be granted to a meat processing and packing facility that, at the time when renovation or expansion of the facility begins, provides over 20 percent of the industrial employment in the city. The entire amount of this grant may be paid on or after July 1, 1984.*

*Up to \$2,400,000 may be granted to a manufacturer of internal combustion engines, generators, electrical generating sets, and switchgear that, at the time when renovation or expansion of the facility begins, provides over ten percent of the industrial employment in the city. This grant is to be disbursed as follows. The recipient must annually certify to the commissioner the following amounts paid during the year: (a) the additional property taxes paid as a result of the expansion and (b) one-third of the sales tax paid on replacement capital equipment that does not qualify for the four percent sales tax rate*

under Minnesota Statutes, section 297A.02, subdivision 2. The commissioner shall pay the lesser of the amount certified for the year or \$480,000. If in a year the amount certified is less than \$480,000, the excess shall carryforward and may be paid in a succeeding year. The commissioner may not pay an amount in excess of that certified. The appropriation for this grant does not cancel.

An additional sum of \$100,000 is appropriated to the commissioner of energy and economic development to provide a grant to a city which is selected as the site for a foreign manufacturing development facility. This grant is not subject to the limitations contained in the first paragraph of this subdivision. A foreign manufacturing development project is a production and office facility financed, in whole or part, by an agency of a foreign government or a foreign corporation for the purpose of testing and developing the expertise of foreign firms in manufacturing products in the United States. The city may use the grant moneys to provide assistance to the foreign manufacturing development facility in the manner it determines appropriate.

Designation of grant recipients is not subject to the provisions of chapter 14.

Subd. 2. [RECAPTURE.] A business that receives a grant pursuant to subdivision 1 shall repay to the commissioner of energy and economic development a portion of the grant if, within five years of the receipt of the grant, the commissioner determines that (1) the recipient has failed to renovate or expand its facility according to the schedule submitted pursuant to subdivision 1 and that the recipient is unlikely to resume the renovation or expansion activity according to a schedule that is reasonably similar in result to the original schedule, allowing for some extension of time, not to exceed 20 percent of the time originally scheduled, for accomplishment of the renovation or expansion, or (2) the recipient has ceased operation of the facility.

The amount of the repayment is determined according to the following schedule:

Occurrence of event causing recapture	Repayment portion
Less than one year	100 percent
One year or more but less than two years	80 percent
Two years or more but less than three years	60 percent
Three years or more but less than four years	40 percent
Four years or more but less than five years	20 percent

#### Sec. 20. [REPEALER.]

Minnesota Statutes 1982, section 462.651, subdivision 2, and Minnesota Statutes 1983 Supplement, section 462.651, subdivision 3 are repealed.

#### Sec. 21. [EFFECTIVE DATE; APPROPRIATION.]

Sections 1 to 4 are effective the day following final enactment. Sections 5 to 13 are effective for taxable years beginning after December 31, 1983, except that they shall not apply to qualified small businesses that were certified by the commissioner of energy and economic development prior to April 10, 1984. Section 14 is effective for taxable years beginning after June 30, 1985. Section 15 is effective for taxable years beginning after December 31, 1984. Sections 16, 17, and 20 are effective for exemptions approved after July 1, 1984. Section 18 is effective July 1, 1984.



## ARTICLE 6

## SALES

Section 1. Minnesota Statutes 1982, section 297A.01, subdivision 15, is amended to read:

Subd. 15. "Farm machinery" means new or used machinery, equipment, implements, accessories and contrivances used directly and principally in the production for sale, but not including the processing, of livestock, dairy animals, dairy products, poultry and poultry products, fruits, vegetables, forage, grains and bees and apiary products. "Farm machinery" shall include machinery for the preparation, seeding or cultivation of soil for growing agricultural crops, harvesting and threshing of agricultural products, and certain machinery for dairy, livestock and poultry farms, together with barn cleaners, milking systems, grain dryers, automatic feeding systems and similar installations. Irrigation equipment sold for exclusively agricultural use, including pumps, pipe fittings, valves, sprinklers and other equipment necessary to the operation of an irrigation system when sold as part of an irrigation system, except irrigation equipment which is situated below ground and considered to be a part of the real property, shall be included in the definition of farm machinery. *Logging equipment, except chain saws, shall be included in the definition of farm machinery.* Repair or replacement parts for farm machinery shall not be included in the definition of farm machinery.

Tools, shop equipment, grain bins, feed bunks, fencing material, communication equipment and other farm supplies shall not be considered to be farm machinery. "Farm machinery" does not include motor vehicles taxed under chapter 297B, snowmobiles, snow blowers, lawn mowers, garden-type tractors or garden tillers and the repair and replacement parts for those vehicles and machines.

Sec. 2. Minnesota Statutes 1982, section 297A.01, is amended by adding a subdivision to read:

*Subd. 16. [CAPITAL EQUIPMENT.] Capital equipment means machinery and equipment and the materials and supplies necessary to construct or install the machinery or equipment. To qualify under this definition the capital equipment must be used by the purchaser or lessee for manufacturing, fabricating, or refining a product to be sold at retail and must be used for the establishment of a new or the physical expansion of an existing manufacturing, fabricating, or refining facility in the state. Capital equipment does not include (1) machinery or equipment purchased or leased to replace machinery or equipment performing substantially the same function in an existing facility, (2) repair or replacement parts, or (3) machinery or equipment used to extract, receive, or store raw materials.*

Sec. 3. Minnesota Statutes 1982, section 297A.01, is amended by adding a subdivision to read:

*Subd. 17. [SPECIAL TOOLING.] Special tooling means tools, dies, jigs, patterns, gauges and other special tools which have value and use only for the buyer and for the use for which it is made. An item has use or value only to the buyer if the item is not standard enough to be stocked or ordered from a catalog or other sales literature, but must be produced in accordance with*

*special requirements peculiar to the buyer and not common to someone else whose conditions for possible use of the material are reasonably similar to the buyer's.*

Sec. 4. Minnesota Statutes 1983 Supplement, section 297A.02, subdivision 2, is amended to read:

Subd. 2. [~~FARM MACHINERY AND EQUIPMENT.~~] Notwithstanding the provisions of subdivision 1, the rate of the excise tax imposed upon sales of farm machinery ~~shall be, special tooling, and capital equipment is four percent.~~

Sec. 5. Minnesota Statutes 1983 Supplement, section 297A.02, is amended by adding a subdivision to read:

*Subd. 4. [MANUFACTURED HOUSING.] Notwithstanding the provisions of subdivision 1, for sales at retail of manufactured homes used for residential purposes the excise tax is imposed upon 65 percent of the sales price of the home.*

Sec. 6. Minnesota Statutes 1983 Supplement, section 297A.14, is amended to read:

297A.14 [USING, STORING OR CONSUMING TANGIBLE PERSONAL PROPERTY; ADMISSIONS; UTILITIES.]

For the privilege of using, storing or consuming in Minnesota tangible personal property, tickets or admissions to places of amusement and athletic events, electricity, gas, and local exchange telephone service purchased for use, storage or consumption in this state, ~~there a use tax~~ is imposed on every person in this state ~~a use tax~~ at the rate of six percent of the sales price of sales at retail ~~of any of the aforementioned items~~ unless the tax imposed by section 297A.02 was paid on the sales price. Notwithstanding the provisions of ~~this paragraph~~ *the preceding sentence*, the rate of the use tax imposed upon the sales price of sales of farm machinery ~~shall be, special tooling, and capital equipment is four percent.~~

A motor vehicle subject to tax under this section shall be taxed at its fair market value at the time of transport into Minnesota if the motor vehicle was acquired more than three months prior to its transport into this state.

Sec. 7. Minnesota Statutes 1982, section 297A.15, is amended by adding a subdivision to read:

*Subd. 5. [REFUND; APPROPRIATION.] Notwithstanding the provisions of section 297A.02, subdivision 2, the tax on sales of capital equipment shall be imposed and collected as if the rate under section 297A.02, subdivision 1, applied. Upon application by the purchaser, on forms prescribed by the commissioner, a refund equal to the reduction in the tax due as a result of the application of the rates under section 297A.02, subdivision 2, shall be paid to the purchaser. The application shall include information necessary for the commissioner initially to verify that the purchases qualified as capital equipment under section 297A.02, subdivision 2. No more than two applications for refunds may be filed under this subdivision in a calendar year. Unless otherwise specifically provided by this subdivision, the provisions of section 297A.34 apply to the refunds payable under this subdivision. There is annually appropriated to the commissioner of revenue the amount required to*

*make the refunds.*

Sec. 8. Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1, is amended to read:

Subdivision 1. The following are specifically exempted from the taxes imposed by sections 297A.01 to 297A.44:

(a) The gross receipts from the sale of food products including but not limited to cereal and cereal products, butter, cheese, milk and milk products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and cocoa products, and food products which are not taxable pursuant to section 297A.01, subdivision 3, clause (c) and which are sold by a retailer, organized as a nonprofit corporation or association, within a place located on property owned by the state or an agency or instrumentality of the state, the entrance to which is subject to an admission charge. This exemption does not include the following:

(i) candy and candy products, *except when sold for fundraising purposes by a nonprofit organization that provides educational and social activities for young people primarily aged 18 and under;*

(ii) carbonated beverages, beverages commonly referred to as soft drinks containing less than 15 percent fruit juice, or bottled water other than non-carbonated and noneffervescent bottled water sold in individual containers of one-half gallon or more in size;

(b) The gross receipts from the sale of prescribed drugs and medicine intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings and products consumed by humans for the preservation of health, including prescription glasses, therapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;

(c) The gross receipts from the sale of and the storage, use or other consumption in Minnesota of tangible personal property, tickets, or admissions, electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;

(d) The gross receipts from the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minnesota by the purchaser and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (storage shall not constitute intermediate use); provided that the property is not subject to tax in that state or country to which it is transported for storage or use, or, if subject to tax in that other state, that state allows a similar exemption for property purchased therein and transported to Minnesota for use in this state; except that sales of tangible personal property that is shipped or transported for use outside Minnesota shall be taxed at the rate of the use tax imposed by the state to which the property is shipped or trans-

ported, unless that state has no use tax, in which case the sale shall be taxed at the rate generally imposed by this state; and provided further that sales of tangible personal property to be used in other states or countries as part of a maintenance contract shall be specifically exempt; or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minnesota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;

(g) The gross receipts from the sale of clothing and wearing apparel except the following:

(i) all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.

(ii) articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.

(iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic cachous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.

(iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocketbooks, wallets, billfolds, card, pass, and key cases and toilet cases.

(h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing

(other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 297A.14) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising contained therein or therewith shall be exempt. For this purpose, advertising in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or publishing activities by them, including the sale of advertising. The term "publication" shall not include magazines and periodicals sold over the counter. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures used in such publication and fuel, electricity, gas or steam used for space heating or lighting, are not exempt;

(j) The gross receipts from all sales, including sales in which title is retained by a seller or a vendor or is assigned to a third party under an installment sale or lease purchase agreement under section 465.71, of tangible personal property to, and all storage, use or consumption of such property by, the United States and its agencies and instrumentalities or a state and its agencies, instrumentalities and political subdivisions. Sales exempted by this clause include sales pursuant to section 297A.01, subdivision 3, clauses (d) and (f). This exemption shall not apply to building, construction or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials for use in the construction, alteration or repair of a building or facility. This exemption does not apply to construction materials purchased by tax exempt entities or their contractors to be used in constructing buildings or facilities which will not be used principally by the tax exempt entities;

(k) The gross receipts from the isolated or occasional sale of tangible personal property in Minnesota not made in the normal course of business of selling that kind of property, and the storage, use, or consumption of property acquired as a result of such a sale. For purposes of this clause, sales by a

nonprofit organization shall be deemed to be "isolated or occasional" if they occur at sale events that have a duration of three or fewer consecutive days. The granting of the privilege of admission to places of amusement and the privilege of use of amusement devices by a nonprofit organization at an isolated or occasional event conducted on property owned or leased for a continuous period of more than 30 days by the nonprofit organization are also exempt. The exemption provided for isolated sales of tangible personal property and of the granting of admissions or the privilege of use of amusement devices by nonprofit organizations pursuant to this clause shall be available only if the sum of the days on which the organization and any subsidiary nonprofit organization sponsored by it that does not have a separate sales tax exemption permit conduct sales of tangible personal property, plus the days with respect to which the organization charges for the use of amusement devices or admission to places of amusement, does not exceed eight days in a calendar year. For purposes of this clause, a "nonprofit organization" means any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, or educational purposes, no part of the net earnings of which inures to the benefit of a private individual;

(l) The gross receipts from sales of rolling stock and the storage, use or other consumption of such property by railroads, freight line companies, sleeping car companies and express companies taxed on the gross earnings basis in lieu of ad valorem taxes. For purposes of this clause "rolling stock" is defined as the portable or moving apparatus and machinery of any such company which moves on the road, and includes, but is not limited to, engines, cars, tenders, coaches, sleeping cars and parts necessary for the repair and maintenance of such rolling stock.

(m) The gross receipts from sales of airlift 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, "airlift equipment" includes airplanes and parts necessary for the repair and maintenance of such airlift equipment, and flight simulators.

(n) The gross receipts from the sale of telephone central office telephone equipment used in furnishing intrastate and interstate telephone service to the public.

(o) The gross receipts from the sale of and the storage, use or other consumption by persons taxed under the in lieu provisions of chapter 298, of mill liners, grinding rods and grinding balls which are substantially consumed in the production of taconite, the material of which primarily is added to and becomes a part of the material being processed.

(p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private

shareholders. Sales exempted by this clause include sales pursuant to section 297A.01, subdivision 3, clauses (d) and (f). This exemption shall not apply to building, construction or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials for use in the construction, alteration or repair of a building or facility. This exemption does not apply to construction materials purchased by tax exempt entities or their contractors to be used in constructing buildings or facilities which will not be used principally by the tax exempt entities;

(q) The gross receipts from the sale of caskets and burial vaults;

(r) The gross receipts from the sale of an automobile or other conveyance if the purchaser is assisted by a grant from the United States in accordance with 38 United States Code, section 1901, as amended.

(s) The gross receipts from the sale to the licensed aircraft dealer of an aircraft for which a commercial use permit has been issued pursuant to section 360.654, if the aircraft is resold while the permit is in effect.

(t) The gross receipts from the sale of building materials to be used in the construction or remodeling of a residence when the construction or remodeling is financed in whole or in part by the United States in accordance with 38 United States Code, sections 801 to 805, as amended. This exemption shall not be effective at time of sale of the materials to contractors, subcontractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in title 38 United States Code, chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.

(u) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.

(v) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.

(w) The gross receipt from the sale of residential heating fuels in the following manner:

(i) all fuel oil, coal, wood, steam, *hot water*, propane gas, and L.P. gas sold to residential customers for residential use;

(ii) natural gas sold for residential use to customers who are metered and billed as residential users and who use natural gas for their primary source of residential heat, for the billing months of November, December, January,

February, March and April;

(iii) electricity sold for residential use to customers who are metered and billed as residential users and who use electricity for their primary source of residential heat, for the billing months of November, December, January, February, March and April.

(x) The gross receipts from the sale or use of tickets or admissions to the premises of or events sponsored by an association, corporation or other group of persons which provides an opportunity for citizens of the state to participate in the creation, performance or appreciation of the arts and which qualifies as a tax-exempt organization within the meaning of Minnesota Statutes 1980, section 290.05, subdivision 1, clause (i).

(y) The gross receipts from either the sales to or the storage, use or consumption of tangible personal property by an organization of military service veterans or an auxiliary unit of an organization of military service veterans, provided that:

(i) the organization or auxiliary unit is organized within the state of Minnesota and is exempt from federal taxation pursuant to section 501(c), clause (19), of the Internal Revenue Code as amended through December 31, 1982; and

(ii) the tangible personal property which is sold to or stored, used or consumed by the organization or auxiliary unit is for charitable, civic, educational, or nonprofit uses and not for social, recreational, pleasure or profit uses.

(z) The gross receipts from the sale of sanitary napkins, tampons, or similar items used for feminine hygiene.

*(aa) The gross receipts from the sale of a manufactured home, as defined in section 327.31, subdivision 6, to be used by the purchaser for residential purposes, unless the sale is the first retail sale of the manufactured home in this state.*

Sec. 9. Minnesota Statutes 1983 Supplement, section 297B.03, is amended to read:

297B.03 [EXEMPTIONS.]

There is specifically exempted from the provisions of this chapter and from computation of the amount of tax imposed by it the following:

(1) Purchase or use, including use under a lease purchase agreement or installment sales contract made pursuant to section 465.71, of any motor vehicle by any person described in and subject to the conditions provided in section 297A.25, subdivision 1, clauses (j), (p) and (r).

(2) Purchase or use of any motor vehicle by any person who was a resident of another state at the time of the purchase and who subsequently becomes a resident of Minnesota, provided the purchase occurred more than 60 days prior to the date such person moved his residence to the state of Minnesota.

(3) Purchase or use of any motor vehicle by any person making a valid election to be taxed under the provisions of section 297A.211.

(4) Purchase or use of any motor vehicle previously registered in the state



of Minnesota by any corporation or partnership when such transfer constitutes a transfer within the meaning of sections 351 or 721 of the Internal Revenue Code of 1954, as amended through December 31, 1974.

*(5) Purchase or use of any vehicle owned by a resident of another state and leased to a Minnesota based private or for hire carrier for regular use in the transportation of persons or property in interstate commerce provided the vehicle is titled in the state of the owner or secured party, and that state does not impose a sales or motor vehicle excise tax on motor vehicles used in interstate commerce.*

Sec. 10. Minnesota Statutes 1982, section 297B.035, subdivision 3, is amended to read:

Subd. 3. Motor vehicles sold by a new motor vehicle dealer in contravention of section 168.27, subdivision 10, clause (1)(b) shall not be considered to have been acquired or purchased for resale in the ordinary or regular course of business for the purposes of this chapter, and the dealer shall be required to pay the excise tax due on the purchase of those vehicles. *The sale by a lessor of a new motor vehicle under lease within 120 days of the commencement of the lease is deemed a sale in contravention of section 168.27, subdivision 10, clause (1)(b) unless the lessor holds a valid contract or franchise with the manufacturer or distributor of the vehicle.*

Sec. 11. [EFFECTIVE DATE.]

*Section 5 and the provision in section 8, clause (aa), exempting certain sales of manufactured homes are effective January 1, 1985. Section 1, the rest of section 8, and section 10 are effective for sales after June 30, 1984. Sections 2 to 4, 6, and 7 are effective for sales made after June 30, 1984, and also apply to purchases of capital equipment and special tooling made after May 1, 1984, but not placed in service until after June 30, 1984.*

## ARTICLE 7

### TACONITE

Section 1. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 6, is amended to read:

Subd. 6. [CLASS 3B.] Agricultural land, except as provided by class 1 hereof, and which is used for the purposes of a homestead shall constitute class 3b and shall be valued and assessed as follows: the first \$60,000 of market value shall be valued and assessed at 14 percent; the remaining market value shall be valued and assessed at 19 percent. The maximum amount of the market value of the homestead bracket subject to the 14 percent rate shall be adjusted by the commissioner of revenue as provided in section 273.1311. The property tax to be paid on class 3b property as otherwise determined by law less any reduction received pursuant to sections 124.2137, 273.123, ~~273.135~~, and 473H.10 shall be reduced by 54 percent of the tax; provided that the amount of the reduction shall not exceed \$650. Noncontiguous land shall constitute class 3b only if the homestead is classified as class 3b and the detached land is located in the same township or city or not farther than two townships or cities or combination thereof from the homestead. The first \$12,000 market value of each tract of real estate which is rural in character and devoted or adaptable to rural but not necessarily

agricultural use, used for the purpose of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law.

Agricultural land as used herein, and in section 124.2137, shall mean contiguous acreage of ten acres or more, primarily used during the preceding year for agricultural purposes. Agricultural use may include pasture, timber, waste, unusable wild land and land included in federal farm programs.

Real estate of less than ten acres used principally for raising poultry, livestock, fruit, vegetables or other agricultural products, shall be considered as agricultural land, if it is not used primarily for residential purposes.

The assessor shall determine and list separately on his records the market value of the homestead dwelling and the one acre of land on which that dwelling is located. If any farm buildings or structures are located on this homesteaded acre of land, their market value shall not be included in this separate determination.

Sec. 2. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 7, is amended to read:

Subd. 7. [CLASS 3C, 3CC.] All other real estate and class 2a property, except as provided by classes 1 and 3cc, which is used for the purposes of a homestead, shall constitute class 3c, and shall be valued and assessed as follows: the first \$30,000 of market value shall be valued and assessed at 17 percent; the next \$30,000 of market value shall be valued and assessed at 19 percent; and the remaining market value shall be valued and assessed at 30 percent. The maximum amounts of the market value of the homestead brackets subject to the 17 percent and 19 percent rates shall be adjusted by the commissioner of revenue as provided in section 273.1311. The property tax to be paid on class 3c property as otherwise determined by law, less any reduction received pursuant to sections 273.123, ~~273.135~~, and 473H.10 shall be reduced by 54 percent of the tax imposed on the first \$67,000 of market value; provided that the amount of the reduction shall not exceed \$650. The first \$12,000 market value of each tract of such real estate used for the purposes of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law.

Class 3cc property shall include real estate or manufactured homes used for the purposes of a homestead by (a) any blind person, if the blind person is the owner thereof or if the blind person and his or her spouse are the sole owners thereof; or (b) any person (hereinafter referred to as veteran) who: (1) served in the active military or naval service of the United States and (2) is entitled to compensation under the laws and regulations of the United States for permanent and total service-connected disability due to the loss, or loss of use, by reason of amputation, ankylosis, progressive muscular dystrophies, or paralysis, of both lower extremities, such as to preclude motion without the aid of braces, crutches, canes, or a wheelchair, and (3) with assistance by the administration of veterans affairs has acquired a special housing unit with special fixtures or movable facilities made necessary by the nature of the veteran's disability, or the surviving spouse of the deceased veteran for as long as the surviving spouse retains the special housing unit as his or her homestead; or (c) any person who: (1) is permanently and totally disabled and (2) receives 90 percent or more of his total income from (i) aid from any state as a result of that disability, or (ii) supplemental security income for the

disabled, or (iii) workers' compensation based on a finding of total and permanent disability, or (iv) social security disability, including the amount of a disability insurance benefit which is converted to an old age insurance benefit and any subsequent cost of living increases, or (v) aid under the Federal Railroad Retirement Act of 1937, 45 United States Code Annotated, Section 228b(a)5, or (vi) a pension from any local government retirement fund located in the state of Minnesota as a result of that disability. Property shall be classified and assessed as class 3cc only if the commissioner of revenue certifies to the assessor that the owner of the property satisfies the requirements of this subdivision. Class 3cc property shall be valued and assessed as follows: in the case of agricultural land, including a manufactured home, used for a homestead, the first \$30,000 of market value shall be valued and assessed at five percent, the next \$30,000 of market value shall be valued and assessed at 14 percent, and the remaining market value shall be valued and assessed at 19 percent; and in the case of all other real estate and manufactured homes, the first \$30,000 of market value shall be valued and assessed at five percent, the next \$30,000 of market value shall be valued and assessed at 19 percent, and the remaining market value shall be valued and assessed at 30 percent. In the case of agricultural land including a manufactured home used for purposes of a homestead, the commissioner of revenue shall adjust, as provided in section 273.1311, the maximum amount of the market value of the homestead brackets subject to the five percent and 14 percent rates; and for all other real estate and manufactured homes, the commissioner of revenue shall adjust, as provided in section 273.1311, the maximum amount of the market value of the homestead brackets subject to the five percent and 19 percent rates. Permanently and totally disabled for the purpose of this subdivision means a condition which is permanent in nature and totally incapacitates the person from working at an occupation which brings him an income. The property tax to be paid on class 3cc property as otherwise determined by law, ~~less any reduction received pursuant to section 273.135~~ shall be reduced by 54 percent of the tax imposed on the first \$67,000 of market value; provided that the amount of the reduction shall not exceed \$650.

For purposes of this subdivision, homestead property which qualifies for the classification ratios and credits provided in this subdivision shall include property which is used for purposes of the homestead but is separated from the homestead by a road, street, lot, waterway, or other similar intervening property. The term "used for purposes of the homestead" shall include but not be limited to uses for gardens, garages, or other outbuildings commonly associated with a homestead, but shall not include vacant land held primarily for future development. In order to receive homestead treatment for the non-contiguous property, the owner shall apply for it to the assessor by July 1 of 1983 or the year when the treatment is initially sought. After initial qualification for the homestead treatment, additional applications for subsequent years are not required.

Sec. 3. Minnesota Statutes 1982, section 273.135, subdivision 2, is amended to read:

Subd. 2. The amount of the reduction authorized by subdivision 1 shall be

(a) in the case of property located within the boundaries of a municipality which meets the qualifications prescribed in section 273.134, 66 percent of the ~~amount of such~~ net tax up to the taconite breakpoint plus a percentage

equal to the homestead credit equivalency percentage of the net tax in excess of the taconite breakpoint, provided that the amount of said reduction shall not exceed the maximum amount amounts specified in clause (c).

(b) in the case of property located within the boundaries of a school district which qualifies as a tax relief area but which is outside the boundaries of a municipality which meets the qualifications prescribed in section 273.134, 57 percent of the amount of such net tax up to the taconite breakpoint plus a percentage equal to the homestead credit equivalency percentage of the net tax in excess of the taconite breakpoint, provided that the amount of said reduction shall not exceed the maximum amount amounts specified in clause (c).

(c) (1) The maximum reduction for of the net tax up to the taconite breakpoint is \$225.40 on property described in clause (a) shall be \$385 and for \$200.10 on property described in clause (b) \$330, for taxes payable in 1978 1985. These maximum amounts shall increase by \$15 times the quantity one minus the homestead credit equivalency percentage per year for taxes payable in 1979 1986 and subsequent years.

(2) The total maximum reduction of the net tax on property described in clause (a) is \$490 for taxes payable in 1985. The total maximum reduction for the net tax on property described in clause (b) is \$435 for taxes payable in 1985. These maximum amounts shall increase by \$15 per year for taxes payable in 1986 and thereafter.

For the purposes of this subdivision, "net tax" means the tax on the property after deduction of any credit under section 273.13, subdivision 6, 7, or 14a, "taconite breakpoint" means the lowest possible net tax for a homestead qualifying for the maximum reduction pursuant to section 273.13, subdivision 7, rounded to the nearest whole dollar, and "homestead credit equivalency percentage" means a percentage equal to the percentage reduction authorized in section 273.13, subdivision 7.

Sec. 4. Minnesota Statutes 1982, section 273.135, subdivision 5, is amended to read:

Subd. 5. For the purposes of this section, the amount of property tax to be paid shall be determined before after the allowance of any reduction prescribed by section 273.13, and the reduction prescribed by this section shall be in addition to that prescribed by section 273.13.

Sec. 5. Minnesota Statutes 1982, section 273.1391, subdivision 2, is amended to read:

Subd. 2. The amount of the reduction authorized by subdivision 1 shall be:

(a) In the case of property located within a school district which does not meet the qualifications of section 273.134 as a tax relief area, but which is located in a county with a population of less than 100,000 in which taconite is mined or quarried and wherein a school district is located which does meet the qualifications of a tax relief area, and provided that at least 90 percent of the area of the school district which does not meet the qualifications of section 273.134 lies within such county, 57 percent of the amount of the net tax up to the taconite breakpoint plus a percentage equal to the homestead credit equivalency percentage of the net tax in excess of the taconite breakpoint on

qualified property located in the school district that does not meet the qualifications of section 273.134, provided that the amount of said reduction shall not exceed the maximum ~~amount~~ amounts specified in clause (c). The reduction provided by this clause shall only be applicable to property located within the boundaries of the county described therein.

(b) In the case of property located within a school district which does not meet the qualifications of section 273.134 as a tax relief area, but which is located in a school district in a county containing a city of the first class and a qualifying municipality, but not in a school district containing a city of the first class or adjacent to a school district containing a city of the first class unless the school district so adjacent contains a qualifying municipality, 57 percent of the ~~amount of the~~ net tax up to the taconite breakpoint plus a percentage equal to the homestead credit equivalency percentage of the net tax in excess of the taconite breakpoint, but not to exceed the ~~maximum~~ maximums specified in clause (c).

(c) (1) The maximum reduction ~~shall be~~ \$375 of the net tax up to the taconite breakpoint is \$200.10 for taxes payable in ~~1984~~ 1985. ~~These~~ This maximum ~~amounts~~ amount shall increase by \$15 multiplied by the quantity one minus the homestead credit equivalency percentage per year for taxes payable in ~~1982~~ 1986 and subsequent years.

(2) The total maximum reduction of the net tax is \$435 for taxes payable in 1985. This total maximum amount shall increase by \$15 per year for taxes payable in 1986 and thereafter.

For the purposes of this subdivision, "net tax" means the tax on the property after deduction of any credit under section 273.13, subdivision 6, 7, or 14a, "taconite breakpoint" means the lowest possible net tax for a homestead qualifying for the maximum reduction pursuant to section 273.13, subdivision 7, rounded to the nearest whole dollar, and "homestead credit equivalency percentage" means a percentage equal to the percentage reduction authorized in section 273.13, subdivision 7.

Sec. 6. Minnesota Statutes 1982, section 273.1391, subdivision 4, is amended to read:

Subd. 4. For the purposes of this section, the amount of property tax to be paid shall be determined ~~before~~ after the allowance of any reduction prescribed by section 273.13, and the reduction prescribed by this section shall be in addition to that prescribed by section 273.13.

Sec. 7. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 11a, is amended to read:

Subd. 11a. [CAPITAL EXPENDITURE LEVY.] (a) Each year a school district may levy an amount not to exceed the amount equal to \$90 per pupil unit, or \$95 per pupil unit in districts where the actual number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year. No levy under this clause shall exceed seven mills times the adjusted assessed valuation of the taxable property in the district for the preceding year.

! (b) The proceeds of the tax may be used to acquire land, to equip and re-equip buildings and permanent attached fixtures, to rent or lease buildings

for school purposes, to pay leasing fees for computer systems hardware and related proprietary software, and to pay leasing fees for photocopy machines and telecommunications equipment. The proceeds of the tax may also be used for capital improvement and repair of school sites, buildings and permanent attached fixtures, energy assessments, and for the payment of any special assessments levied against the property of the district authorized pursuant to section 435.19 or any other law or charter provision authorizing assessments against publicly owned property; provided that a district may not levy amounts to pay assessments for service charges, such as those described in section 429.101, whether levied pursuant to that section or pursuant to any other law or home rule provision. The proceeds of the tax may also be used for capital expenditures to reduce or eliminate barriers to or increase access to school facilities by handicapped individuals. The proceeds of the tax may also be used to make capital improvements to schoolhouses to be leased pursuant to section 123.36, subdivision 10. The proceeds of the tax may also be used to pay fees for capital outlay expenditures assessed and certified to each participating school district by the educational cooperative service unit board of directors. The proceeds of the tax may also be used to pay principal and interest on loans from the state authorized by ~~section~~ sections 116J.37 and 298.292 to 298.298.

(c) Subject to the commissioner's approval, the tax proceeds may also be used to acquire or construct buildings. The state board shall promulgate rules establishing the criteria to be used by the commissioner in approving and disapproving district applications requesting the use of capital expenditure tax proceeds for the acquisition or construction of buildings. The approval criteria for purposes of building acquisition and construction shall include: the appropriateness of the proposal for the district's long term needs; the availability of adequate existing facilities; and the economic feasibility of bonding because of the proposed building's size or cost.

(d) The board shall establish a fund in which the proceeds of this tax shall be accumulated until expended.

(e) The proceeds of the tax shall not be used for custodial or other maintenance services.

(f) Each year, subject to the seven mill limitation of clause (a) of this subdivision, a school district which operates an approved secondary vocational education program or an approved senior secondary industrial arts program may levy an additional amount equal to \$5 per pupil unit for capital expenditures for equipment for these programs.

(g) For purposes of computing allowable levies under this subdivision and subdivisions 11b and 11c, pupil units shall include those units identified in section 124.17, subdivision 1, clauses (1) and (2), and 98.5 percent of the units identified in Minnesota Statutes 1980, section 124.17, subdivision 1, clauses (4) and (5) for 1980-1981.

Sec. 8. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 11b, is amended to read:

Subd. 11b. [SPECIAL PURPOSE CAPITAL EXPENDITURE LEVY.] In addition to the levy authorized in subdivision 11a, each year a school district may levy an amount not to exceed the amount equal to \$25 per pupil unit. No

levy under this clause shall exceed two mills times the adjusted assessed valuation of the property in the district for the preceding year. The proceeds of the tax shall be placed in the district's capital expenditure fund and may be used only for the following:

(a) for energy audits on district-owned buildings, and for funding those energy conservation and renewable energy measures which the energy audits indicate will reduce the use of nonrenewable sources of energy to the extent that the projected energy cost savings will amortize the cost of the conservation measures within a period of ten years or less;

(b) for capital expenditures for the purpose of reducing or eliminating barriers to or increasing access to school facilities by handicapped persons;

(c) for capital expenditures to bring district facilities into compliance with the uniform fire code adopted pursuant to chapter 299F;

(d) for expenditures for the removal of asbestos from school buildings or property or for asbestos encapsulation;

(e) for expenditures for the cleanup and disposal of polychlorinated biphenyls; and

(f) to pay principal and interest on loans from the state authorized by ~~section~~ sections 116J.37 and 298.292 to 298.298.

Sec. 9. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 12a, is amended to read:

Subd. 12a. [ENERGY CONSERVATION LEVY.] The school district may levy, without the approval of a majority of the voters in the district, an amount equal to the actual costs of the energy conservation investments for the purposes of repaying the principal and interest of the law made pursuant to ~~section~~ sections 116J.37 and 298.292 to 298.298.

Sec. 10. Minnesota Statutes 1982, section 298.01, is amended to read:

298.01 [MINING OR PRODUCING ORES.]

Subdivision 1. Every person engaged in the business of mining or producing iron ore or other ores in this state shall pay to the state of Minnesota an occupation tax equal to 15.5 percent of the valuation of all ores except taconite, semi-taconite and iron sulphides mined or produced after December 31, 1971 and iron ores mined or produced after December 31, 1984. Said tax shall be in addition to all other taxes provided for by law and shall be due and payable from such person on or before June 15 of the year next succeeding the calendar year covered by the report thereon to be filed as hereinafter provided.

Subd. 2. Every person engaged in the business of producing or mining taconite, semi-taconite and iron sulphides in this state shall pay to the state an occupation tax equal to 15 percent of the valuation of all taconite, semi-taconite and iron sulphides mined or produced after December 31, 1970 and of iron ores mined or produced after December 31, 1984. The tax shall be in addition to all other taxes provided for by law and shall be due and payable from such person on or before June 15 of the year next succeeding the calendar year covered by the report thereon to be filed as hereinafter provided.

Sec. 11. Minnesota Statutes 1982, section 298.02, subdivision 1, is

amended to read:

Subdivision 1. [CREDIT.] For the purpose of increasing employment and the utilization of low-grade, underground, and high labor cost ores any taxpayer on whom a tax is imposed by reason of the provisions of section 298.01, subdivisions 1 and 2, shall be allowed a credit against the occupation tax as computed in ~~said subdivisions~~ *that section* because of the mining or production of ore from any mine, in an amount calculated as follows:

(a) In the case of underground mines or that tonnage of merchantable ore produced in open pit mines in the year in question which tonnage has resulted from beneficiation at an ore beneficiation plant within the state by jigging, heavy media, *spiral separation*, cyclone process, roasting, drying by artificial heat, sintering, magnetic separation, flotation, agglomeration or any process requiring fine grinding *or any other iron ores mined after December 31, 1984*, ten percent of that part of the cost of labor employed by ~~said the mine~~ or in the beneficiation of all ore mined or produced in ~~said the calendar year~~ in excess of 70 cents and not in excess of 90 cents per ton of the merchantable ore produced during the year at ~~said that mine~~, and 15 percent of that part of the cost of such labor in excess of 90 cents per ton; in the case of any other tonnage produced at said mine or in the case of other mines, ten percent of the amount by which the average cost per ton of labor employed at ~~said the mine~~, or in the beneficiation of ~~such the ore~~ at or near the mine, exceeds 80 cents, but does not exceed \$1.05, plus 15 percent of the amount by which ~~such the average labor cost per ton~~ exceeds \$1.05, multiplied by the number of tons of ore produced at ~~said the mine~~, not exceeding 100,000 tons, but this 100,000 tons or less shall be first reduced by any tonnage described in the first part of this subparagraph; provided, however, that in no event shall the credit allowed hereunder be in excess of three-fourths of eleven percent, as applied to underground and taconite ~~or~~, semi-taconite *or other iron ore operations*, and six-tenths of eleven percent as applied to all other operations, of the valuation of the ore used in computing the tax under the provisions of section 298.01. The ~~expression term~~ "merchantable ore produced" as used herein means ores which as mined or as mined and beneficiated, are ready for shipment as a merchantable product. ~~The provisions of this subparagraph (a) shall be applicable to all ores mined or produced subsequent to December 31, 1956.~~

(b) The aggregate amount of all credits allowed under this subdivision to all mines shall not exceed six and two-tenths percent of the aggregate amount of occupation taxes imposed under section 298.01, subdivision 1, assessed against all mines in the state for said year prior to the deduction of such credits, provided, that after December 31, 1954, labor credits to underground mines or taconite or semi-taconite operations shall not be subject to such percentage limitation and *that, after December 31, 1984, labor credits to other iron ore operations shall not be subject to the percentage limitation* and both the occupation taxes of such underground mines or taconite ~~or~~, semi-taconite *or other iron ore operations* and the labor credits allowed thereto, shall be excluded in calculating such percentage limitations. At the time of his final determination of occupation tax pursuant to section 298.09, subdivision 3, the commissioner shall reduce the credit otherwise allowable to each mine hereunder by such equal percentage as will bring the total within such limitation. If an equal percentage reduction is made in the labor credits of mines pursuant to this subparagraph at the time of certification to the commissioner of ~~finance revenue~~ as set forth in section 298.10, the same percentage will be used where changes are made pursuant to section 298.09,



subdivision 4, subsequent to June 1. Also if no reduction is made at the time of certification to by the commissioner of finance revenue on or before June 1, pursuant to this subdivision and section 298.10, no reduction will be made subsequent to June 1, due to changes made pursuant to section 298.09, subdivision 4. This subparagraph shall apply to occupation tax calculations in calendar years subsequent to December 31, 1952.

Sec. 12. Minnesota Statutes 1982, section 298.031, subdivision 2, is amended to read:

Subd. 2. [VALUE OF CERTAIN ORE; HOW ASCERTAINED.] (1) The taxpayer shall be given a credit in each taxable year upon the occupation tax assessed in such year under Minnesota Statutes 1957, Chapter 298, against a given mine after credit for labor credits has been given, in an amount equal to the occupation tax under said chapter 298 upon an amount produced by multiplying the number of tons of ore sold at a discount by the amount of such discount.

(2) The aggregate amount of all credits allowed under this section to all mines shall not exceed one percent of the aggregate amount of all occupation taxes imposed under section 298.01, subdivision 1, assessed against all mines in the state for said year prior to the deduction of the credit allowed by this section.

(3) The amount of the foregoing subtraction shall be ascertained and determined by the commissioner.

(4) *If ore stockpiled from previous years operations is sold at a discount, the discount credit shall be allowed against all ore currently being produced by the same company to the extent that the discount credit is available. Any unused credit may be carried forward and utilized with future years production of ore from the stockpiled property or other properties operated by the same company.*

Sec. 13. Minnesota Statutes 1982, section 298.225, is amended to read:

298.225 [APPROPRIATION.]

~~If a taconite producer ceases beneficiation operations, either temporarily or permanently, and if~~ For distribution of taconite production tax in 1985 and thereafter with respect to production in 1984 and thereafter, the recipients of the taconite production tax as provided in section 298.28, subdivision 1, clauses (1) to (4) and (5)(b) to (7), and (8)(a), ~~would shall receive decreased distributions as a result thereof, then the distribution to these recipients in each of the two years immediately following the year in which operations ceased shall be equal to the amount they received in the last full year before operations ceased~~ distributions equal to the amount distributed to them pursuant to sections 298.225 and 298.28, subdivision 1, with respect to 1983 production if the production for the year prior to the distribution year is no less than 42,000,000 taxable tons. If the production is less than 42,000,000 taxable tons, the amount of the distributions shall be reduced by two percent for each 1,000,000 tons, or part of 1,000,000 tons by which the production is less than 42,000,000 tons. There is hereby appropriated to the commissioner of revenue from the taconite environmental protection fund and the corpus of the northeast Minnesota economic protection trust fund in equal proportions the amount needed to make the above payments.

If a taconite producer ceases beneficiation operations permanently and is required by a special law to make bond payments for a school district, the northeast Minnesota economic protection trust fund shall assume the payments of the taconite producer if the producer ceases to make the needed payments. There is hereby appropriated from the corpus of the northeast Minnesota economic protection trust fund to the commissioner of revenue the amounts needed to make these school bond payments.

Sec. 14. Minnesota Statutes 1982, section 298.24, subdivision 1, is amended to read:

Subdivision 1. (a) There is hereby imposed upon taconite and iron sulphides, and upon the mining and quarrying thereof, and upon the production of iron ore concentrate therefrom, and upon the concentrate so produced, a tax of \$1.25 cents per gross ton of merchantable iron ore concentrate produced therefrom. The tax on concentrates produced in 1978 and subsequent years *prior to 1985* shall be equal to \$1.25 multiplied by the steel mill products index during the production year, divided by the steel mill products index in 1977. The index stated in code number 1013, or any subsequent equivalent, as published by the United States Department of Labor, Bureau of Labor Statistics Wholesale Prices and Price Indexes for the month of January of the year in which the concentrate is produced shall be the index used in calculating the tax imposed herein. In no event shall the tax be less than \$1.25 per gross ton of merchantable iron ore concentrate. *The tax on concentrates produced in 1985 and 1986 shall be at the rate determined for 1984 production. For concentrates produced in 1987 and subsequent years, the tax shall be equal to the preceding year's tax plus an amount equal to the preceding year's tax multiplied by the percentage increase in the implicit price deflator from the fourth quarter of the second preceding year to the fourth quarter of the preceding year. "Implicit price deflator" means the implicit price deflator prepared by the bureau of economic analysis of the United States department of commerce.*

(b) *On concentrates produced in 1984, an additional tax is hereby imposed equal to ~~1.6~~ eight-tenths of one percent of the total tax imposed by clause (a) per gross ton for each one percent that the iron content of such product exceeds 62 percent, when dried at 212 degrees Fahrenheit.*

(c) *The tax imposed by this subdivision on concentrates produced in 1984 shall be computed on the production for the current year ~~or~~. The tax on concentrates produced in 1985 shall be computed on the average of the production for the current year and the previous year. The tax on concentrates produced in 1986 and thereafter shall be the average of the production for the current year and the previous two years, ~~whichever is higher~~. This clause shall not apply in the case of the closing of a taconite facility if the property taxes on the facility would be higher if this clause and section 298.25 were not applicable.*

(d) *If the tax or any part of the tax imposed by this subdivision is held to be unconstitutional, a tax of \$1.25 per gross ton of merchantable iron ore concentrate produced shall be imposed.*

Sec. 15. Minnesota Statutes 1982, section 298.24, is amended by adding a subdivision to read:

*Subd. 4. A credit shall be allowed against the tax imposed by subdivision*

*1, in the amount of \$250,000 per year to any taconite producer that builds a water filtration and treatment plant in 1984 at a cost in excess of \$1,000,000 in order to alleviate the contamination of water resulting from the disposal of taconite tailings on land. This credit shall be available against taxes paid in 1985, 1986, and 1987. The amount sufficient to pay these credits is appropriated from the taconite environmental protection fund created in section 298.223 to the commissioner of revenue.*

Sec. 16. Minnesota Statutes 1983 Supplement, section 298.28, subdivision 1, is amended to read:

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

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

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

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

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

(b) 23 cents per taxable ton, less any amount distributed under part (d), shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 in direct proportion to school district tax levies as follows: each district shall receive that portion of the total distribution which its certified levy for the prior year, computed pursuant to section 275.125, comprises of the sum of certified levies for the prior year for all qualifying districts, computed pursuant to section 275.125. For purposes of distributions pursuant to this part, certified levies for the prior year computed pursuant to section 275.125 shall not include the amount of any increased levy authorized by

referendum pursuant to section 275.125, subdivision 2d.

(c) On July 15, 1982 and on July 15 in subsequent years in years prior to 1988, an amount equal to the increase derived by increasing the amount determined by clause (3)(b) in the same proportion as the increase in the steel mill products index over the base year of 1977 as provided in section 298.24, subdivision 1, clause (a), shall be distributed to any school district described in clause (3)(b) where a levy increase pursuant to section 275.125, subdivision 2d, is authorized by referendum, according to the following formula. *On July 15, 1988 and subsequent years, the increase over the amount established for the prior year shall be determined according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1, paragraph (a).* Each district shall receive the product of:

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

(ii) the lesser of:

(A) one, or

(B) the ratio of the amount certified pursuant to section 275.125, subdivision 2d, in the previous year, to the product of two mills times the district's taxable valuation in the second previous year.

If the total amount provided by clause (3)(c) is insufficient to make the payments herein required then the entitlement of \$150 per pupil unit shall be reduced uniformly so as not to exceed the funds available. Any amounts received by a qualifying school district in any fiscal year pursuant to clause (3)(c) shall not be applied to reduce foundation aids which the district is entitled to receive pursuant to sections 124.2121 to 124.2128 or the permissible levies of the district. Any amount remaining after the payments provided in this paragraph shall be paid to the commissioner of finance who shall deposit the same in the taconite environmental protection fund and the northeast Minnesota economic protection trust fund as provided in section 298.28, subdivision 1, clause 10.

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

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

(a) 15.5 cents per taxable ton shall be distributed to the county in which the taconite is mined or quarried or in which the concentrate is produced, less any amount which is to be distributed pursuant to part (b). The commissioner shall follow the apportionment formula prescribed in clause (1).

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

(c) Four cents per taxable ton shall be paid to the county from which the

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

(5) (a) ~~25.75~~ 17.75 cents per taxable ton, less any amount required to be distributed under part (b), to the taconite property tax relief account in the apportionment fund in the state treasury, to be distributed as provided in sections 273.134 to 273.136.

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

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

(7) Three cents per taxable ton shall be deposited in the state treasury to the credit of the iron range resources and rehabilitation board account in the special revenue fund for the purposes of section 298.22. The amount determined in this clause shall be increased in 1981 and subsequent years prior to 1988 in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1 and shall be increased in 1988 and subsequent years according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1. The amount distributed pursuant to this clause shall be expended within or for the benefit of a tax relief area defined in section 273.134. No part of the fund provided in this clause may be used to provide loans for the operation of private business unless the loan is approved by the governor and the legislative advisory commission.

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

(b) 1.5 cents per taxable ton shall be paid to the northeast Minnesota economic protection trust fund.

(9) the amounts determined under clauses (4)(a), (4)(c), and (5), and (8)(b) shall be increased in 1979 and subsequent years prior to 1988 in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1. Those amounts shall be increased in 1988 and subsequent years in the same proportion as the increase in the implicit price deflator as provided in section 298.24, subdivision 1.

(10) the proceeds of the tax imposed by section 298.24 which remain after the distributions in clauses (1) to (9) and parts (a) and (b) of this clause have

been made shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection trust fund created in section 298.292 as follows: ~~In 1981 and each year thereafter,~~ Two-thirds to the taconite environmental protection fund and one-third to the northeast Minnesota economic protection trust fund. The proceeds shall be placed in the respective special accounts in the general fund.

(a) ~~In 1978 and each year thereafter,~~ There shall be distributed to each city, town, school district, and county the amount that they received under section 294.26 in calendar year 1977; provided, however, that the amount distributed in 1981 to the unorganized territory number 2 of Lake County and the town of Beaver Bay based on the between-terminal trackage of Erie Mining Company will be distributed in 1982 and subsequent years to the unorganized territory number 2 of Lake County and the towns of Beaver Bay and Stony River based on the miles of track of Erie Mining Company in each taxing district.

(b) ~~In 1978 and each year thereafter,~~ There shall be distributed to the iron range resources and rehabilitation board the amounts it received in 1977 under section 298.22.

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

such estimate, the taxpayer has paid in any calendar year an amount of tax in excess of the amount due in such year under section 298.24, after application of credits for any excess payments made in previous years, all as determined by the commissioner of revenue, the taxpayer shall be given credit for such excess amount against any taxes which, under said section, may become due from the taxpayer in subsequent years. In any calendar year in which a general property tax levy subject to sections 275.125 or 275.50 to 275.59 has been made, if the taxes distributable to any such county, city or school district are greater than the amount estimated to be paid to any such county, city or school district in such year, the excess of such distribution shall be held in a special fund by the county, city or school district and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.125 or 275.50 to 275.59, of such county, city or school district payable in such year. If the amounts distributable to any such county, city or school district, after final determination by the commissioner of revenue under this section are less than the amounts indicated by such estimates, such county, city or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.125 or 275.50 to 275.59 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

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

Sec. 17. Minnesota Statutes 1982, section 298.40, is amended by adding a subdivision to read:

*Subd. 4. There is appropriated, effective July 1, 1985, to the commissioner of revenue from the general fund an amount equal to any credits due as a result of a recomputation of occupation taxes for production year 1977 and previous years based on the limitations prescribed in section 298.40, subdivision 1, and established by the commissioner as an account payable on or before March 25, 1984. The commissioner shall refund to the taxpayers the amount of overpayment plus six percent interest per annum from the date of the overpayment.*

Sec. 18. Minnesota Statutes 1982, section 299.012, subdivision 1, is amended to read:

Subdivision 1. For the purpose of increasing the utilization of low grade, underground, and high labor cost ores and taconites, the royalty tax levied by virtue of section 299.01, subdivisions 1 and 2, on royalty received because of the production of ores in any calendar year from land forming part of any mine which was in production during said year, shall be reduced by a credit

in an amount which will make the net effective tax rate thereon equal to the net effective rate of the occupation tax imposed pursuant to section 298.01, because of the production of ores during such calendar year from the mine of which such land forms a part, after the application of the credits against such occupation tax allowed under section 298.02; provided, if such mine produced ore in such calendar year, but the ore produced had no valuation for occupation tax purposes because of the allowable deductions equaling or exceeding the value of the ore produced, the credit allowed hereunder shall be three-fourths of eleven percent, as applied to underground, taconite, and semi-taconite and other iron ore operations, and six-tenths of eleven percent as applied to all other operations, of the royalty received. Any person making payments of royalty taxes in advance of the final determination of such taxes, may assume for the purposes of section 299.08, that the net rate of the tax for the calendar year in question shall be the last full year's net effective occupation tax rate known at the time of the first payment of royalty tax during the current calendar year.

Sec. 19. Laws 1982, Second Special Session, chapter 2, section 12, as amended by Laws 1983, chapter 5, section 1, is amended to read:

Sec. 12. [DISTRESSED AREA EMERGENCY JOBS AND RETRAINING PROGRAM.]

Subdivision 1. [APPROPRIATION.] Notwithstanding the provisions of Minnesota Statutes, sections 298.293 or 298.294, or any other law, there is appropriated to the commissioner of iron range resources and rehabilitation from the net interest, dividends, and other earnings of the northeast Minnesota economic protection trust fund the sum of \$2,500,000. This money shall be expended by the commissioner upon recommendation of the iron range resources and rehabilitation board for the creation of emergency jobs through public works projects submitted to the commissioner by cities, towns, and school districts that are tax relief areas as defined in Minnesota Statutes, section 273.134, by counties in which a tax relief area is located, or by state or federal agencies and for payment of training allowances to individuals who meet the qualifications established pursuant to subdivision 2 while they are participating in an employment retraining program. The money shall be expended only for projects or with respect to employment retraining programs located within a tax relief area. The projects shall be beneficial to the city, town, school district, county, or the state and may include permanent improvements or maintenance of public property, residential weatherization programs, landscaping of public grounds or parks, planting or trimming trees, improving open space areas, playgrounds, and recreational facilities owned or operated by the sponsoring unit of government, mineland reclamation and reforestation. The sponsoring unit of government shall provide the administration, supervision, and supplies and materials for its project. All money appropriated for the projects under this section and section 14 shall be expended for wages and benefits and the cost of workers' compensation insurance for workers who qualify for employment pursuant to subdivision 2 and who are employed or who are being paid while participating in an employment retraining program pursuant to this act except that an amount not to exceed 3.5 percent of the amount expended under this section and section 14 shall be available to reimburse the department of economic security and iron range resources and rehabilitation board for its actual cost of administering



this program. The appropriation under this section shall not lapse but shall remain available until ~~entirely disbursed~~ *the day following final enactment of this act. Any funds which are unexpended on the day following final enactment of this act are transferred and deposited in the special revenue fund established at section 298.28, subdivision 1, clause (7), for the purposes of section 298.22.*

Subd. 2. [QUALIFICATIONS FOR EMPLOYMENT.] The appropriations made under this section and section 14 shall be used only to employ needy unemployed persons who meet the qualifications which shall be established by the commissioner of iron range resources and rehabilitation and the commissioner of economic security. The criteria for employment may be established without compliance with any law or statutory provision relating to the promulgation of rules by departments, agencies or instrumentalities of the state.

Sec. 20. Laws 1982, Second Special Session, chapter 2, section 14, as amended by Laws 1983, chapters 5, section 2, and 46, section 7, is amended to read:

Sec. 14. [SUPPLEMENTAL APPROPRIATION.]

Notwithstanding the provisions of Minnesota Statutes, sections 298.293 or 298.294, or any other law there is appropriated to the iron range resources and rehabilitation board from the net interest, dividends, and other earnings of the northeast Minnesota economic protection trust fund the sum of \$5,000,000 for the purpose of continuing the emergency public works job and retraining program established in section 12. Expenditure of this money, or any portion thereof, is contingent upon approval by a majority of the members of the iron range resources and rehabilitation board. The determination of the board that money may be expended from this appropriation shall be approved by the governor prior to the expenditure of any money under this section, and the legislative advisory commission shall make a recommendation on the expenditure. The appropriation under this section shall not lapse but shall remain available until ~~entirely disbursed~~ *the day following final enactment of this act. Any funds which are unexpended on the day following final enactment of this act are transferred and deposited in the special revenue fund established at section 298.28, subdivision 1, clause (7), for the purposes of section 298.22.*

Sec. 21. [REFUNDS FROM PRODUCTION TAX CASE.]

*Any refunds due to taconite producers under the decision of the Minnesota Supreme Court in Erie Mining Co. v. Commissioner of Revenue, filed January 6, 1984, shall be credited against the production tax liability of each company in five equal annual installments. The refunds shall be credited against the distributions to the funds and accounts that received excessive distributions pursuant to Minnesota Statutes, section 298.28, subdivision 1, as a result of the improper computation of the tax that was rectified in that decision.*

Sec. 22. [EFFECTIVE DATE.]

*Subdivision 1. Sections 1 to 6 are effective for taxes levied in 1984, payable in 1985, and thereafter. Sections 7 to 9 and 12 are effective the day following final enactment. Sections 10, 11, and 18 are effective for ores*

*produced after December 31, 1984. Except as otherwise provided, section 14 is effective for concentrates produced in 1984 and thereafter. Section 16 is effective for distributions in 1985 and thereafter. Sections 19 and 20 are effective the day after final enactment.*

*Subd. 2. Section 14 shall not become effective unless the commissioner of revenue and all taconite producers with pending taconite production tax litigation execute an agreement to suspend the prosecution of currently pending taconite production tax litigation under terms and conditions satisfactory to the commissioner and the taconite producers before the governor approves this act.*

## ARTICLE 8

### TAX AMNESTY

#### Section 1. [TAX AMNESTY.]

*The commissioner of revenue shall establish a tax amnesty program. The amnesty program applies to taxes payable to the commissioner other than taxes collected by the commissioner on behalf of the cities of Minneapolis and Rochester and the metropolitan sports facilities commission and is only available to a taxpayer who either has an unpaid liability on the department of revenue's accounts receivable system as of February 1, 1984, or who has failed to file a return which, if filed on February 1, 1984, would be considered a delinquent return subject to penalty by law. For a taxpayer who has an existing liability as of February 1, 1984, the commissioner shall accept as full payment of the account a certified check, cashier's check, or money order in the amount of 80 percent of the balance due on February 1, 1984, plus any interest accruing on that account since February 1, 1984, plus any additional liabilities including tax, penalty, and interest established by the commissioner after February 1, 1984. All payments credited to a taxpayer's account after February 1, 1984, but prior to the taxpayer's application for amnesty, shall reduce the February 1 balance prior to computation of the 80 percent requirement. In no case may the reduction exceed \$2,000. Tax amnesty is not available to any taxpayer who has an account which includes a civil fraud penalty imposed by the commissioner. The amount of a penalty imposed pursuant to section 290.92, subdivision 15, clause (9), shall be deducted from the balance due before application of the 20 percent reduction. Payment must be received by the commissioner on or after August 1, 1984, but before November 1, 1984. For purposes of this section, "received" means actual receipt by the commissioner either at the St. Paul office or at any field office of the department of revenue on or before the final date allowed for payment under this program.*

*In the case of a taxpayer who has failed to file returns which if filed on February 1, 1984, would be considered delinquent returns, the commissioner shall accept the delinquent returns along with payment of all tax and interest if payment is made by certified check, cashier's check, or money order and received by the commissioner on or after August 1, 1984, but before November 1, 1984. For delinquent returns filed pursuant to this program, the civil and criminal penalties imposed by law are waived unless the commissioner later finds that the tax as shown on any return was understated by 25 percent or more. In that case the civil and criminal penalties are reinstated, and the commissioner shall collect the civil penalties and may pursue the*

*criminal penalties.*

*There will not be another tax amnesty before October 1, 1994.*

**Sec. 2. [270.72] [TAX CLEARANCE; ISSUANCE OF LICENSES.]**

*Subdivision 1. [TAX CLEARANCE REQUIRED.] The state or a political subdivision of the state may not issue or renew a license for the conduct of a profession, trade, or business, if the commissioner notifies the licensing authority that the applicant owes the state delinquent taxes, penalties, or interest. The commissioner may not notify the licensing authority unless the applicant taxpayer owes \$1,000 or more in delinquent taxes. A licensing authority that has received a notice from the commissioner may issue or renew the applicant's license only if (a) the commissioner issues a tax clearance certificate and (b) the commissioner or the applicant forwards a copy of the clearance to the authority. The commissioner may issue a clearance certificate only if the applicant does not owe the state any uncontested delinquent taxes, penalties, or interest.*

*Subd. 2. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given.*

*(a) "Taxes" are limited to withholding tax as provided in section 290.92, sales and use tax as provided in chapter 297A, and motor vehicle excise tax as provided in chapter 297B. Penalties and interest are limited to penalties and interest due on taxes included in this definition.*

*(b) "Delinquent taxes" do not include a tax liability if (i) an administrative or court action which contests the amount or validity of the liability has been filed or served, (ii) the appeal period to contest the tax liability has not expired, or (iii) the applicant has entered into a payment agreement and is current with the payments.*

*(c) "Applicant" means an individual if the license is issued to or in the name of an individual or the corporation or partnership if the license is issued to or in the name of a corporation or partnership.*

*Subd. 3. [NOTICE AND HEARING.] If the commissioner notifies a licensing authority pursuant to subdivision 1, he must send a copy of the notice to the applicant. In the case of the renewal of a license if the applicant requests, in writing, within 30 days of the receipt of the notice a hearing, a contested case hearing must be held. The hearing must be held within 45 days of the date the commissioner refers the case to the office of administrative hearings. The hearing must be held under the procedures provided by section 270A.09 and the administrative rules promulgated under chapter 270A.*

*Subd. 4. [LICENSING AUTHORITY; DUTIES.] All licensing authorities must require the applicant to provide his social security number and Minnesota business identification number on all license applications. Upon request of the commissioner, the licensing authority must provide the commissioner with a list of all applicants, including the name, address, business name and address, social security number, and business identification number of each applicant. The commissioner may request from a licensing authority a list of the applicants no more than once each calendar year.*

*Subd. 5. [REPEALER.] This section is repealed effective December 1, 1986.*

## ARTICLE 9

## RAILROADS

Section 1. Minnesota Statutes 1982, section 270.80, subdivision 4, is amended to read:

Subd. 4. "Nonoperating property" means and includes all property other than property defined in subdivision 3. Nonoperating property shall include real property which is leased or rented or available for lease or rent to any person which is not a railroad company. Vacant land shall be presumed to be available for lease or rent if it has not been used as operating property for a period of one year preceding the valuation date. Nonoperating property also includes land which is not necessary and integral to the performance of railroad transportation services and which is not used on a regular and continual basis in the performance of these services. *Nonoperating property also includes that portion of a general corporation office building and its proportionate share of land which is not used for railway operation or purpose.*

Sec. 2. Minnesota Statutes 1982, section 270.84, subdivision 1, is amended to read:

Subdivision 1. The commissioner shall annually between April 30 and July 31 make a determination of the fair market value of the operating property of every railroad company doing business in this state as of January 2 of the year in which the valuation is made. ~~In determining the fair market value of the portion of operating property within this state, the commissioner shall value the operating property as a unit, taking into consideration the value of the operating property of the entire system, and shall allocate to this state that part thereof which is a fair and reasonable proportion of said entire system valuation. If the commissioner uses original cost as a factor in determining the unit value of operating property, no depreciation or obsolescence allowance shall be permitted. However, if the commissioner uses replacement cost as a factor in determining the unit value of operating property, then a reasonable depreciation and obsolescence allowance may be used. In making this determination, the commissioner shall employ generally accepted appraisal principles and practices which may include the unit method of determining value. The commissioner may promulgate temporary rules adopting valuation procedures under sections 14.29 to 14.36.~~

The commissioner shall give a report to the legislature in February 1980 1985 and in February 1981 1986 on the formula which he has used to determine the unit value of railroad operating property pursuant to ~~Laws 1979, Chapter 303 this article.~~ This report shall also contain the valuation for payable 1980 1985 and 1981 1986 by company and the taxes payable in 1980 1985 and 1981 1986 by company based upon the valuation of operating property. The legislature may review the formula, the valuation, and the resulting taxes and may make changes in the formula that it deems necessary.

Sec. 3. Minnesota Statutes 1982, section 270.86, is amended to read:

270.86 [APPORTIONMENT AND EQUALIZATION OF VALUATION.]

*Subdivision 1.* [APPORTIONMENT OF VALUE.] Upon determination by the commissioner of the fair market value of the operating property of

each railroad company, he shall apportion such value to the respective counties and to the taxing districts therein in conformity with fair and reasonable rules and standards to be established by the commissioner pursuant to notice and hearing, except as provided in section 270.81. In establishing such rules and standards the commissioner may consider (a) the physical situs of all station houses, depots, docks, wharves, and other buildings and structures with an original cost in excess of \$10,000; (b) the proportion that the length and type of all the tracks used by the railroad in such county and taxing district bears to the length and type of all the track used in the state; and (c) other facts as will result in a fair and equitable apportionment of value.

*Subd. 2. [EQUALIZED VALUATION.] After making the apportionment provided in subdivision 1, the commissioner shall determine the equalized valuation of the operating property in each county by applying to the apportioned value an estimated current year median sales ratio for all commercial and industrial property in that county. If the commissioner decides there are insufficient sales to determine a median commercial-industrial sales ratio, an estimated current year countywide median sales ratio for all property shall be applied to the apportioned value. No equalization shall be made to the market value of the operating property if the median sales ratio determined pursuant to this subdivision is within five percent of the assessment ratio of the railroad operating property.*

Sec. 4. Minnesota Statutes 1982, section 270.87, is amended to read:

270.87 [CERTIFICATION TO COUNTY ASSESSORS.]

When the commissioner has made his annual determination of the equalized fair market value of the operating property of each company in each of the respective counties, and in the taxing districts therein, he shall certify the equalized fair market value to the county assessor, which shall constitute the equalized fair market value of the operating property of the railroad company in such county and the taxing districts therein upon which taxes shall be levied and collected in the same manner as on the commercial and industrial property of such county and the taxing districts therein.

Sec. 5. [APPROPRIATION.]

*There is appropriated from the general fund to the commissioner of revenue the amounts necessary to make certain refunds of property taxes to railroads for assessment years 1981 and 1982 as a result of a change in the assessed valuation of railroad property. For purposes of this section, the term "property taxes" includes any interest which is required to be paid to the railroads.*

*The county auditor shall certify to the commissioner of revenue the dollar amount of the refunds paid to the railroads by the county and each city, town, school district, and special taxing district or portion thereof which is located within the county. The certification must be made on the forms and completed by the date prescribed by the commissioner. The commissioner of revenue shall review the certification and make changes in the certification that he determines are necessary. The amounts of the abatements for a taxing district which is located in more than one county shall be aggregated. The commissioner shall determine the amount to be paid to each county, city, town, and special taxing district which shall be equal to the amount of the abatement in excess of 20 cents per capita for each county, city, town, and*

*special taxing district. The commissioner shall determine the amount to be paid to each school district which shall be equal to the amount of the abatement in excess of one dollar per pupil unit for the school district. The 20 cents per capita and the one dollar per pupil unit shall relate to the combined abatement amount for all railroads for both 1981 and 1982 for each county, city, town, school district, and special taxing district. The commissioner shall pay each taxing district as soon as practicable after certification, but not before January 1, 1985.*

*This appropriation is available the day after final enactment until expended.*

*A county, city, town, school district, and special taxing district may include an additional amount in its property tax levy for taxes payable in 1985 equal to the difference between the amount of tax and interest refunded to a railroad company whose valuation was ordered reduced by the tax court and the amount reimbursed to the taxing district by the state pursuant to this section. Amounts levied for this purpose shall be considered outside of any levy limitations applicable to the taxing district. In the case of a school district, only the amount of abatement not reimbursed under this section may be considered in the computation of abatement aid under section 124.214, subdivision 2.*

#### Sec. 6. [EFFECTIVE DATE.]

*Section 5 is effective the day after final enactment. The remaining sections in this article are effective for the 1984 assessment and subsequent years, for taxes payable in 1985 and subsequent years.*

### ARTICLE 10

#### AGRIPROCESSING

##### Section 1. [41A.01] [PURPOSE.]

*Sections 1 to 6 provide a framework for an agricultural resource loan guaranty program, the purposes of which are to further the development of the state's agricultural resources and improve the market for its agricultural products. Public debt is authorized by the constitution to be incurred for developing agricultural resources by extending credit on real estate security. The program contemplates the use of this power not to finance projects of the kind described herein, but to provide financial guaranties for a portion of the cost of viable projects to the extent necessary to enable qualified developers and operators to secure private financing which would not otherwise be available. All credit advanced pursuant to loan guaranty commitments is to be secured by subrogation of the state to mortgage security and other security interests granted to the private lender, in proportion to the amount advanced by the state. A loan guaranty board is established to investigate the feasibility of each project, its conformity to the above policies and to environmental standards, the qualifications of the owners, operators, and lenders, and the nature and extent of the security, prior to commitment, and to secure maximum financial participation by private persons, not supported by the guaranty, to assure that in these respects each project satisfies and will continue to satisfy criteria which are adequate in the judgment of the board.*

##### Sec. 2. [41A.02] [DEFINITIONS; ACTIONS BY THE STATE.]

*Subdivision 1. [SCOPE.] The definition of each term given in this section applies whenever the term is used in sections 1 to 7.*

*Subd. 2. [AGRICULTURAL RESOURCE.] "Agricultural resource" means any organic matter which is available on a renewable basis from agricultural processes, including agricultural crop, animal, and wood production, waste, and residues.*

*Subd. 3. [AGRICULTURAL RESOURCE LOAN GUARANTY BOARD; BOARD.] "Agricultural resource loan guaranty board" or "board" means the commissioner of finance as chairman, the commissioner of agriculture, the commissioner of commerce, the commissioner of energy and economic development, and the director of the pollution control agency.*

*Subd. 4. [AGRICULTURAL RESOURCE LOAN GUARANTY FUND; GUARANTY FUND.] "Agricultural resource loan guaranty fund" or "guaranty fund" means the fund created by section 5.*

*Subd. 5. [AGRICULTURAL RESOURCE LOAN GUARANTY PROGRAM; PROGRAM.] "Agricultural resource loan guaranty program" or "program" includes all projects and loan guaranties approved pursuant to sections 3 and 4.*

*Subd. 6. [AGRICULTURAL RESOURCE PROJECT; PROJECT.] "Agricultural resource project" or "project" means any facility, or portion of a facility, located in the state which is operated or to be operated primarily for the production from agricultural resources of marketable products. A project includes a facility or portion of a facility for mixing or producing substances to be mixed with other substances for use as a fuel or as a substitute for petroleum or petrochemical feedstocks.*

*Subd. 7. [APPLICANT.] "Applicant" means any rural development finance authority organized, or any county exercising the powers of such an authority, pursuant to chapter 362A, which applies to the state for approval of a guaranty of a loan to a borrower for a project.*

*Subd. 8. [BORROWER.] "Borrower" means any applicant or any private individual, company, cooperative, partnership, corporation, association, consortium, or other entity organized for a common business purpose, which is obligated or to be obligated to pay a guaranteed loan.*

*Subd. 9. [CONSTRUCTION.] "Construction" means construction of a new agricultural resource project, or conversion of a facility to such a project, or expansion or improvement of a project to increase its capacity or efficiency. "Construction" includes acquisition of land, easements, buildings, structures, improvements, and equipment and machinery for use in or at the site of a project or on easements adjacent to the project site.*

*Subd. 10. [COST.] "Cost" of a project means the sum of all obligations paid or to be paid or incurred by the borrower which are reasonably required for the construction and completion of the project, including but not limited to (i) surveys, estimates, plans, specifications, supervision of construction, and other engineering and architectural service; (ii) payments under construction contracts and for payment and performance bonds; (iii) purchase and installation of equipment and machinery; (iv) recording, filing, permit, legal, financial, underwriting, placement, commitment, publication, adver-*

tising, and other charges, fees, and expenses incurred for establishing title, mortgage liens, and security interests with respect to the project, for securing permits for construction and approval of the loan guaranty, for establishing the terms of the loan and underlying security agreements, and for offering, selling, or placing with investors and printing and delivering the obligations evidencing the loan; and (v) interest, discount, fees, and expenses accruing with respect to the loan, and taxes and other government charges payable with respect to the project, during construction.

*Subd. 11. [LENDER.] "Lender" means any holder or holders of bonds, notes, or other obligations evidencing a guaranteed loan, any trustee representing those holders, and any investment or commercial banking institution, savings and loan institution, insurance company, investment company, or other financial institution or institutional investor making, purchasing, or participating in a loan or any part of a loan.*

*Subd. 12. [LOAN.] "Loan" means any obligation to repay money borrowed to finance the construction of a project or to refund or refinance such an obligation.*

*Subd. 13. [LOAN AGREEMENT.] "Loan agreement" means a written agreement or agreements setting forth the terms and conditions of the obligation of the borrower to the lender and the pledges and covenants made and mortgage lien and other security interests granted for the security of the obligations, including a mortgage, note, indenture, or other agreement however designated.*

*Subd. 14. [LOAN GUARANTY.] "Loan guaranty" means a written agreement executed on behalf of the state that guarantees, in accordance with the terms and conditions contained in the agreement or in a loan agreement, the payment of sums of money owing by a borrower to a lender.*

*Subd. 15. [STATE.] "State" actions contemplated in sections 1 to 6 may be taken on behalf of the state by resolutions of the agricultural resource loan guaranty board, subject to approval by the governor if required by the governor, or by a member of the board or another state officer in the department headed by the member, pursuant to authority delegated by resolution of the board. Resolutions of the board are effective when approved by the vote of a majority of its members.*

### Sec. 3. [41A.03] [LOAN GUARANTIES.]

*Subdivision 1. [AUTHORITY FOR AND LIMITATION OF GUARANTY.] Subject to the provisions of sections 1 to 6 and subject to section 16A.80 and upon determination that a loan will serve the public purposes and satisfy the conditions set forth in sections 1 to 6, the state may guarantee and commit to guarantee against loss an amount not exceeding 90 percent, with accrued interest, of a loan for the construction of an agricultural resource project (or the refunding or refinancing of a loan). The loan must be secured by a first mortgage lien on and security interest in all real and personal property comprising the project and other collateral as provided in the loan agreement.*

*Subd. 2. [LIMITATION OF LOAN AMOUNT.] The total principal amount of any guaranteed loan may not exceed 80 percent of the total cost of the related project as estimated by the state at the time the commitment to*



guarantee is made or, in the case of a refunding or refinancing loan, 80 percent of the aggregate amount of principal and interest refunded or refinanced. If the actual cost exceeds the estimate the state may, upon request of the borrower and the lender, consent to an increase of the loan by a principal amount not greater than 80 percent of the excess cost, and may increase the guaranteed amount by not more than 90 percent of the increase in the principal amount, and accrued interest on that amount.

*Subd. 3. [REQUIRED PROVISIONS.] A loan guaranty or loan agreement pertaining to any loan guaranteed by the state must provide that:*

*(a) Payments of principal and interest made by the borrower under the loan shall be applied by the lender to reduce the guaranteed and nonguaranteed portion of the loan on a proportionate basis, and the nonguaranteed portion shall not in any event receive preferential treatment over the guaranteed portion.*

*(b) A period of grace shall be allowed of not less than 60 days from a date a principal or interest payment is due, prior to the making of demand for payment pursuant to the loan guaranty, to permit adequate time for a decision on behalf of the state regarding principal and interest assistance in accordance with subdivision 4. Payment as required by the loan guaranty shall be made within 60 days after receipt by the state of written demand complying with the terms and conditions of the guaranty.*

*(c) The lender may not accelerate repayment of the loan or exercise other remedies available to the lender if the borrower defaults, unless (i) the borrower fails to pay a required payment of principal or interest, or (ii) the state consents in writing, or (iii) as otherwise permitted in the loan guaranty. In the event of a default, the lender may not make demand for payment pursuant to the guaranty unless the state agrees in writing that such default has materially affected the rights or security of the parties, and finds that the lender should be entitled to receive payment pursuant to the loan guaranty.*

*(d) If a payment of principal or interest is made by the state upon default of the borrower, the state shall be subrogated to the rights of the lender with respect to the payment.*

*(e) The borrower shall have promptly prepared and delivered to the state annual audited financial statements of the project prepared according to generally accepted accounting principles.*

*(f) Duly authorized representatives of the state shall have access to the project site at reasonable times during construction and operation of the project.*

*(g) The borrower shall maintain adequate records and documents concerning the construction and operation of the project in order that representatives of the state may determine its technical and financial conditions and its compliance with environmental requirements. The records shall include the amounts of all sales and use taxes paid on personal property and services purchased for the construction and operation of the project, with tax receipts furnished by the sellers or other supporting documentation determined by the board to be satisfactory. The amounts of those taxes shall be reported to the board in the manner and at the times required by the board.*

*(h) The borrower shall protect and preserve at all times the project assets*

and other collateral securing the loan and shall assist in liquidation of collateral to minimize loss in the event of default.

(i) Orderly liquidation of assets of the project shall be provided for in the event of default, with an option on the part of the state to acquire from the lender the lender's interest in the assets pursuant to the nonguaranteed portion of the loan.

(j) The state shall be paid at or prior to the closing of the guaranteed loan a fee or fees for the loan guaranty or the commitment to guarantee the loan. The aggregate fee may not exceed one percent of the total principal amount of the guaranteed portion of the loan.

(k) The lender shall perfect and maintain the mortgage lien on the real estate and the security interest in personal property and collateral granted as security for the loan, and shall cause all other loan servicing functions to be performed which are normally required or performed by a reasonable and prudent lender with respect to a loan without a guaranty.

(l) The state shall be notified in writing without delay of (i) the date and amount of and basis for each disbursement of loan proceeds; (ii) any nonpayment of principal or interest due (within ten days after the due date and with evidence of notification to the borrower); (iii) any failure to honor a commitment by any person of an intended source of capital for the project; and (iv) any significant adverse changes from original cash flow projections as evidenced by reports from the borrower, or any other known evidence that the borrower might be unable to meet a future scheduled payment of principal or interest.

(m) The loan agreement shall require the borrower to establish a reserve, from the proceeds of the loan or otherwise, to be maintained with the lender or with a trustee for the holders of the borrower's obligations in cash or securities of a specified market value not less than the annual amount which would be required to amortize the entire amount of the loan over the term (or at the rate of yield resulting from the interest rates) provided in the loan agreement.

Subd. 4. [PRINCIPAL AND INTEREST ASSISTANCE.] The state may at any time enter into a written contract with the borrower to pay the lender, on behalf of the borrower, an amount not greater than the amount of principal and interest to become due on one or more subsequent dates, without acceleration, if the state determines that (i) the borrower is not in default in payment of principal or interest due more than 60 days prior to the date of the contract; (ii) the borrower is or may become unable to meet in full principal or interest payments, or both, which are due or to become due within a specified period; (iii) it is in the public interest to permit the borrower to continue to pursue the purposes of the project; (iv) the probable net financial loss to the state will be less than that which would result in the event of a default; (v) the borrower is obligated by the contract to reimburse the state for all principal or interest advanced, with interest on those amounts, upon terms and conditions satisfactory to the state; and (vi) funds are available for allocation to the account established for the project in the guaranty fund, and are continuously allocated to the account in accordance with the provisions of section 4, subdivision 3, in an amount equal to the amount of interest on the advances until actually reimbursed to the state by the borrower. All sums so advanced and

*interest on those amounts shall be secured by the mortgage lien and security interest granted by the loan agreement, but none of the advances shall thereafter be repaid to the state until and unless all principal and interest currently due on the loan has been fully paid. In the event of subsequent default by the borrower, acceleration by the lender, and payment by the state of the full amount due under the loan guaranty, the state shall be subrogated to the rights of the lender with respect to the principal paid by it under the contract. Upon payment of the loan in full, with accrued interest, the remaining amount of the advances and interest on the advances may be paid to the state.*

Sec. 4. [41A.04] [APPLICATION AND APPROVAL.]

*Subdivision 1. [REQUIREMENTS.] (a) Any rural development finance authority, or county exercising the powers of such an authority, may file a written application with the state commissioner of finance, to be considered by the agricultural resource loan guaranty board, for a guaranty by the state of a portion of a loan for an agricultural resource project. In general, the application must provide information similar to that required by an investment banking or other financial institution considering such a project for debt financing. Specifically, each application must include in brief but precise form the following information, as supplied by the applicant, the borrower, or the lender:*

*(1) a description of the scope, nature, extent, and location of the proposed project, including the identity of the borrower and a preliminary or conceptual design of the project;*

*(2) a description of the technology to be used in the project and the prior construction and operating experience of the borrower with such projects;*

*(3) a detailed estimate of the items comprising the total cost of the project, including escalation and contingencies, with explanation of the assumptions underlying the estimate;*

*(4) a general description of the financial plan for the project, including the mortgage and security interests to be granted for the security of the guaranteed loan, and all sources of equity, grants, or contributions or of borrowing the repayment of which is not to be secured by the mortgage and security interests, or, if so secured, is expressly subordinated to the guaranteed loan;*

*(5) an environmental report analyzing potential environmental effects of the project, any necessary or proposed mitigation measures, and other relevant data available to the applicant to enable the board to make an environmental assessment;*

*(6) a list of applications to be filed and estimated dates of approvals of permits required by federal, state, and local government agencies as conditions for construction and commencement of operation of the project;*

*(7) an estimated construction schedule;*

*(8) an analysis of the estimated cost of production of and market for the product, including economic factors justifying the analysis and proposed and actual marketing contracts, letters of intent, and contracts for the supply of feedstock;*

*(9) a description of the management experience of the borrower in organ-*

izing and undertaking similar projects;

(10) *pro forma* cash flow statements for the first five years of project operation including income statements and balance sheets;

(11) a description of the borrower's organization and, where applicable, a copy of its articles of incorporation or partnership agreement and bylaws;

(12) the estimated amount of the loan and percentage of guaranty requested, the proposed repayment schedule, and other terms and conditions and security provisions of the loan;

(13) an estimate of the amounts and times of receipt of guaranty fees, sales and use taxes, property tax increments, and any other governmental charges which may be available for the support of the state guaranty fund as a result of the construction of the project, with an analysis of the assumptions on which the estimate is based;

(14) a copy of any lending commitment issued by a lender to the borrower;

(15) a statement from the lender, if identified, as to its general experience in financing and servicing debt incurred for projects of the size and general type of the project, and its proposed servicing and monitoring plan; and

(16) additional information required by the board.

(b) The applicant shall pay upon filing of the application a fee equal to .25 percent of the amount of the loan guaranty requested. The fee shall be paid to the commissioner of finance and deposited in the general fund. If the board determines not to issue a commitment for the project, the fee shall be refunded to the applicant, less the board's cost of processing, reviewing, and evaluating the application. If the board issues a commitment for the project and the application fee exceeds the board's cost of processing, reviewing, and evaluating the application, the balance shall be transferred from the general fund to the project account in the guaranty fund and credited against the amount of the commitment fee required in section 3, subdivision 3, clause (j). The county or rural development finance authority may require the proposed borrower under the project to pay the application fee.

Subd. 2. [ENVIRONMENTAL ASSESSMENT.] Notwithstanding any other law or rule, no environmental impact statement must be completed prior to the approval of an application and the issuance of a conditional commitment for the guaranty of a loan for an agricultural resource project, or the taking of any other action permitted by sections 1 to 7, including the issuance of bonds, which is considered necessary or desirable by the board to prepare for a final commitment and to make it effective. Environmental review, to the extent required by law, shall be made in conjunction with the issuance by state agencies of environmental permits for the project. Permits may be applied for prior to the issuance of a conditional commitment. Action shall be taken as expeditiously as possible on environmental review and all permits required. Environmental review shall be completed within 180 days after the initial filing of an application to the pollution control agency for the first permit. Final action shall be taken on permits within 90 days after completion of environmental review or, as to any permit requiring a public hearing, within 90 days after the receipt of the hearing examiner's report.

Subd. 3. [COMMITMENT.] The board shall determine as to each project

for which an application is submitted whether it appears in the board's judgment to conform to the purposes and policies stated in section 1 to an extent measured by criteria which in the board's judgment are satisfactory. In evaluating applications the board shall consider the extent to which the public subsidies sought by the applicant under the program would provide the project with an unfair advantage in competing with other products produced or processed in Minnesota. It may but need not adopt rules setting forth criteria for evaluating applications for loan guaranties. Upon determination by the board that a project conforms to the purposes and policies in section 1, it may by resolution make on behalf of the state a conditional commitment to guarantee a portion of the proposed loan as it shall determine, not exceeding the limitations set forth in section 3. No action is allowable under section 116B.03, subdivision 1, with respect to acts of any person authorized or required in order to execute the resolution. The commitment is not binding upon the state until and unless the following conditions are satisfied.

(1) the board has created a project account for the project in the guaranty fund and has allocated to the account, from funds previously appropriated by the legislature or from the proceeds of bonds issued or to be issued for purposes of the guaranty fund pursuant to authorization previously enacted by the legislature, and not previously allocated to any other project account, in an aggregate amount sufficient, with any other amount then on hand in the project account, to pay the entire guaranteed principal amount of the proposed loan, plus interest on that amount for one year. The bonds authorized by the legislature need not be issued until and unless the proceeds allocated to a project account must be deposited in the account to comply with clause (2) or (3).

(2) the board has deposited in the project account bond proceeds or other funds in an amount not less than the annual amount which would be required to amortize the guaranteed portion of the principal of the loan over the term and at the interest rate (or at the rate of yield resulting from the interest rates) provided in the loan agreement.

(3) the board has executed on behalf of the state a final loan guaranty instrument in conformity with section 3, which binds the state to offer state bonds for sale at the times and in the amounts required, with amounts on hand in the project account, to pay all amounts to become due and payable under the loan guaranty, within the authorization and allocation referred to in clause (1), and when sold, to issue the bonds and apply the proceeds to make these payments.

Subd. 4. [RULE MAKING AUTHORITY.] In order to effectuate the purposes of sections 1 to 7, the board shall adopt rules which are subject to the provisions of chapter 14. The board may adopt temporary rules which may be effective until December 31, 1985.

Sec. 5. [41A.05] [MINNESOTA AGRICULTURAL RESOURCE LOAN GUARANTY FUND AND BONDS.]

Subdivision 1. [ESTABLISHMENT OF FUND.] For the purpose of developing the state's agricultural resources by extending credit on real estate security, the agricultural resource loan guaranty fund is established as a special and dedicated fund to be held and invested separately from all other funds of the state. All proceeds of state bonds authorized and issued for the

*purposes of the fund, and all guaranty fees, retail sales taxes, property tax increments, and other money from any source which may be credited to the fund pursuant to law or pursuant to the terms of grants, contributions, or contracts are appropriated and shall remain available for the purposes of the fund until those purposes have been fully accomplished. The fund may be used only for paying amounts due under loan guaranties and principal and interest assistance contracts entered into by the state, pursuant to the agricultural resource loan guaranty program.*

*Subd. 2. [ISSUANCE OF BONDS.] To provide money appropriated to the agricultural resource loan guaranty fund for the purposes of the program, when authorized by law and requested by the board, the commissioner of finance shall issue and sell bonds of the state. The state irrevocably pledges the full faith, credit, and taxing powers of the state to the prompt and full payment of these bonds. The proceeds of the bonds when issued, except accrued interest and any premium received upon sale, shall be credited to the guaranty fund. All the bonds shall be sold and issued and shall be secured in the manner, upon the terms, and with the effect prescribed for state building bonds in chapter 16A, and with the security provisions set forth in chapter 16A and in article XI, sections 4 to 7 of the constitution.*

*Subd. 3. [COVENANT.] In fulfillment of the state's covenant with the beneficiary of each loan guaranty executed by the board on behalf of the state pursuant to the agricultural resource loan guaranty program, in accordance with section 4, subdivision 3, the state will not limit or alter the rights vested in the board to comply with the terms of the loan guaranties. The state agrees not to rescind or cancel any authorization of an amount of bonds, or the appropriation of the proceeds of bonds for the purposes of the program, which, with the sum of the amounts then held in each project account in the guaranty fund, would be required, in the event of an immediate default on each guaranteed loan, to pay the balance of the guaranteed portion of the principal of all guaranteed loans with interest accrued and to accrue thereon for one year.*

*Subd. 4. [INCOME TAX EXEMPTION.] In the issuance of state bonds and the making of loan guaranties for the purposes of the program, the commissioner of finance and the board may and shall make all provisions and do or cause to be done all acts and things, consistent with sections 1 to 6, which are or may be effective under federal laws and regulations to comply with conditions for the exemption of interest on such bonds from federal income taxation. However, if for any reason, whether existing at the date of issue of any bonds or the date of execution of any loan guaranty or thereafter, the interest on any such bonds shall be or become subject to federal income taxes, this shall not impair or affect the validity of the bonds or of any loan guaranty or the provisions made for the security thereof, and shall not impair or affect the covenant made by the state in subdivision 3. Nothing herein affects the federal or state income tax treatment of interest on obligations of a borrower other than the state, whether or not guaranteed by the state.*

#### Sec. 6. [41A.06] [PROJECT TAXES AND OTHER CHARGES.]

*Subdivision 1. [APPROPRIATION.] The payments, taxes, and governmental charges described in this section which are received as a consequence of the undertaking, completion, and operation of each agricultural resource*

loan project for which a loan guaranty is made by the state are appropriated to the loan guaranty fund. This appropriation shall not lapse at the close of any fiscal year under the provisions of section 16A.28, and the receipts from the appropriation shall remain available as provided in section 5, subdivision 1. The state is not obligated, however, to continue the appropriation with respect to charges not yet collected, except to the extent determined to be necessary for compliance with the covenant contained in section 5, subdivision 3.

*Subd. 2. [ALLOCATION TO PROJECT ACCOUNTS.] Receipts of charges related to a particular project shall be deposited and recorded in its project account in the guaranty fund; but the board may reallocate receipts in any project account which cause the amount held in the account to exceed the minimum balance established initially pursuant to section 4, subdivision 3, clause (2). The reallocation may be made to another project account for the purpose of maintaining the minimum balance in the account.*

*Subd. 3. [PAYMENTS BY BORROWERS.] Guaranty and commitment fees paid by borrowers pursuant to the loan guaranty provision required by section 3, subdivision 3, clause (j), and repayments by borrowers of amounts advanced by the state under contracts referred to in section 3, subdivision 4, shall be deposited in the project account for the borrower's project and shall not be disbursed or transferred for any purpose other than the fulfillment of the state's obligations under the loan guaranty for that project. Funds may be transferred out of the account if the minimum required balance in the project account is maintained and exceeds the aggregate amount of fees and payments previously received from the borrower plus interest received from the investment thereof.*

*Subd. 4. [SALES AND USE TAXES.] All collections of the excise taxes imposed by chapter 297A upon retail sales, and upon the privilege of use, storage, or consumption in Minnesota, of personal property and services purchased for the construction or operation of any project for which a loan guaranty has been made or conditionally committed, less any refunds required by law and a proportionate share of the cost of administration and enforcement of the assessment and collection of the taxes, are appropriated and shall be deposited from the general fund into the project account in the guaranty fund at least once each year from and after the date of the conditional commitment. The commissioner of finance shall secure from each borrower the amount of taxes so imposed and from the commissioner of revenue the amount of refunds or costs to be deducted from them.*

*Subd. 5. [PROPERTY TAX INCREMENTS.] The applicant for a loan guaranty for any project, and the county in which the project is situated, shall do all acts and things necessary for the computation and segregation of property tax increments resulting from the construction of the project in accordance with the provisions of section 362A.05, and for the remittance to the commissioner of finance, for deposit in the loan guaranty fund, of all tax increments received from and after the date of the conditional commitment for the loan guaranty. The board may agree to accept a pledge of only a portion of the tax increment. If the project account contains the minimum balance required by section 4, subdivision 3, the board may annually return the excess tax increment to be distributed as provided by section 273.75, subdivision 2, clause (d), until the increment has been discharged under the*

agreement or section 11.

Sec. 7. [41A.07] [ADVISORY COMMISSION.]

*The board may appoint an advisory commission, consisting of at least five members. The members of the commission shall include individuals with expertise in agricultural processing, commercial lending and financing of similar or related projects, agricultural economics, and engineering, chemistry, and other natural sciences related to the projects. The commission shall advise the board on establishing a workable program pursuant to sections 1 to 6 and may provide assistance in evaluating applications for loan guarantees. The terms and compensation of commission members shall be governed by section 15.059, except that subdivision 5 shall not apply.*

Sec. 8. Minnesota Statutes 1982, section 297A.44, subdivision 1, is amended to read:

*Subdivision 1. All revenues, including interest and penalties, derived from the excise and use taxes imposed by sections 297A.01 to 297A.44 shall be deposited by the commissioner in the state treasury and credited to the general fund. All excise and use taxes derived from sales and use of property and services purchased for the construction and operation of an agricultural resource project, from and after the date on which a conditional commitment for a loan guaranty for the project is made pursuant to section 4, subdivision 3, shall be deposited in the agricultural resource loan guaranty fund. The commissioner of finance shall certify to the commissioner the date on which the project received the conditional commitment. The amount deposited in the loan guaranty fund shall be reduced by any refunds and by the costs incurred by the department of revenue to administer and enforce the assessment and collection of the taxes.*

Sec. 9. Minnesota Statutes 1982, section 362A.01, subdivision 1, is amended to read:

*Subdivision 1. Any county or combination of counties by resolution of the county board or boards may establish a rural development financing authority as a public nonprofit corporation with the same powers and duties as those conferred and imposed on a private nonprofit corporation by chapter 317, and all present and future laws amending or supplementing that chapter, except as otherwise or additionally provided herein. No such authority shall transact any business or exercise any powers until a certified copy of the resolutions of each participating county board has been submitted to the secretary of state and a certificate of incorporation issued pursuant to section 317.10. Alternatively, a county may determine by resolution of the county board (without such filing) to exercise the powers granted in this chapter to a rural development finance authority.*

Sec. 10. [362A.041] [APPLICATIONS FOR LOAN GUARANTIES.]

*The authority, or a county exercising the powers of an authority pursuant to section 362A.01, may undertake or participate in undertaking a project deemed to further the policies and purposes of the agricultural resource loan guaranty program established and described in sections 1 to 6, by applying to the agricultural resource loan guaranty board for a guaranty by the state of a portion of a loan for the project to be secured by the applicant, or by another eligible borrower. For this purpose it may do all acts and things required of an*



*applicant or of a borrower under the provisions of sections 1 to 6, including but not limited to the computation, segregation, and application of tax increments by deposit in the loan guaranty fund under the terms of the loan guaranty.*

Sec. 11. Minnesota Statutes 1982, section 362A.05, is amended to read:

**362A.05 [AGREEMENTS FOR RESERVATION OF TAX INCREMENTS.]**

The authority may enter into an agreement with any county in which a project is to be situated, *or a county exercising the powers of an authority may adopt a resolution*, under which the increment of taxable value of property ~~to be created by the constituting an agricultural resource project for which a conditional commitment for a loan guaranty has been made by the state as provided in section 4, subdivision 3,~~ over and above the taxable value of the project site as last finally determined before the project was undertaken, may be excluded from the taxable value of property on which the mill rate of taxes is computed in every subsequent year, for so long as may be ~~agreed~~ *provided in the loan guaranty*, but the aggregate mill rate of taxes levied by the county and all other taxing districts on other properties in each such year shall be spread also on the incremental taxable value of the project, and the tax resulting therefrom, when collected, shall be remitted to the authority, ~~and may be pledged, together with charges or special assessments, to pay or guarantee the payment of its bonds, or may be used by the authority for the purposes stated in section 362A.01, subdivision 2 or to the county, as the case may be, for deposit and use in the loan guaranty fund of the state as provided in sections 1 to 6. The tax increment for an agricultural resource project shall be discharged when either of the following occurs: (a) the loan obligation has been satisfied; or (b) the amount in the project account equals the amount of the guaranteed portion of the outstanding principal and interest on the guaranteed loan. Every county shall have the power by resolution of the county board to do all acts and things necessary for the computation, segregation, and application of tax increments under agreements made with the authority the loan guaranty in accordance with this section. This section shall not apply with respect to any project established subsequent to August 1, 1979.~~

**Sec. 12. [AUTHORIZATION OF BONDS.]**

*To provide money in the state agricultural resource loan guaranty fund, for the purpose of the program for which this fund is appropriated and dedicated under the provisions of sections 1 to 6, the commissioner of finance may issue bonds of the state in the aggregate amount of \$12,000,000. Before the issuance of any series of the bonds the loan guaranty board shall determine by resolution that the amount to be issued will be needed to make payments due under one or more guaranties executed with respect to outstanding loans in the program, or is needed to maintain within the guaranty fund a balance sufficient in the judgment of the board to assure compliance by the state with its covenant contained in section 5, subdivision 3. The bonds shall be sold and issued in the manner, upon the terms, and with the effect prescribed by sections 1 to 6 and by the constitution, article XI, sections 4 to 7.*

**Sec. 13. [EFFECTIVE DATE.]**

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

## ARTICLE 11

## SALES RATIOS

Section 1. Minnesota Statutes 1982, section 124.2131, subdivision 1, is amended to read:

Subdivision 1. [ADJUSTED ASSESSED VALUE.] (a) [COMPUTATION.] The equalization aid review committee, consisting of the commissioner of education, the commissioner of administration, the commissioner of agriculture, and the commissioner of revenue, is hereby continued and permanently established. The duty of this committee shall be to review the assessed valuation of the districts of the state. ~~When such reviews disclose reasonable evidence that the assessed valuation of any district furnished by any county auditor is not based upon the market value of taxable property in such district, then said committee shall call upon the department of revenue to ascertain the market value of such property, and adjust such values as required by law to determine the adjusted assessed valuation.~~ *The department of revenue shall annually conduct an assessment/sales ratio study of the taxable property in each school district in accordance with the procedures referenced in paragraphs (b) and (c). Based upon the results of this assessment/sales ratio study, the department of revenue shall determine an aggregate equalized assessed value for the various strata of taxable property in each school district, which value shall be designated as the adjusted assessed value. The department of revenue shall take such steps as are necessary in the performance of that duty and may incur such expense as is necessary therefor. The commissioner of revenue is authorized to reimburse any county or governmental official for services performed at his request in ascertaining such adjusted valuation. On or before March 15, annually, the department of revenue shall submit its report on the assessed values established by the previous year's assessment to said committee for approval or rejection and, if approved, such report shall be filed not later than the following July 1 with the commissioner of education and each county auditor for those school districts for which he has the responsibility for determination of mill rates. A copy of the adjusted assessed value so filed shall be forthwith mailed to the clerk of each district involved and to the county assessor or supervisor of assessments of the county or counties in which such district is located.*

(b) [METHODOLOGY.] *In making its annual assessment/sales ratio studies, the department of revenue shall use a methodology consistent with the most recent Standard on Assessment Ratio Studies published by the assessment standards committee of the International Association of Assessing Officers. The commissioner of revenue shall supplement this general methodology with specific procedures necessary for proper execution of the study in accordance with other Minnesota laws impacting the assessment/sales ratio study. The commissioner shall document these specific procedures in writing and shall publish the procedures in the State Register, but these procedures will not be considered "rules" pursuant to the Minnesota Administrative Procedure Act. By January 15, 1985, the commissioner shall report to the chairmen of the house tax committee and the senate committee on taxes and tax laws the results of a study which the commissioner shall prepare comparing the 1983 sales ratio study based upon the original 1983 assessment/sales ratio study methodology with the new methodology as provided in clause (b). The 1984 adjusted assessed values which are certified to the*

*commissioner of education shall be computed using the 1983 assessment/sales ratio study methodology unless the 1985 legislature directs otherwise.*

(c) [AGRICULTURAL LANDS.] For purposes of determining the adjusted assessed value of agricultural lands for the calculation of 1977 adjusted assessed values and thereafter, the market value of agricultural lands shall be the arithmetic average of (1) the price for which the property would sell in an arms length transaction, and (2) the income which could be derived from its free market gross rental rate capitalized at a rate of nine percent.

Sec. 2. Minnesota Statutes 1982, section 271.01, subdivision 5, is amended to read:

Subd. 5. [JURISDICTION.] The tax court shall have statewide jurisdiction. Except for an appeal to the supreme court or any other appeal allowed under this subdivision, the tax court shall be the sole, exclusive, and final authority for the hearing and determination of all questions of law and fact arising under the tax laws of the state, as defined in this subdivision, in those cases that have been appealed to the tax court and in any case that has been transferred by the district court to the tax court. The tax court shall have no jurisdiction in any case that does not arise under the tax laws of the state or in any criminal case or in any case determining or granting title to real property or in any case that is under the jurisdiction of the probate court. The small claims division of the tax court shall have no jurisdiction in any case dealing with property valuation or assessment for property tax purposes until the taxpayer has appealed the valuation or assessment to the town or city board of equalization and to the county board of equalization, except for those taxpayers whose original assessments are determined by the commissioner of revenue. *A property owner, other than a public utility, mining company, or railroad company for which the original assessments are determined by the commissioner of revenue, may not appear before the tax court unless a timely appearance in person, by counsel, or by written communication has been made before the county board of equalization as provided in section 274.13, to appeal the assessment of the property, or that he can establish that he did not receive notice of his market value at least ten days before the county board of review meeting.* The tax court shall have no jurisdiction in any case involving an order of the state board of equalization unless a taxpayer contests the valuation of his property. Only the taxes, aids and related matters contained in chapters 60A, 124, 270, 272, 273, 274, 275, 276, 277, 278, 279, 285, 287, 288, 290, 290A, 291, 292, 293, 294, 295, 296, 297, 297A, 297B, 298, 299, 340, 473, 473F, and 477A shall be considered tax laws of this state subject to the jurisdiction of the tax court. This subdivision shall not be construed to prevent an appeal, as provided by law, to an administrative agency, board of equalization, or to the commissioner of revenue. Wherever used in chapter 271, the term commissioner shall mean the commissioner of revenue, unless otherwise specified.

Sec. 3. Minnesota Statutes 1982, section 271.06, subdivision 6, is amended to read:

Subd. 6. [HEARINGS; DETERMINATION OF ISSUES; DEFAULT.] The tax court shall hear, consider, and determine without a jury every appeal de novo. A tax court judge may empanel an advisory jury upon his motion. The tax court shall hold a public hearing in every case. All such parties shall

have an opportunity to offer evidence and arguments at the hearing; provided, that the order of the commissioner or the appropriate unit of government in every case shall be prima facie valid. When an appeal to the tax court has been taken from an order or determination of the commissioner or from the appropriate unit of government, the proceeding shall be an original proceeding in the nature of a suit to set aside or modify the order or determination. In case no appellant shall appear the tax court shall enter its order affirming the order of the commissioner of revenue or the appropriate unit of government from which the appeal was taken. *If the department of revenue's sales ratio study is introduced in tax court as evidence, the sales ratio data from the study shall be admissible as evidence only as provided in section 278.05, subdivision 4.*

Sec. 4. Minnesota Statutes 1983 Supplement, section 278.01, subdivision 1, is amended to read:

Subdivision 1. [DETERMINATION OF VALIDITY.] Any person having any estate, right, title, or interest in or lien upon any parcel of land, who claims that such property has been partially, unfairly, or unequally assessed in comparison with other property in the city or county, or that the parcel has been assessed at a valuation greater than its real or actual value, or that the tax levied against the same is illegal, in whole or in part, or has been paid, or that the property is exempt from the tax so levied, may have the validity of his claim, defense, or objection determined by the district court of the county in which the tax is levied or by the tax court by serving two copies of a petition for such determination upon the county auditor and one copy each on the county treasurer and the county attorney and filing the same, with proof of service, in the office of the clerk of the district court before the 16th day of May of the year in which the tax becomes payable. *A property owner, other than a public utility, mining company, or the railroad company for which the original assessments are determined by the commissioner of revenue, may not appear before the district court or tax court unless a timely appearance in person, by counsel, or by written communication has been made before the county board of equalization as provided in section 274.13, to appeal the assessment of the property, or that he can establish that he did not receive notice of his market value at least ten days before the county board of review meeting.* The county auditor shall immediately forward one copy of the petition to the appropriate governmental authority in a home rule charter or statutory city or town in which the property is located if that city or town employs its own certified assessor. A copy of the petition shall also be sent to the school board of the school district in which the property is located. A petition for determination under this section may be transferred by the district court to the tax court. An appeal may also be taken to the tax court under chapter 271 at any time following receipt of the valuation notice required by section 273.121 but prior to May 16 of the year in which the taxes are payable.

Sec. 5. Minnesota Statutes 1983 Supplement, section 278.05, subdivision 4, is amended to read:

Subd. 4. [SALES RATIO STUDIES AS EVIDENCE.] The sales ratio studies published by the department of revenue, or any part of the studies, or any copy of the studies or records accumulated to prepare the studies which is prepared by the commissioner of revenue for the equalization aid review committee for use in determining school aids shall be admissible in evidence

as a public record without the laying of a foundation if the sales prices used in the study are adjusted for the terms of the sale to reflect market value and are adjusted to reflect the difference in the date of sale compared to the assessment date. Additional evidence relevant to the sales ratio study is also admissible. No sales ratio study received into evidence shall be conclusive or binding on the court and evidence of its reliability or unreliability may be introduced by any party including, but not limited to, evidence of inadequate adjustment of sale prices for terms of financing, inadequate adjustment of sales prices to reflect the difference in the date of sale compared to the assessment date, and inadequate sample size.

*No reduction in value on the grounds of discrimination shall be granted on the basis of a sales ratio study published by the department of revenue unless*

*(a) the sales prices are adjusted for the terms of the sale to reflect market value,*

*(b) the sales prices are adjusted to reflect the difference in the date of sale compared to the assessment date,*

*(c) there is an adequate sample size, and*

*(d) the median ratio of the class of property of the subject property in the same county, city, or town of the subject property is lower than the assessment ratio of the subject property by at least ten percent.*

*If the above criteria are met and a reduction in value on the grounds of discrimination is granted based upon the sales ratio study, the reduction shall reflect only the difference between the assessment/sales ratio of the subject property and 110 percent of the median ratio of the class of property of the subject property.*

#### Sec. 6. [EFFECTIVE DATE.]

*Sections 2 and 4 are effective for the 1985 assessment and thereafter, payable 1986 and thereafter. Sections 1, 3, and 5 are effective the day following final enactment.*

### ARTICLE 12

#### CHARITABLE GAMBLING

Section 1. Minnesota Statutes 1983 Supplement, section 340.14, subdivision 2, is amended to read:

Subd. 2. [RESTRICTIONS.] Every licensee shall be responsible for the conduct of his place of business and for conditions of sobriety and order therein. No licensee shall keep, possess, or operate, or permit the keeping, possession, or operation of, on the licensed premises, or in any room adjoining the licensed premises, any slot machine, dice, or any gambling device or apparatus, nor permit any gambling therein, nor permit the licensed premises or any room in the same, or in any adjoining building, directly or indirectly under its control to be used as a resort for prostitutes or other disorderly persons, except that gambling devices may be kept or operated and raffles conducted on licensed premises and adjoining rooms when such activities are licensed by the local unit of government pursuant to section 349.26 charitable gambling control board under sections 349.11 to 349.213. No person under 18 years of age shall be employed in any rooms constituting the place in

which intoxicating liquors are sold at retail "on-sale," except that persons under 18 years of age may be employed as musicians or to perform the duties of a busboy or dishwashing services in places defined as a restaurant or hotel or motel serving food in rooms in which intoxicating liquors are sold at retail "on-sale." Persons under 18 years of age may be employed as waiters or waitresses in places defined as a restaurant, hotel or motel to serve food in rooms in which only wine is sold on-sale, provided they shall not be permitted to serve or sell wine.

Sec. 2. Minnesota Statutes 1982, section 349.11, is amended to read:

349.11 [PURPOSE.]

The purpose of sections 349.11 to ~~349.23~~ 349.22 is to ~~closely regulate and control the conduct of the game of bingo and to prohibit commercialization of bingo~~ legal forms of gambling to prevent their commercialization, to insure integrity of operations, and to provide for the use of net profits only for lawful purposes.

Sec. 3. Minnesota Statutes 1982, section 349.12, is amended to read:

349.12 [DEFINITIONS.]

Subdivision 1. As used in sections 349.11 to ~~349.23~~ 349.22 the following terms have the meanings given them.

Subd. 2. "Lawful gambling" is the operation, conduct or sale of bingo, raffles, paddlewheels, tipboards, and pull-tabs.

Subd. 3. "Active member" means a member who has paid all his dues to the organization and has been a member of the organization for at least six months.

Subd. ~~3~~ 4. "Bingo" means a game where each player has a card or board for which a consideration has been paid containing five horizontal rows of spaces, with each row except the central one containing five figures. The central row has four figures with the word "free" marked in the center space thereof. *Bingo also includes games which are as described in this subdivision except for the use of cards where the figures are not preprinted but are filled in by the players.* A player wins a game of bingo by completing ~~any~~ a preannounced combination of spaces or, in the absence of a preannouncement of a combination of spaces, any combination of five spaces in a row, either vertical, horizontal or diagonal.

Subd. ~~4~~ 5. "Bingo occasion" means a single gathering or session at which a series of one or more successive bingo games is played.

Subd. ~~5~~ 6. "Checker" means a person who records the number of bingo cards purchased and played during each game and records the prizes awarded to the recorded cards, but does not collect the payment for the cards.

Subd. 7. "Paddlewheel" means a wheel marked off into sections containing one or more numbers, and which, after being turned or spun, uses a pointer or marker to indicate winning chances.

Subd. 8. "Tipboard" means a board, placard or other device marked off in a grid or columns, in which each section contains a hidden number or numbers, or other symbol, which determines the winning chances.

*Subd. 9. "Raffle" means a game in which a participant buys a ticket for a chance at a prize with the winner determined by a random drawing to take place at a location and date printed upon the ticket.*

*Subd. 10. "Pull-tab" means a single folded or banded ticket or a card with a face covered to conceal one or more numbers or symbols, where one or more of each set of tickets or cards has been designated in advance as a winner. "Pull-tab" also includes a ticket sold in a gambling device known as a ticket jar.*

*Subd. 6 11. "Lawful purpose" means one or more of the following: (a) benefiting persons by enhancing their opportunity for religious or educational advancement, by relieving or protecting them from disease, suffering or distress, by contributing to their physical well-being, by assisting them in establishing themselves in life as worthy and useful citizens, or by increasing their comprehension of and devotion to the principles upon which this nation was founded; (b) initiating, performing, or fostering worthy public works or enabling or furthering the erection or maintenance of public structures; (c) lessening the burdens borne by government or voluntarily supporting, augmenting or supplementing services which government would normally render to the people; or (d) the improving, expanding, maintaining or repairing real property owned or leased by an organization.*

*"Lawful purpose" does not include the erection or acquisition of any real property, unless the local unit of government board specifically authorizes the expenditures after finding that the property will be used exclusively for one or more of the purposes specified in this clause.*

*Subd. 7. "Local unit of government" means the city or town in which bingo is proposed to be played or is played or, if there is no city or town, the county in which bingo is proposed to be played or is played.*

*Subd. 8 12. "Organization" means any fraternal, religious, veterans, or other nonprofit organization.*

*Subd. 9 13. "Profit" means the gross receipts collected from one or more bingo occasions lawful gambling, less reasonable sums necessarily and actually expended for bingo gambling supplies and equipment, prizes, rent, and utilities used during the bingo gambling occasions, bingo license fees compensation paid to members for conducting gambling, taxes related to bingo, and other expenses permitted by Laws 1976, Chapter 264 imposed by this chapter, and maintenance of devices used in lawful gambling.*

*Subd. 10. "Bingo manager" means a member who has paid all his dues to the organization and has been a member of the organization for at least two years and has been designated by an organization to supervise bingo occasions conducted by it.*

*Subd. 14. "Gambling manager" means a person who has paid all dues to an organization and has been a member of the organization for at least two years and has been designated by the organization to supervise lawful gambling conducted by it.*

*Subd. 15. "Gambling equipment" means: bingo cards and devices for selecting bingo numbers, pull-tabs, ticket jars, paddlewheels, and tipboards.*

*Subd. 16. "Board" is the charitable gambling control board.*

*Subd. 17. "Distributor" is a person who sells gambling equipment he manufactures or purchases for resale.*

Sec. 4. Minnesota Statutes 1982, section 349.13, is amended to read:

349.13 [NOT GAMBLING IF ORGANIZATION CONDUCTS BINGO.]

*Bingo shall Lawful gambling is not be construed as a lottery or as gambling within the meaning of sections 609.75 to 609.76 if it is conducted by an organization in compliance with Laws 1976, Chapter 261 under this chapter.*

Sec. 5. Minnesota Statutes 1982, section 349.14, is amended to read:

349.14 [ORGANIZATION MAY CONDUCT BINGO; LICENSE.]

*An organization may conduct bingo occasions lawful gambling if it has been in existence for at least three years, has at least 15 active members, has a license to conduct bingo lawful gambling from the local unit of government board and complies with sections 349.15 to 349.21 this chapter.*

Sec. 6. Minnesota Statutes 1982, section 349.15, is amended to read:

349.15 [USE OF PROFITS.]

*Profits from a bingo occasion shall lawful gambling may be expended only for lawful purposes as authorized at a regular meeting of the conducting organization.*

Sec. 7. [349.151] [CHARITABLE GAMBLING CONTROL BOARD.]

*Subdivision 1. [BOARD CREATED.] The charitable gambling control board is created with the powers and duties established by subdivision 4.*

*Subd. 2. [MEMBERSHIP.] The board consists of 13 members appointed as follows:*

*(1) eleven persons appointed by the governor, at least four of whom must reside outside of the seven-county metropolitan area;*

*(2) the commissioner of public safety or his designee; and*

*(3) the attorney general or his designee.*

*A member serving on the board by appointment must have been a resident of Minnesota for at least five years. Of the appointees of the governor not more than six may belong to the same political party. A member appointed to the board may be removed at any time by the appointing authority. Vacancies on the board are filled in the same manner as the original appointment. Of the members appointed by the governor, three are for terms expiring June 30, 1985, four are for terms expiring June 30, 1986, and four are for terms expiring June 30, 1987. After the expiration of the initial terms, appointments are for three years. The governor shall appoint the chairperson from among his appointees.*

*Subd. 3. [COMPENSATION.] The compensation of board members is \$35 per day spent on commission activities, when authorized by the board, plus expenses in the same manner and amount as provided in the commissioner's plan adopted according to section 43A.18, subdivision 2.*

*Subd. 4. [POWERS AND DUTIES.] The board has the following powers and duties:*



(1) to issue, revoke, and suspend licenses to organizations and suppliers under sections 349.16 and 349.161;

(2) to collect and deposit license fees and taxes due under this chapter;

(3) to receive reports required by this chapter and inspect the records, books, and other documents of organizations and suppliers to insure compliance with all applicable laws and rules;

(4) to make rules, including temporary rules, required by this chapter;

(5) to register gambling equipment and issue registration stamps under section 349.162;

(6) to provide by rule for the mandatory posting by organizations conducting lawful gambling of rules of play and the odds and/or house percentage on each form of lawful gambling; and

(7) to report annually to the governor and legislature on its activities and on recommended changes in the laws governing charitable gambling.

*Subd. 5. [EMPLOYEES.] The board shall employ an executive secretary in the unclassified service and such other employees in the classified service as are required to enable it to carry out its functions. One or more of the employees must be bingo inspectors.*

*Subd. 6. [ATTORNEY GENERAL.] The attorney general is the attorney for the board.*

Sec. 8. Minnesota Statutes 1982, section 349.16, is amended to read:

**349.16 [LOCAL REGULATION ORGANIZATION LICENSES.]**

**Subdivision 1. [ISSUANCE OF GAMBLING LICENSES.]** Nothing in sections 349.11 to 349.23 shall be construed to prohibit a local unit of government from adopting ordinances, rules and regulations concerning the conduct of bingo which are more restrictive than state regulations, including an ordinance to ban the conduct of bingo. Prior to promulgating bingo regulations or issuing a bingo license, the local unit of government shall consult with the local building inspector, if any, and the fire and police authorities. A local unit of government which permits bingo but has not adopted regulations shall be deemed to have adopted the provisions of Laws 1976, Chapter 261 as its regulations. A local unit of government may amend its regulations.

**Subd. 2.** A local unit of government that permits bingo shall establish a system for licensing organizations to conduct bingo occasions, and shall act on a bingo license application within 180 days from the date of application, but shall not issue a license until at least 30 days after the date of application. A license shall be valid for one year, and may be suspended or revoked by the issuing authority for violation of Laws 1976, Chapter 261 or of any local ordinance relating to bingo.

**Subd. 3.** Each year the local unit of government shall allocate an amount of money at least equal to the lesser of \$25,000 or 25 percent of the amount it collected and retained from bingo fees, bingo licenses, and bingo taxes in the preceding year for the supervision, regulation and inspection of the conduct of bingo. Licenses authorizing organizations to conduct lawful gambling may be issued by the board to organizations meeting the qualifications of section

349.14, if the board determines that the license is consistent with the purpose of sections 349.11 to 349.22. Licenses issued under this section are valid for one year and may be suspended by the board for a violation of law or board rule or revoked for what the board determines to be a pattern of willful violations of law or board rule. A revocation or suspension is a contested case under sections 14.57 to 14.69 of the Administrative Procedure Act.

*Subd. 2. [APPLICATION.] All applications for a license under this section must be on a form prescribed by the board. The board may require the applying organization to submit a copy of its articles of incorporation and other documents it deems necessary.*

*Subd. 3. [FEES.] The board shall by rule establish a schedule of fees for licenses under this section. The schedule must establish three classes of license, authorizing all forms of lawful gambling, all forms except bingo and bingo only.*

### Sec. 9. [349.161] [DISTRIBUTOR LICENSES.]

*Subdivision 1. [PROHIBITED ACTS; LICENSES REQUIRED.] No person may:*

*(1) sell, offer for sale, or furnish gambling equipment for use within the state for gambling purposes, other than for bingo exempt from licensing under section 340.19, except to an organization licensed for lawful gambling; or*

*(2) sell, offer for sale, or furnish gambling equipment to an organization licensed for lawful gambling without having obtained a distributor license under this section.*

*No licensed organization may purchase gambling equipment from any person not licensed as a distributor under this section.*

*Subd. 2. [LICENSE APPLICATION.] The board may issue licenses for the sale of gambling equipment to persons who meet the qualifications of this section if the board determines that a license is consistent with the purpose of sections 349.11 to 349.22. Applications must be on a form the board prescribes.*

*Subd. 3. [QUALIFICATIONS.] A license may not be issued under this section to a person, or to a corporation, firm, or partnership which has as an officer, director, or other person in a supervisory or management position a person, who:*

*(1) has been convicted of a felony in a state or federal court within the past five years or who has a felony charge pending;*

*(2) has ever been convicted in a state or federal court of a gambling-related offense; or*

*(3) is or has ever been engaged in an illegal business.*

*Subd. 4. [FEES.] The annual fee for a suppliers license is \$1,500.*

*Subd. 5. [PROHIBITION.] No distributor may also be a wholesale distributor of liquor or alcoholic beverages.*

*Subd. 6. [REVOCATION AND SUSPENSION.] A license under this*

*section may be suspended by the board for a violation of law or board rule or for failure to meet the qualifications in subdivision 3 at any time or revoked for what the board determines to be a pattern of willful violations of law or board rule. A revocation or suspension is a contested case under sections 14.57 to 14.69 of the Administrative Procedure Act.*

*Subd. 7. [CRIMINAL HISTORY.] The board may request the assistance of the bureau of criminal apprehension in investigating the background of an applicant for a supplier's license and may reimburse the bureau for the costs thereof. The board has access to all criminal history data compiled by the bureau on licensees and applicants.*

**Sec. 10. [349.162] [EQUIPMENT REGISTERED.]**

*Subdivision 1. [STAMP REQUIRED.] A distributor may not sell to an organization and an organization may not purchase from a distributor gambling equipment unless the equipment has been registered with the board and has a registration stamp affixed. The board may charge a fee of up to 25 cents for each stamp. Each stamp must bear a registration number assigned by the board.*

*Subd. 2. [RECORDS REQUIRED.] A distributor must maintain a record of all gambling equipment which it sells to organizations. The record must include:*

- (1) the identity of the person or firm from whom the equipment was purchased;*
- (2) the registration number of the equipment;*
- (3) the name and address of the organization to which the sale was made; and*
- (4) the date of the sale.*

*The record for each sale must be retained for at least three years after the sale is completed. For purposes of this section, a sale is completed when the gambling equipment is physically delivered to the purchaser.*

*Each distributor must report monthly to the board, on a form the board prescribes, its sales of each type of gambling equipment. Employees of the board may inspect the books, records, and other documents of a distributor at any reasonable time without notice and without a search warrant.*

*Subd. 3. [SALES FROM FACILITIES.] All gambling equipment purchased by a licensed distributor for resale in Minnesota must prior to its resale be unloaded into a facility located in Minnesota which the distributor owns or leases.*

**Sec. 11. Minnesota Statutes 1982, section 349.17, is amended to read:**

**349.17 [CONDUCT OF BINGO.]**

**Subdivision 1. [BINGO OCCASIONS.]** ~~No compensation shall be paid to any person in connection with a bingo occasion except an active member of the organization, or its auxiliary, or the spouse or surviving spouse of an active member, conducting the bingo occasion nor shall any person not an active member of the organization or its auxiliary or the spouse or surviving spouse of an active member participate in the conduct of a bingo occasion, except by~~

resolution of a majority of the membership, recorded in the official minutes of the organization; non-management assistants who are not active members of the organization; or its auxiliary, or the spouse or surviving spouse of an active member; may be hired to assist members in conducting a bingo occasion. Compensation shall not exceed \$20 for a bingo occasion.

~~Subd. 2. No~~ *Not* more than 104 bingo occasions each year or two bingo occasions each week ~~shall~~ *may* be conducted by ~~any an~~ organization; ~~except that the local unit of government issuing the license may permit additional bingo occasions to be conducted by an organization, except as provided in this subdivision.~~ A bingo occasion ~~shall~~ *may* not continue for more than four consecutive hours.

*The board may permit an organization to conduct more than two bingo occasions in a week and more than 104 bingo occasions in a year if the board determines that the additional occasions are consistent with the purpose of sections 349.11 to 349.22 and if the following procedures are followed:*

*(1) the organization applies for the additional occasions, stating the number of additional occasions applied for;*

*(2) the board notifies the governing body of the county or home rule or statutory city in which the applicant is located; and*

*(3) the governing body fails to adopt a resolution disapproving the additional occasions within 30 days of the notification.*

Subd. 3 2. [BINGO ON LEASED PREMISES.] ~~(+) Any~~ A person or corporation, other than an organization, which leases any premises that it owns to two or more organizations for purposes including the conduct of bingo occasions, ~~shall~~ *may* not allow more than four bingo occasions to be conducted on the premises in any week. *The board may waive this restriction and permit a person or corporation to allow a specified member of bingo occasions on the premises in excess of four per week if it finds that the waiver is consistent with the purpose of sections 349.11 to 349.22 and if the following procedures are followed:*

*(1) the person or corporation applies for the waiver, stating the number of additional occasions sought per week;*

*(2) the board notifies the governing body of the county or home rule or statutory city in which the premises are located; and*

*(3) the governing body fails to adopt a resolution disapproving the waiver within 30 days of the notification.*

*(2) Any organization which leases any premises to one or more other organizations for purposes including the conduct of bingo occasions shall use the proceeds of the rental, less reasonable sums for maintenance, furnishings and other necessary expenses, only for lawful purposes as defined in section 349.12. Not less than once each year the organization shall report to the licensing authority the disposition of all receipts which it has received during the reporting period from the rental of its facilities to other organizations for purposes including the conduct of bingo occasions.*

*(3) No organization shall conduct bingo on any leased premises without a written lease for a term at least equal to the remainder of the term of the bingo*

license of the organization. Lease payments shall be at a fixed monthly rate, or rate per bingo occasion, not subject to change during the term of the lease. No such lease shall provide that rental payments be based on a percentage of receipts or profits from bingo occasions.

Subd. 4. Prizes for a single bingo game shall not exceed \$100 except prizes for a game of the type commonly known as a "cover-all" game. "Cover-all" prizes may exceed \$100 provided that the aggregate value of such prizes for a bingo occasion shall not exceed \$500. The aggregate value of prizes for a bingo occasion shall not exceed \$2,500 except that in the case of a bingo occasion during which a "cover-all" game is played for a maximum prize of more than \$100 but not more than \$500, the aggregate value of prizes for the bingo occasion shall not exceed \$3,000. Merchandise prizes shall be valued at fair market retail value.

Subd. 5. No expense shall be incurred or amounts paid in connection with the conduct of bingo, except those reasonably expended for bingo supplies and equipment, prizes, rent, or utilities used during the bingo occasion, bingo license fees, taxes related to bingo, and compensation to active members who conduct the game.

Subd. 6 3. Each bingo winner shall *must* be determined and every prize shall be awarded and delivered the same day on which the bingo occasion is conducted.

Subd. 7. All bingo occasions shall be under the supervision of a bingo manager designated by the organization who shall be responsible for gross receipts and profits from bingo and for the conduct of the bingo occasion in compliance with all applicable laws and ordinances. The bingo manager shall give a fidelity bond in the sum of \$10,000 in favor of the organization conditioned on the faithful performance of his duties. Terms of the bond shall provide that notice shall be given in writing to the licensing authority not less than 30 days prior to its cancellation. The governing body of a local unit of government may waive this bond requirement by including a waiver provision in the bingo license issued to an organization, provided that a license containing such a provision shall be granted only by unanimous vote.

Subd. 8. No person shall act as a bingo manager for more than one organization.

Subd. 4. [CHECKERS.] *One or more checkers must be engaged for each bingo occasion. The checker or checkers must record, on a form the board provides, the number of cards played in each game and the prizes awarded to recorded cards. The form must provide for the inclusion of the registration number of each card and must include a checker's certification that the figures recorded are correct to the best of the checker's knowledge.*

Sec. 12. Minnesota Statutes 1982, section 349.18, is amended to read:

349.18 [RECORDS; PLAYERS, CARDS AND PRIZES PREMISES USED FOR GAMBLING.]

One or more checkers shall be engaged for each bingo occasion. The checker or checkers shall record the number of cards played in each game prior to the completion of each game and record the prizes awarded to the recorded cards. Each checker shall certify all figures which he has recorded as accurate and

correct to the best of his knowledge. A local unit of government may require the records to be on forms which it provides

*Subdivision 1. [LEASE OR OWNERSHIP REQUIRED.] An organization may conduct lawful gambling only on premises it owns or leases. Leases must be for a period of at least one year and must be in writing. Copies of all leases must be made available to employees of the board on request. A lease may not provide for rental payments based on a percentage of receipts or profits from lawful gambling.*

*Subd. 2. [EXCEPTIONS.] (a) A licensed organization may conduct raffles on a premise it does not own or lease.*

*(b) A licensed organization may with the permission of the board, conduct bingo on premises it does not own or lease for up to six days in a calendar year, in connection with a county fair or civil celebration.*

*Subd. 3. [PROCEEDS FROM RENTAL.] A licensed organization which leases premises it owns to one or more other licensed organizations for purposes including the conduct of lawful gambling may expend the rental proceeds, less reasonable deductions for maintenance, furnishings, and utilities, only for lawful purposes. The rental proceeds must be recorded and reported as proceeds from gambling under section 349.19.*

Sec. 13. Minnesota Statutes 1982, section 349.19, is amended to read:

**349.19 [EXEMPTION RECORDS AND REPORTS.]**

**Bingo may be conducted without complying with the requirements of sections 349.14 and 349.17, subdivisions 2 and 3, if conducted: (a) in connection with a county fair conducted by a county agricultural society or association, the state fair conducted by the state agricultural society or a civic celebration recognized by resolution or other similar official action of the local governing body provided that the bingo is conducted for no more than 12 consecutive days in any one calendar year; or, (b) by an organization that conducts less than five bingo occasions in any calendar year**

*Subdivision 1. [REQUIRED RECORD OF RECEIPTS.] A licensed organization must keep a record of each occasion on which it conducts gambling, including each bingo occasion and each day on which other forms of lawful gambling are conducted. The record must include gross receipts, quantities of free plays if any, expenses, and profits. The board may by rule provide for the methods by which expenses are documented. In the case of bingo, gross receipts must be compared to the checkers' records for the occasion by a person who did not sell cards for the occasion. Separate records must be kept for bingo and all other forms of lawful gambling.*

*Subd. 2. [ACCOUNTS.] Gross receipts from lawful gambling must be segregated from all other revenues of the conducting organization and placed in a separate account. The person who accounts for gambling gross receipts and profits may not be the same person who accounts for other revenues of the organization.*

*Subd. 3. [EXPENDITURES.] All expenditures of bingo profits must be itemized as to payee, purpose, amount, and date of payment.*

*Subd. 4. [DISCREPANCIES.] If at a bingo occasion a discrepancy of*

*more than \$20 is found between the gross receipts as reported by the checkers and the gross receipts determined by adding the cash receipts, the discrepancy must be reported to the board within five days of the bingo occasion.*

*Subd. 5. [REPORTS.] A licensed organization must report to the board and to its membership monthly on its gross receipts, expenses, profits, and expenditure of profits from lawful gambling. If the organization conducts both bingo and other forms of lawful gambling, the figures for both must be reported separately. In addition, a licensed organization must report to the board monthly on its purchases of gambling equipment and must include the type, quantity, and dollar amount from each supplier separately. The reports must be on a form the board prescribes.*

*Subd. 6. [PRESERVATION OF RECORDS.] Records required to be kept by this section must be preserved for at least three years and may be inspected by employees of the board at any reasonable time without notice or a search warrant.*

*Subd. 7. [TAX RECORDS.] The board may by rule require each licensed organization to provide copies of forms it files with the United States department of the treasury which are required for organizations exempt from income tax.*

Sec. 14. Minnesota Statutes 1982, section 349.20, is amended to read:

**349.20 [RECORDS; RECEIPTS AND PROFITS MANAGERS.]**

**Each organization shall keep records of its gross receipts and profits for each bingo occasion. Gross receipts shall be compared to the checker's records for the bingo occasion by a person who did not sell cards for the bingo occasion. All deductions from gross receipts from a bingo occasion shall be documented with receipts or other records. The distribution of profits shall be itemized as to payee, amount and date of payment.**

**Bingo gross receipts shall be segregated from other revenues of an organization and placed in a separate account. Each organization shall maintain separate records of its bingo operations. The person who accounts for bingo gross receipts and profits shall not be the same person who accounts for other revenues of the organization. Records required by Laws 1976, Chapter 264 shall be preserved for three years. The law enforcement agency of the licensing authority shall have the authority to investigate the bingo records of an organization at any reasonable time. Organizations shall make available their bingo records for investigation upon proper notice**

*All lawful gambling conducted by a licensed organization must be under the supervision of one or more gambling managers. A gambling manager designated by an organization to supervise a gambling occasion is responsible for the gross receipts from the occasion and for its conduct in compliance with all laws and rules. An organization may designate a different person to act as manager for each type of lawful gambling conducted. Each person designated as a gambling manager must give a fidelity bond in the sum of \$10,000 in favor of the organization conditioned on the faithful performance of the manager's duties, and the terms of the bond must provide that notice be given to the board in writing not less than 30 days before its cancellation.*

*A person may not act as a gambling manager for more than one organiza-*

tion.

Sec. 15. Minnesota Statutes 1982, section 349.21, is amended to read:

**349.21 [REPORTS; DISCREPANCIES; REPORTING AGENCIES COMPENSATION.]**

**Subdivision 1.** If any discrepancy is found between the amount of gross receipts for a bingo occasion as determined by the checker's records and the amount of gross receipts as determined by totaling the cash receipts and the discrepancy exceeds \$20, the discrepancy shall be reported to and investigated by the licensing authority of the place where the bingo occasion was held.

**Subd. 2.** An organization shall report monthly to its membership its gross receipts from bingo, its profits from bingo and the distribution of those profits itemized as required by section 349.20.

**Subd. 3.** At least 30 days prior to conducting its first bingo occasion of the year and on an annual basis thereafter, an organization shall file with the local government unit which regulates its conduct copies of the following:

(a) Department of the treasury, internal revenue service, "Return of Organization Exempt from Income Tax," Form 990, or a comparable form if the organization is required to file the form with the department of the treasury;

(b) Department of the treasury, internal revenue service, "Exempt Organization Business Income Tax," Form 990-T, or a comparable form if the organization is required to file the form with the department of the treasury;

(c) A "Statement of Bingo Operations" in the form prescribed by the local governmental unit. All information contained in the statement shall be true, correct, and complete to the best of the knowledge of the person or persons signing the statement. Any person who shall knowingly make a false statement or knowingly conceal a material fact in the statement shall be subject to the penalties provided in section 349.22;

(d) Any lease agreements required by Laws 1976, Chapter 261, executed by the organization in regard to premises leased for the conduct of bingo

*Compensation to persons who participate in the conduct of lawful gambling may be paid only to active members of the conducting organization or its auxiliary, or the spouse or surviving spouse of an active member, except that nonmanagement assistants who are not active members or spouses may be hired to assist in the conduct of lawful gambling in nonmanagement positions if approved by a majority of the organization's members.*

*The amounts of compensation which may be paid under this section must be provided for in a schedule of compensation adopted by the board by rule. In adopting the schedule the board must consider the nature of the participation and the types of lawful gambling participated in.*

*A licensed organization may pay a percentage of the gross receipts from raffle ticket sales to a nonprofit organization which sells tickets for the licensed organization.*

**Sec. 16. [349.211] [PRIZE LIMITS.]**

**Subdivision 1. [BINGO.]** Prizes for a single bingo game may not exceed \$100 except prizes for a cover-all game, which may exceed \$100 if the ag-



gregate value of all cover-all prizes in a bingo occasion does not exceed \$500. Total prizes awarded at a bingo occasion may not exceed \$2,500, unless a cover-all game is played in which case the limit is \$3,000. For purposes of this subdivision, a cover-all game is one in which a player must cover all spaces except a single free space to win.

*Subd. 2. [BINGO CUMULATIVE PRIZES.]* A prize of up to \$1,000 may be awarded for a single bingo game if the prize is an accumulation of prizes not won in games in previous bingo occasions. The total amount awarded in cumulative prizes in any calendar year may not exceed \$12,000. For bingo occasions in which a cumulative prize is awarded the aggregate value of prizes which may be awarded for the occasion is increased by the amount of the cumulative prize so awarded less \$100.

*Subd. 3. [OTHER GAMBLING.]* The board by rule shall establish a schedule of prize limits for all other forms of gambling consistent with the purposes set out in section 349.11. The schedule may include daily and annual prize limits and prize limits for each game, raffle or operation of a gambling device.

*Subd. 4. [PRIZE VALUE.]* Merchandise prizes must be valued at their fair market value. For purposes of sections 349.11 to 349.22 "prizes" do not include free plays awarded.

#### Sec. 17. [349.212] [TAX IMPOSED.]

*Subdivision 1. [RATE.]* There is hereby imposed a tax on all lawful gambling conducted by licensed organizations at the rate specified in this subdivision. The tax imposed by this section is in lieu of the tax imposed by section 297A.02 and of all local taxes and license fees.

On all lawful gambling the tax is ten percent of the gross receipts of a licensed organization from lawful gambling less prizes actually paid out, payable by the organization.

*Subd. 2. [COLLECTION; DISPOSITION.]* The tax must be paid to the board at times and in a manner the board prescribes by rule. The proceeds, along with the revenue received from all license fees and other fees under sections 349.11 to 349.21 and sections 16, 17, and 18 of this article, must be paid to the state treasurer for deposit in the general fund.

*Subd. 3. [ANNUAL APPROPRIATION.]* At the end of each fiscal year, the commissioner of finance shall certify to the state treasurer the total revenues collected by the board from taxes and fees imposed by this article minus the amount appropriated by law from the general fund to the board for its expenses and operations. The net revenue so certified shall be expended by legislative appropriation to the department of education for expenditure, in consultation with the state arts board, as grants for programs, construction, maintenance, and operation of one or more schools for the arts located within the state, or the purposes recommended by the Minnesota school for the arts planning task force except that any part of the amount so certified which is not appropriated for the purposes set forth in this subdivision may be appropriated for any other purpose.

#### Sec. 18. [349.213] [LOCAL AUTHORITY.]

*Subdivision 1. [LOCAL REGULATION.]* A statutory or home rule city or

county has the authority to adopt more stringent regulation of any form of lawful gambling within its jurisdiction, including the prohibition of any form of lawful gambling, and may require a permit for the conduct of gambling exempt from licensing under section 349.214. The authority granted by this subdivision does not include the authority to require a license or permit to conduct gambling by organizations licensed by the board.

*Subd. 2. [LOCAL APPROVAL.] Before issuing or renewing an organization license, the board must notify the city council of the statutory or home rule city in which the organization's premises are located or, if the premises are located outside a city, by the county board of the county where the premises are located. If the city council or county board adopts a resolution disapproving the license and so informs the board within 30 days of receiving notice of the license, the license may not be issued or renewed.*

Sec. 19. [349.214] [EXEMPTIONS.]

*Subdivision 1. [BINGO.] Bingo may be conducted without a license and without complying with sections 349.17, subdivision 1, and 349.18 if it is conducted:*

*(1) in connection with a county fair, the state fair, or a civic celebration if it is not conducted for more than 12 consecutive days in a calendar year; or*

*(2) by an organization which conducts four or fewer bingo occasions in a calendar year.*

*Subd. 2. [RAFFLES.] Raffles may be conducted by an organization as defined in section 349.12, subdivision 13, without complying with sections 349.11 to 349.213 if the value of all raffle prizes awarded by the organization in a calendar year does not exceed \$750. Merchandise prizes must be valued at their fair market value.*

*Subd. 3. [RAFFLES, CERTAIN ORGANIZATIONS.] The provisions of sections 349.21 and 349.211, subdivision 3, and the membership requirements of sections 349.14 and 349.20 do not apply to raffles conducted by an organization which directly or under contract to the state or a political subdivision delivers health or social services and which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1954, as amended through December 31, 1983, if the prizes awarded in the raffles are real or personal property donated by an individual, firm, or other organization. The person who accounts for the gross receipts, expenses, and profits of the raffles may be the same person who accounts for other funds of the organization.*

Sec. 20. Minnesota Statutes 1982, section 349.22, is amended to read:

349.22 [PENALTY.]

~~Violation of any provision of Laws 1976, Chapter 264 is a gross misdemeanor.~~

*Subdivision 1. [GROSS MISDEMEANOR.] Any other violation of sections 349.11 to 349.214 is a gross misdemeanor.*

*Subd. 2. [OTHER ACTION.] This section shall does not preclude civil or criminal actions under other applicable law or preclude any agency of government from investigating or prosecuting violations of the provisions of*

*Laws 1976, Chapter 261 sections 349.11 to 349.214. County attorneys have primary responsibility for prosecuting violations of sections 349.11 to 349.214, but the attorney general may prosecute any violation of those sections.*

Sec. 21. Minnesota Statutes 1982, section 349.31, subdivision 1, is amended to read:

Subdivision 1. [INTENTIONAL POSSESSION; WILFUL KEEPING.] The intentional possession or wilful keeping of a gambling device ~~upon any~~ on a licensed premises is cause for the revocation of any license under which the licensed business is carried on upon the premises where the gambling device is found, provided that possession of gambling devices commonly known as "paddlewheels" or "tipboards" or "pull tabs" (or "ticket jars") or apparatus used in conducting raffles on the premises of a nonprofit organization and operated by organizations licensed for such operation pursuant to ~~section 349.26~~ equipment as defined in section 349.12, subdivision 17, which is used for gambling licensed by the charitable gambling control board and the manufacture of gambling devices for use in jurisdictions where use of the gambling device is legal as provided for by section 349.40 shall not be cause for revocation of a license.

Sec. 22. Minnesota Statutes 1983 Supplement, section 609.75, subdivision 3, is amended to read:

Subd. 3. [WHAT ARE NOT BETS.] The following are not bets:

(1) A contract to insure, indemnify, guarantee or otherwise compensate another for a harm or loss sustained, even though the loss depends upon chance.

(2) A contract for the purchase or sale at a future date of securities or other commodities.

(3) Offers of purses, prizes or premiums to the actual contestants in any bona fide contest for the determination of skill, speed, strength, endurance, or quality or to the bona fide owners of animals or other property entered in such a contest.

(4) The game of bingo when conducted in compliance with sections 349.11 to 349.23.

(5) A private social bet not part of or incidental to organized, commercialized, or systematic gambling.

(6) The operation of a ~~gambling device~~ equipment or the conduct of a raffle as defined in ~~section 349.26~~ under sections 349.11 to 349.22, by an organization licensed for such operation by a local unit of government pursuant to ~~section 349.26~~ by the charitable gambling control board.

(7) Pari-mutuel betting on horse racing when the betting is conducted under chapter 240.

Sec. 23. Minnesota Statutes 1983 Supplement, section 609.761, is amended to read:

609.761 [OPERATIONS PERMITTED.]

Notwithstanding sections 609.755 and 609.76, a fraternal, religious, veter-

ans or other nonprofit an organization may set up or operate a gambling device or conduct a raffle conduct lawful gambling as defined in section 349.26 349.12, if licensed by the local unit of government charitable gambling control board and conducted under section 349.26 sections 349.11 to 349.22, and a person may manufacture, sell or offer for sale a gambling device to the organization, and pari-mutuel betting on horse racing may be conducted under chapter 240.

Sec. 24. [APPROPRIATION.]

*There is appropriated from the general fund to the charitable gambling control board for the period beginning the day following final enactment of this article and ending June 30, 1985, the sum of \$556,000, or so much thereof as is necessary to carry out the purposes of this article.*

Sec. 25. [REPEALER.]

*Minnesota Statutes 1982, section 349.26, is repealed.*

Sec. 26. [EFFECTIVE DATE.]

*Sections 7 and 24 are effective the day following final enactment. All other sections of this article are effective March 1, 1985. All licenses issued by local units of government under Minnesota Statutes 1982, sections 349.16 and 349.26 expire on February 28, 1985.*

## ARTICLE 13

### LOCAL PROVISIONS

Section 1. Minnesota Statutes 1982, section 458.14, is amended to read:

458.14 [RIGHT TO LEVY TAXES OR ASSESSMENTS FORBIDDEN.]

*Subdivision 1. [TAX LEVY BY CITY.] The port authority shall have no right or authority to levy any tax or special assessment, nor to pledge the credit of the state, or any other subdivision or municipal corporation thereof; nor to incur any obligation enforceable upon any property, either within or without the port district, other than property owned by the port authority. Annually, at such time as may be fixed by charter, resolution, or ordinance of the city in and for which any such port authority is created, the port authority shall transmit to the council of such city a detailed estimate, in writing, of the amount of money which in its opinion will be required for the business and proper conduct of its affairs during the next ensuing fiscal year, in excess of any expected receipts from the conduct of its business, or other sources, and any such city, in addition to all other powers now possessed thereby, and in addition to, and in excess of any limitation upon the amount it is otherwise permitted by law to levy as taxes, is hereby granted the power and authority, in its discretion, to shall, at the request of the port authority, levy taxes for the benefit of, and for expenditure by, such port authority, not exceeding in any one year an amount equal to a tax of five one-hundredths of one mill .75 mill upon the dollar of the assessed valuation thereof, upon all the taxable property in such city, excluding money and credits, and any amount so levied for such purposes shall be paid over by the city treasurer to the treasurer of the port authority, for expenditure by it, as above provided. The fiscal year of such port authority shall be identical with the fiscal year of such city; provided that any seaway port authority may, by resolution, adopt a fiscal year*

based on the international shipping season through the St. Lawrence Seaway, independent of the fiscal year of the city in which the seaway port authority is located. The board of county commissioners of any county in which any such city is located, is also hereby authorized to appropriate for the use of such port authority, and to include therefor in its levy for general revenue purposes, such amount as it may deem proper; provided, that the total amount permitted by law to be levied by any county for general revenue purposes shall not be deemed increased by this provision; the board of county commissioners in any county entitled to appoint members of a seaway port authority, may annually, upon receipt of a budget as specified above from such port authority, in its discretion levy a tax sufficient to produce a sum not exceeding \$50,000 for the benefit of and for expenditure by such port authority to defray the costs of its current operations in the next ensuing fiscal year which levy shall not be included in computing the amount of levies subject to tax limitations under chapter 275 or any other provision of law. The appropriation to a port authority of moneys derived from any of the county taxes herein authorized shall not be subject to any budgetary law applicable to said county. Any amounts so appropriated or levied by the county shall be paid over by the county treasurer to the port authority for expenditure by it as herein provided, at such times and in such manner as the county board may provide. When any city entitled to appoint members of a seaway port authority has secured the approval of two-thirds of the members of the city council of such city to issue its general obligation bonds, the proceeds of which are to be appropriated to such seaway port authority, the board of county commissioners of any county entitled to appoint members of such seaway port authority may by five-sevenths vote issue general obligation bonds of the county in an amount not to exceed \$4,000,000, and appropriate the proceeds thereof to be used by such port authority for any or all of the purposes specified in section 458.15, if the county board by resolution determines that the conservation, development, reclamation, protection and improvement of lands under the jurisdiction of such port authority and the construction of port facilities thereon will promote the public welfare of the county at large and the economic well-being of its people, industries and commerce, and is an essential governmental function of the county, and can best be performed through the medium of such port authority. Any such bonds shall be issued, sold and secured as provided in sections 475.60 to 475.753; an election shall not be necessary to the validity of such bonds.

*Subd. 2. [REVERSE REFERENDUM.] If a city proposes to increase the levy of the city for port authority purposes pursuant to subdivision 1, it shall pass a resolution stating the amount by which the levy limit base is proposed to be increased. Thereafter, the resolution shall be published for two successive weeks in the official newspaper of the city or if there is no official newspaper, in a newspaper of general circulation in the city, together with a notice fixing a date for a public hearing on the proposed increase. The hearing shall be held not less than two weeks nor more than four weeks after the first publication of the resolution. Following the public hearing, the city may determine to take no further action or, in the alternative, adopt a resolution authorizing the increase as originally proposed or approving an increase in the lesser amount it determines. The resolution authorizing an increase shall be published in the official newspaper of the city if there is no official newspaper, in a newspaper of general circulation in the city. If within 30 days thereafter a petition signed by voters equal in number to five percent of the votes cast in the city in the last general election requesting a referendum on the proposed resolution is filed with the clerk the resolution shall not be*

*effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum. The referendum must be held at a special or general election prior to October 1 of the year for which the levy increase is proposed.*

Sec. 2. Laws 1979, chapter 189, section 2, is amended to read:

Sec. 2. For the purposes of this act, "residential customer" means a customer classified by the public utility as a residential heating or residential non-heating customer of the public utility within the city of St. Paul and "gross operating revenue" means all sums received by the public utility from the sale of gas, *hot water heating* or electricity, excluding any amounts received which result from a surcharge on the public utility's rate schedule for the purpose of collecting the franchise fee.

Sec. 3. [RAMSEY-WASHINGTON METRO WATERSHED DISTRICT; WATER MAINTENANCE AND REPAIR FUND; CREATION OF FUNDS; TAX LEVY.]

*The Ramsey-Washington metro watershed district may, in addition to its other powers, establish a water maintenance and repair fund which shall be kept distinct from all other funds of the district. The fund shall be maintained by an annual ad valorem tax levy on each dollar of assessed valuation of all taxable property within the Ramsey-Washington metro watershed district sufficient to raise not more than \$30,000 in 1985, and in subsequent years not more than \$15,000. The board of managers of the district shall adopt each year, by resolution, the amount to be raised by mill levy for the fund for the ensuing year, which shall be levied, collected, and distributed to the district in accordance with Minnesota Statutes, section 112.611, in addition to any other money levied, collected, and distributed to the district.*

Sec. 4. [PURPOSE OF FUND.]

*The water maintenance and repair fund may be used for any maintenance, repair, restoration, upkeep, and rehabilitation of any public ditch, drain, dams, sewer, river, stream, watercourse, and waterbody, natural or artificial, lying wholly or partly within the district. Works performed in accordance with the purposes of sections 3 to 5 may include, but are not limited to, stream and watercourse clean up and maintenance and stream and watercourse bank and bed repair and stabilization.*

Sec. 5. [WORKS; MUNICIPALITIES.]

*Any works to be undertaken and paid for from the water maintenance and repair fund shall be ordered by the board of managers of the district. Before the commencement of any works ordered, any affected municipality shall be notified in writing by the district about the proposed works and estimated costs. Within 30 days following receipt of the written notice, any affected municipality may notify the district in writing that it will perform the works ordered by the district. If the municipality undertakes the works, it shall be paid as previously prescribed by the district from the water maintenance and repair fund. If any affected municipality fails to perform any works ordered by the board of managers, the district may have the works performed in any other manner authorized by law.*

**Sec. 6. [CROFT HISTORICAL PARK TAX.]**

*The Croft Historical Park Board, hereafter referred to in sections 6 and 7 as the "board," is created. The Croft Historical Park District, hereafter referred to in sections 6 and 7 as the "district", consists of the cities of Crosby, Cuyuna, Deerwood, Ironton, Riverton, and Trommald and the towns of Deerwood, Irondale, Rabbit Lake and Wolford. All of the cities and towns are located in Crow Wing county. The board shall consist of three members who are residents of the district, each of whom shall be elected at large in the district. The county board shall make arrangements for the holding of a special election within the district. For the initial election, the terms of the board members shall be as follows: one two year term, one three year term and one four year term. Thereafter, each board member shall be elected for a four year term.*

*If approved by referendum as provided in section 7, the board may levy a tax not to exceed 1.0 mills on the taxable value of all real and personal property located within the district. The amount of tax levied is in addition to all other taxes on the property and must be disregarded in the calculation of all other mill rate or per capita levy limitations imposed by law or charter upon the cities or towns located within the district. The tax shall be collected by the Crow Wing county treasurer and paid directly to the board. The proceeds of the tax levy shall be used by the board in conjunction with money received from the Iron Range Resources and Rehabilitation Board for operation of the Croft Historical Park.*

**Sec. 7. [REFERENDUM.]**

*The board shall make special arrangements with the Crow Wing county auditor for a referendum. The board shall submit the proposed levy to the eligible voters in the district at a general or special election. The date of the referendum shall be determined by the board. The question submitted shall read substantially as follows:*

*"Shall the Croft Historical Park Board be allowed to impose an annual levy of up to one mill upon all taxable property located within the boundaries of the district?"*

Yes .....

No ....."

*If a majority of those voting on the question approve the proposed levy, the board may certify a levy to the Crow Wing county auditor as soon as practical following the referendum and in each subsequent year thereafter.*

**Sec. 8. [CLOQUET; PUBLIC TRANSPORTATION.]**

*Upon conditions mutually agreed, the city of Cloquet may contract with a privately owned public transportation system to provide transportation services to the people of the city. The city may disburse money to discharge the terms of the contract. The city may annually levy a property tax not to exceed one mill for the purpose of discharging the contract obligations. The amount of tax levied is in addition to all others permitted by law and must be disregarded in the calculation of statutory or other limitations on property tax levies.*

**Sec. 9. [ST. LOUIS COUNTY LAND CONVEYANCE.]**

*The state of Minnesota shall convey to Laila A. Furchner, Box 161, Ma-  
kinen, Minnesota 55763, land in St. Louis County which forfeited for unpaid  
property taxes on February 4, 1980, and which is identified by parcel code  
number 676-10-2220 and legal description SE 1/4 or NW 1/4, Section 12,  
Township 56, Range 16. (Government Lot 3). The attorney general shall  
prepare an appropriate instrument of conveyance. The price for the land shall  
be the same as that provided for a redemption under Minnesota Statutes,  
section 281.02.*

Sec. 10. [CITY OF BREEZY POINT; LEVY LIMIT INCREASE.]

*Subdivision 1. [AUTHORIZATION.] The limitation imposed upon the  
levy of the city of Breezy Point by Minnesota Statutes, section 275.11, is  
increased by \$125,000 for taxes levied in 1984 and thereafter.*

*Subd. 2. [REVERSE REFERENDUM.] If the Breezy Point city council  
proposes to increase the levy limit base of the city pursuant to subdivision 1,  
it shall pass a resolution stating the amount by which the levy limit base is  
proposed to be increased. Thereafter, the resolution shall be published for  
two successive weeks in the official newspaper of the city or if there is no  
official newspaper, in a newspaper of general circulation in the city, together  
with a notice fixing a date for a public hearing on the proposed increase. The  
hearing shall be held not less than two weeks nor more than four weeks after  
the first publication of the resolution. Following the public hearing, the city  
may determine to take no further action or, in the alternative, adopt a resolu-  
tion authorizing the increase as originally proposed or approving an increase  
in the lesser amount it determines. The resolution authorizing an increase  
shall be published in the official newspaper of the city or if there is no official  
newspaper, in a newspaper of general circulation in the city. If within 30  
days thereafter a petition signed by voters equal in number to five percent of  
the votes cast in the city in the last general election requesting a referendum  
on the proposed resolution is filed with the clerk the resolution shall not be  
effective until it has been submitted to the voters at a general or special  
election and a majority of votes cast on the question of approving the resolu-  
tion are in the affirmative. The commissioner of revenue shall prepare a  
suggested form of question to be presented at the referendum. The referen-  
dum must be held at a special or general election prior to October 1, 1984.*

Sec. 11. [APPLICABILITY.]

*On its effective date, section 10 applies to the city of Breezy Point.*

Sec. 12. [CITY OF OAKDALE; LEVY LIMIT INCREASE.]

*The limitation imposed upon the levy of the city of Oakdale by Minnesota  
Statutes, sections 275.50 to 275.56 is increased by \$100,000 for taxes levied  
in 1984, 1985, and 1986. This amount is not subject to the penalty provisions  
of section 275.51, subdivision 4. In computing the levy limit base for taxes  
levied in 1987, \$100,000 shall be subtracted from the adjusted levy limit base  
for taxes levied in 1986.*

Sec. 13. [REVERSE REFERENDUM.]

*If the Oakdale city council proposes to increase the levy limit base of the  
city pursuant to section 12, it shall pass a resolution stating the amount by  
which the levy limit base is proposed to be increased. Thereafter, the resolu-*



tion shall be published for two successive weeks in the official newspaper of the city or if there is no official newspaper, in a newspaper of general circulation in the city, together with a notice fixing a date for a public hearing on the proposed increase. The hearing shall be held not less than two weeks nor more than four weeks after the first publication of the resolution. Following the public hearing, the city may determine to take no further action or, in the alternative, adopt a resolution authorizing the increase as originally proposed or approving an increase in the lesser amount it determines. The resolution authorizing an increase shall be published in the official newspaper of the city or if there is no official newspaper, in a newspaper of general circulation in the city. If within 30 days thereafter a petition signed by voters equal in number to ten percent of the votes cast in the city in the last general election requesting a referendum on the proposed resolution is filed with the clerk the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum. The referendum must be held at a special or general election prior to October 1, 1984.

Sec. 14. [APPLICABILITY.]

On its effective date, sections 12 and 13 apply to the city of Oakdale.

Sec. 15. [MORRISON COUNTY LAND CONVEYANCE.]

The state of Minnesota shall convey to Richard T. Peterson, Route #6, Little Falls, 56345, any land in Morrison County owned by him in 1977 which became forfeited for unpaid property taxes after 1977. The attorney general shall prepare appropriate instruments of conveyance with a precise description of all land subject to this section. The price for the land shall be the same as that provided for a redemption under Minnesota Statutes, section 281.02.

Sec. 16. [EFFECTIVE DATE.]

Section 2 is effective for sales after June 30, 1984. Sections 3 to 5 are effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the board of managers of the Ramsey-Washington metro watershed district. Sections 6 and 7 are effective May 1, 1984. Section 8 is effective upon the day after the filing of its approval by the governing body of the city of Cloquet in accordance with Minnesota Statutes, section 645.021, subdivision 3. Pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), sections 10 and 11 are effective without local approval the day after final enactment. Pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), sections 12, 13, and 14 are effective without local approval the day after final enactment.

## ARTICLE 14

### MISCELLANEOUS

Section 1. [16A.124] [PROMPT PAYMENT OF STATE AGENCY BILLS REQUIRED.]

Subdivision 1. [DEFINITIONS.] For the purposes of section 1, the following terms have the meanings here given them.

(a) "Commissioner" means the commissioner of finance.

(b) "State agency" has the meaning assigned to it in section 16.011.

*Subd. 2. [COMMISSIONER SUPERVISION.] The commissioner shall exercise constant supervision over state agencies to insure the prompt payment of vendor obligations.*

*Subd. 3. [PAYMENT REQUIRED.] State agencies must pay each valid vendor obligation so that the vendor receives payment within the vendor's early payment discount period. If there is no early payment discount period, the state agency must pay the vendor within 30 days following the receipt of the invoice for the completed delivery of the product or service.*

*Subd. 4. [INVOICE ERRORS.] If an invoice is incorrect, defective, or otherwise improper, the agency must notify the vendor within ten days of discovering the error. Upon receiving a corrected invoice, the agency must pay the bill within the time limitation contained in subdivision 3.*

*Subd. 5. [PAYMENT OF INTEREST ON LATE PAYMENTS REQUIRED.] (a) A state agency shall pay interest to a vendor for undisputed billings when the agency has not paid the billing within 30 days following receipt of the invoice, merchandise, or service whichever is later. A negotiated contract or agreement between a vendor and a state agency which requires an audit by the state agency prior to acceptance and payment of the vendor's invoice shall not be considered past due until 30 days after the completion of the audit by the state agency. Before any interest payment is made, the vendor must invoice the state agency for such interest.*

*(b) The rate of interest paid by the agency on undisputed bills not paid within 30 days shall be one percent per month or any part thereof.*

*(c) All interest penalties and collection costs must be paid from the agency's current operating budget. No agency may seek to increase its appropriation for the purpose of obtaining funds to pay interest penalties or collection costs.*

*(d) Any vendor who prevails in a civil action to collect interest penalties from a state agency shall be awarded its costs and disbursements, including attorney's fees, incurred in bringing the actions.*

*(e) No interest penalties may accrue against an agency that delays payment of a bill due to a disagreement with the vendor; provided, that the dispute must be settled within 30 days after the bill became overdue. Upon the resolution of the dispute, the agency must pay the vendor accrued interest on all proper invoices for which payment was not received within the applicable time limit contained in subdivision 3.*

*(f) The minimum monthly interest penalty payment that a state agency shall pay a vendor for the unpaid balance for any one overdue bill equal to or in excess of \$100 is \$10. For unpaid balances of less than \$100, the state agency shall pay the actual penalty due to the vendor.*

*Subd. 6. [AUTHORITY TO REDUCE AGENCY ALLOTMENT.] The commissioner shall have the authority to reduce the allotment of any state agency by the amount of any vendor obligations that are paid later than 30 days following the receipt of the invoice for completed delivery of the prod-*

ucts or services.

*Subd. 7. [REPORT TO LEGISLATURE.] The commissioner shall report to the legislature each year summarizing the state's payment record for the preceding year. The report shall include the number and dollar amount of late payments made by each agency, the amount of interest penalties and collection costs paid, and the specific steps being taken to reduce the incidence of late payments in the future.*

*Subd. 8. [APPLICABILITY.] Subdivisions 1 to 7 apply to all agency purchases, leases, rentals, and contracts for services, including construction and remodeling contracts.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 240.18, is amended to read:

240.18 [BREEDERS FUND.]

The commission shall establish a Minnesota breeders fund with the money paid to it under section 240.15, subdivision 1. The commission, after paying the *current* costs of administering the fund, shall distribute the *available* net proceeds as follows:

(1) Twenty percent of the ~~remaining~~ *available* money in the fund must be expended as grants for equine research and related education at public institutions of post-secondary learning within the state.

(2) After deducting the amount for (1), the balance of the ~~fund~~ *available proceeds* shall be apportioned into categories corresponding with the various breeds of horses which ~~race~~ *are racing* at licensed Minnesota racetracks ~~in the previous year~~, in proportion to each category's contribution to the fund. The *available* funds in each category may be expended by the commission to:

(a) supplement purses for races held exclusively for Minnesota-bred, Minnesota-foaled or Minnesota-owned horses until January 1, ~~1986~~ 1988, and for Minnesota-bred and Minnesota-foaled horses after that date;

(b) pay breeders or owners awards to the breeders or owners of Minnesota-bred horses which win money at licensed racetracks in the state; and

(c) provide other financial incentives to encourage the horse breeding industry in Minnesota.

The commission shall adopt rules governing the distribution of the fund. The commission may establish advisory committees to advise it on the distribution of money under this section, provided that the members of an advisory committee shall serve without compensation.

Sec. 3. Minnesota Statutes 1982, section 270A.03, subdivision 5, is amended to read:

Subd. 5. "Debt" means a legal obligation of a natural person to pay a fixed and certain amount of money, which equals or exceeds \$25 and which is due and payable to a claimant agency. The term includes criminal fines imposed under section 609.10. A debt may arise under a contractual or statutory obligation, a court order, or other legal obligation, but need not have been reduced to judgment. A debt does not include (1) any legal obligation of a current recipient of assistance which is based on overpayment of an assis-

tance grant, or (2) any legal obligation to pay a claimant agency for medical care, including hospitalization if the debtor qualified for a low income credit equal to tax liability pursuant to section 290.06, subdivision 3d, clause (1), at the time when the medical care was rendered.

Sec. 4. Minnesota Statutes 1982, section 270A.04, subdivision 2, is amended to read:

Subd. 2. Any debt owed to a claimant agency shall be submitted by the agency for collection under the procedure established by sections 270A.01 to 270A.12 unless (a) an alternative means of collection is pending and believed to be adequate, (b) the collection attempt would result in a loss of federal funds, or (c) the agency is unable to supply the department with the necessary identifying information required by subdivision 3 or rules promulgated by the commissioner, or (d) the debt is barred by section 541.05.

Sec. 5. Minnesota Statutes 1982, section 270A.08, subdivision 1, is amended to read:

Subdivision 1. Not later than five days after the claimant agency has sent notification to the department pursuant to section 270A.07, subdivision 1, the claimant agency shall send a written notification to the debtor asserting the right of the claimant agency to the refund or any part thereof. *If the notice is returned to the claimant agency as undeliverable, or the claimant agency has reason to believe the debtor did not receive the notice, the claimant agency shall obtain the current address of the debtor from the commissioner and resend the corrected notice.*

Sec. 6. Minnesota Statutes 1982, section 270A.08, subdivision 2, is amended to read:

Subd. 2. (a) This written notice shall clearly and with specificity set forth the basis for the claim to the refund *including the name of the benefit program involved if the debt arises from a public assistance grant and the dates on which the debt was incurred* and, further, shall advise the debtor of the claimant agency's intention to request set-off of the refund against the debt.

(b) The notice will also advise the debtor of his right to contest the validity of the claim at a hearing. The debtor must assert this right by written request to the claimant agency, which request the agency must receive within 45 days of the mailing date of the original notice or of the corrected notice, as required by subdivision 1. *If the debtor has not received the notice, the 45 days shall not commence until the debtor has received actual notice. The debtor shall have the burden of showing no notice and shall be entitled to a hearing on the issue of notice as well as on the merits.*

Sec. 7. Minnesota Statutes 1982, section 287.05, is amended by adding a subdivision to read:

*Subd. 3. When a mortgage secures a revolving line of credit under which advances, payments, and readvances may be made from time to time, the tax imposed under subdivision 1 shall be paid on the maximum amount of the line of credit which may be secured at any one time, as expressed in the mortgage, regardless of the time or amount of advances, payments, or readvances.*

Sec. 8. Minnesota Statutes 1982, section 287.05, is amended by adding a

subdivision to read:

*Subd. 4. No tax under subdivision 1 shall be paid on the indeterminate amount which may be advanced by the mortgagee in protection of the mortgaged premises or the mortgage, including taxes, assessments, charges, claims, fines, impositions, insurance premiums, amounts due upon prior or superior mortgages and other prior or superior liens, encumbrances and interests, and legal expenses and attorneys' fees.*

Sec. 9. Minnesota Statutes 1982, section 287.05, is amended by adding a subdivision to read:

*Subd. 5. When a mortgage secures an indeterminate amount other than those described in subdivision 3 or 4, no tax shall be paid at the time the mortgage is recorded or registered, but the tax must be paid at the time of recording or filing an affidavit stating the amount and time of the actual advance.*

Sec. 10. Minnesota Statutes 1983 Supplement, section 296.14, subdivision 4, is amended to read:

Subd. 4. [PAYMENT AND TRANSFER OF TAX ON GASOLINE SOLD FOR STORAGE IN ON-FARM BULK STORAGE AND ETHYL ALCOHOL FOR PERSONAL USE.] Notwithstanding the provisions of this section, the producer of ethyl alcohol which is produced for personal use and not for sale in the usual course of business and a farmer who uses gasoline on which a tax has not been paid shall report and pay the tax on all ethyl alcohol or gasoline delivered into the supply tank of a licensed motor vehicle during the preceding calendar year. The tax shall be reported and paid together with the ~~income tax return of any refund claim filed by the taxpayer under section 296.18. If no refund claim is filed, the tax shall be reported and paid annually by March 15 or more frequently, as the commissioner may prescribe. The commissioner of revenue shall transfer the amount collected in each calendar year to the highway user tax distribution fund by March 30 of the following taxable year.~~ Any producer, qualifying under this subdivision, shall be exempt from the licensing requirements contained in section 296.01, subdivision 1.

Sec. 11. Minnesota Statutes 1983 Supplement, section 296.18, subdivision 1, is amended to read:

Subdivision 1. [GASOLINE OR SPECIAL FUEL USED IN OTHER THAN MOTOR VEHICLES.] Any person who shall buy and use gasoline for ~~any a qualifying~~ purpose other than use in motor vehicles, snowmobiles, or motorboats, or special fuel for ~~any a qualifying~~ purpose other than use in licensed motor vehicles, and who shall have paid the Minnesota excise tax directly or indirectly through the amount of the tax being included in the price of the gasoline or special fuel, or otherwise, shall be ~~eligible to receive the credit provided in section 290.06, subdivision 13, in reimbursed and repaid~~ the amount of the tax paid by him upon filing with the commissioner a signed claim in writing in the form and containing the information the commissioner shall require and accompanied by the original invoice thereof. ~~The taxpayer claiming this credit shall include with his income tax return information including~~ By signing any such claim which is false or fraudulent, the applicant shall be subject to the penalties provided in this section for knowingly mak-

ing a false claim. The claim shall set forth the total amount of the gasoline so purchased and used by him other than in motor vehicles, or special fuel so purchased and used by him other than in licensed motor vehicles, and shall state when and for what purpose it was used. When a claim contains an error in computation or preparation, the commissioner is authorized to adjust the claim in accordance with the evidence shown on the claim or other information available to him. If the commissioner is satisfied that the claimant is entitled to the payments, he shall approve the claim and transmit it to the commissioner of finance. No repayment shall be made unless the claim and invoice shall be filed with the commissioner within one year from the date of the purchase. The postmark on the envelope in which the claim is mailed shall determine the date of filing. The words "gasoline" or "special fuel" as used in this subdivision do not include aviation gasoline or special fuel for aircraft. Gasoline or special fuel bought and used for a "qualifying purpose" means:

(1) Gasoline or special fuel used in carrying on a trade or business, used on a farm situated in Minnesota, and used for a farming purpose. "Farm" and "farming purpose" have the meanings given them in section 6420(c)(2), (3), and (4) of the Internal Revenue Code of 1954, as amended through December 31, 1983.

(2) Gasoline or special fuel used for off-highway business use. "Off-highway business use" means any use by a person in that person's trade, business, or activity for the production of income. "Off-highway business use" does not include use as a fuel in a motor vehicle which, at the time of use, is registered or is required to be registered for highway use under the laws of any state or foreign country.

Sec. 12. Minnesota Statutes 1982, section 296.18, subdivision 3, is amended to read:

Subd. 3. [PENALTIES FOR FILING FALSE CLAIMS.] Every person who shall make any false statement in any claim or invoice filed with the commissioner, or knowingly file with the commissioner any claim or invoice containing any false statement or collect or cause to be paid to him or to any other person a refund without being entitled thereto, when acting pursuant to the provisions of subdivision 1 or 2, clause 3, shall forfeit the full amount of the claim and be guilty of a misdemeanor. Every person who is convicted under the provisions of this subdivision shall be prohibited from filing with the commissioner any claim for refund upon gasoline purchased within six months after such conviction.

Sec. 13. Minnesota Statutes 1982, section 296.18, subdivision 8, is amended to read:

Subd. 8. [APPROPRIATION.] There is hereby appropriated to the persons entitled to such refund under this section, from the fund or account in the state treasury to which the money was credited, an amount sufficient to make the refund and payment. ~~There is annually appropriated from the highway user tax distribution fund to the general fund the amount required to make the refunds required to be paid as income tax credits pursuant to sections 290.06, subdivision 13 and 296.18, subdivision 4.~~

Sec. 14. Minnesota Statutes 1982, section 341.05, is amended to read:

## 341.05 [DUTIES.]

Subdivision 1. The board of boxing shall have charge and supervision of all boxing and sparring exhibitions held in the state and have power:

(1) To promulgate rules governing the conduct of boxing and sparring exhibitions and the time and place thereof;

(2) To issue licenses to individuals or organizations desiring to promote or conduct boxing or sparring exhibitions, and to suspend or revoke the licenses at its pleasure; every application for a license shall designate the territory in which the individual or organization intends to operate, and the license granted shall entitle the licensee to conduct the exhibitions in that territory and in no other.

~~The commissioner of revenue shall collect five percent of the gross receipts from admission to every boxing and sparring exhibition other than an amateur boxing and sparring exhibition held within the state, and five percent of the gross receipts from the lease or sale of radio, motion picture and television rights therein.~~

~~All complimentary tickets for a boxing and sparring exhibition other than an amateur boxing and sparring exhibition presented at any entrance gate shall likewise be assessed for the tax herein provided five percent of the value thereof. All moneys so collected shall be paid into the state treasury.~~

Subd. 2. The board of boxing shall issue a license to a person or organization holding, showing, or exhibiting a simultaneous telecast of any live, current, or spontaneous boxing or sparring match, exhibition, or performance on a closed circuit telecast or subscription television program viewed within the state, whether originating in this state or elsewhere, and for which a charge is made. Each such person or organization shall apply for such a license in advance of each showing and shall within 24 hours after the termination of such showing furnish the commissioner of revenue a written report, duly verified by an authorized person, showing the number of tickets sold for such showing, the amount of the gross proceeds thereof, and such other matters as the commissioner of revenue may prescribe; and shall also, within 24 hours after the termination of such showing, pay to the commissioner of revenue five percent of the gross receipts from the sale of tickets of admission or moneys received from subscription for the showing or exhibiting of said boxing or sparring match, exhibition, or performance. If the boxing or sparring match, exhibition, or performance is wholly amateur no payment is due.

Whoever violates the provisions of this subdivision is guilty of a misdemeanor and may be punished therefor as provided by law. The penalty herein provided is in addition to any other penalty for violation of this subdivision as may be otherwise fixed in this chapter.

Sec. 15. Minnesota Statutes 1982, section 473.595, subdivision 1, is amended to read:

Subdivision 1. [ADMISSION TAX.] Effective January 1, 1978, the commission shall by resolution impose a three percent admission tax upon the granting, sale, or distribution, by any private or public person, association, or corporation, of the privilege of admission to activities; except for those activities sponsored at the indoor public assembly facility at the metropolitan

sports area known as the metropolitan sports center. Commencing with the operation of sports facilities constructed or remodeled by the commission pursuant to sections 473.551 to 473.595, the commission shall impose an additional seven percent admission tax upon activities conducted at such sports facilities. Effective January 1, 1978, no other tax, except the taxes imposed by chapter 297A, may be levied by any other unit of government upon any such sale or distribution. The admission tax shall be stated and charged separately from the sales price so far as practicable and shall be collected by the grantor, seller, or distributor from the person admitted and shall be a debt from that person to the grantor, seller, or distributor, and the tax required to be collected shall constitute a debt owed by the grantor, seller, or distributor to the commission, which shall be recoverable at law in the same manner as other debts. Every person granting, selling, or distributing tickets for such admissions may be required, as provided in resolutions of the commission, to secure a permit, to file returns, to deposit security for the payment of the tax, and to pay such penalties for nonpayment and interest on late payments, as shall be deemed necessary or expedient to assure the prompt and uniform collection of the tax.

*Notwithstanding any other provisions of this subdivision, the imposition of an admission tax upon a national superbowl football game conducted at the commission's facilities is discretionary with the commission.*

**Sec. 16. [507.325] [MORTGAGE SECURING REVOLVING LINE OF CREDIT; NOTICE.]**

*A mortgage securing a revolving line of credit under which advances, payments, and readvances may be made from time to time, and which states the maximum amount of the line of credit which may be secured at any one time, is effective as notice to parties from the time the mortgage is recorded as to all advances and readvances secured thereby, regardless of the time or amount of advances, payments, or readvances and whether or not the advances or readvances are obligatory.*

**Sec. 17. [508.555] [MORTGAGE SECURING REVOLVING LINE OF CREDIT; NOTICE.]**

*A mortgage securing a revolving line of credit under which advances, payments, and readvances may be made from time to time, and which states the maximum amount of the line of credit which may be secured at any one time, is effective as notice to parties from the time the mortgage is filed and registered as to all advances and readvances secured thereby, regardless of the time or amount of advances, payments, or readvances and whether or not the advances or readvances are obligatory.*

**Sec. 18. [APPROPRIATION.]**

*There is appropriated from the general fund to the finance department for fiscal year 1985 the sum of \$240,000 for the operating expenses of the tax study commission. The approved complement of the tax study commission for fiscal year 1985 is seven. This appropriation is available until February 28, 1985.*

Sec. 19. H.F. No. 1393, article 9, section 9, if enacted during the 1984 regular session, is amended to read:

**Sec. 9. [EDUCATION AIDS INCREASE ACCOUNT.]**



Subdivision 1. [ESTABLISHMENT.] There is established an education aids increase account in the general fund of the state treasury for the deposit of funds to insure adequate funding for increases in aids to school districts for the biennium beginning July 1, 1985.

Subd. 2. [INITIAL TRANSFER.] The commissioner of finance shall transfer ~~\$23,000,000~~ \$21,700,000 to the education aids increase account on July 1, 1984.

Subd. 3. [CONTINGENT TRANSFERS.] If forecasts of general fund revenues and expenditures prepared by the commissioner of finance pursuant to chapter 16A prior to December 1, 1984, indicate a projected general fund balance for the biennium ending June 30, 1985, the commissioner shall transfer the amount of the balance to the education aids increase account; however, in no case shall the cumulative total of all transfers according to this subdivision exceed ~~\$27,000,000~~ \$28,300,000. Transfers to the education aids increase account shall remain in the account until expended.

Subd. 4. [EXPIRATION OF ACCOUNT.] The education aids increase account shall expire on June 30, 1987. Any unexpended moneys in the education aids increase account on June 30, 1987, shall be transferred to the general fund.

Sec. 20. [REPEALER.]

(a) *Minnesota Statutes 1982, section 290.06, subdivision 13, is repealed.*

(b) *Minnesota Statutes 1982, section 270.051, is repealed.*

Sec. 21. [EFFECTIVE DATE.]

*Section 1 is effective July 1, 1984, and applies to all payments due on or after that date. Section 3 is effective for amounts remitted or transferred to a claimant agency after the day of final enactment. Sections 10 to 13 and 20, paragraph (a), are effective for taxable years beginning after December 31, 1984. Sections 14 and 20, paragraph (b), are effective July 1, 1984. Section 19 is effective the day after final enactment."*

Delete the title and insert:

"A bill for an act relating to financing and operation of government in this state; increasing the budget reserve account; repealing the income tax surtax; providing a tax amnesty; increasing the school agricultural credit; providing for distribution of proceeds from Minnesota breeders fund; changing notice provisions and qualifying debts under the revenue recapture capture act; clarifying the application of the mortgage registry tax to revolving lines of credit; changing refund procedure of motor fuels tax; abolishing the excise tax on boxing; changing the maximum property tax levy of Duluth port authority; exempting hot water heating from St. Paul franchise tax; giving certain powers to the Ramsey-Washington metro watershed district; creating the Croft Historical Park board; giving the city of Cloquet power to contract and levy for public transportation; providing for the conveyance of certain lands in St. Louis County and Morrison County; authorizing levy limit increases for the cities of Breezy Point and Oakdale; abolishing rent capitalization and providing for study by the department of revenue; imposing requirements for disaster relief property tax credits; changing certain assessment ratios; changing eligibility for certain assessment ratios; changing homestead clas-

sification treatment; changing property tax statement requirements; delaying imposition of a property tax penalty; providing for notice of sale of certain tax forfeited lands; changing computation of payments in lieu; requiring tax clearance prior to issuance of certain licenses; restoring local government aid payments for 1984; modifying the computation formula for local government aids; providing for a local government aids study commission; changing designation and funding for enterprise zones; changing procedures and eligibility for certain business income tax credits; allowing or increasing income tax deductions for certain dividends and royalties; restricting tax exemptions for redevelopment companies; providing grants for plant expansions; adjusting the computation of taxes on taconite and iron ore and authorizing certain refunds and credits; modifying distributions from the proceeds of the taconite tax; changing computation of agricultural, homestead, and taconite homestead credits; allowing taxing districts to levy for certain purposes; changing the definition of political party for purposes of the political contribution credit; changing the income tax pension exclusion; altering certain gross income modifications; increasing the tuition deduction; providing for the adjustment of income under the farm loss modification; providing for the determination of sales within the state for income tax purposes; changing or eliminating withholding on parimutuel winnings and purses; reenacting rental registration provisions; establishing an agricultural resource loan guaranty program; regulating charitable gambling; requiring prompt payment by state agencies; providing that certain admission taxes are discretionary with the metropolitan sports facilities commission; changing certain transfers to the education aids increase account; exempting sales of candy by nonprofit youth organizations from the sales tax; changing certain provisions relating to sales ratios and property tax appeals; including logging equipment in the definition of farm machinery; providing a reduced sales tax rate on capital equipment and special tooling; exempting hot water and certain manufactured homes from the sales tax; exempting certain vehicles used in interstate commerce; providing that sales of certain leased vehicles are not exempt; simplifying hydropower lease procedures; clarifying certain exempt land; modifying the definition of wetlands; extending availability of confession of judgment procedures to certain nonhomestead property; modifying and extending the targeting credit for certain years; providing property tax reimbursement for certain transit levies; changing certain procedures for valuing railroad property; providing certain refunds for railroad abatements; appropriating money; amending Minnesota Statutes 1982, sections 10A.31, subdivisions 3a and 5; 105.482, subdivisions 8 and 9; 124.2131, subdivision 1; 270.04; subdivision 2; 270.80, subdivision 4; 270.84, subdivision 1; 270.86; 270.87; 270A.03, subdivision 5; 270A.08, subdivisions 1 and 2; 271.01, subdivision 5; 271.06, subdivision 6; 272.02, by adding a subdivision; 273.123, by adding subdivisions; 273.13, subdivision 19; 273.135, subdivisions 2 and 5; 273.1391, subdivisions 2 and 4; 273.19, by adding a subdivision; 279.37, subdivisions 1 and 3; 287.05, by adding subdivisions; 290.06, by adding a subdivision; 290.08, by adding a subdivision; 290.19, subdivision 1a; 290.21, by adding a subdivision; 290.61; 290A.04, by adding a subdivision; 295.44, subdivision 1; 296.18, subdivisions 3 and 8; 297A.01, subdivision 15, and by adding subdivisions; 297A.15, by adding a subdivision; 297A.44, subdivision 1; 297B.035, subdivision 3; 298.01; 298.02, subdivision 1; 298.031, subdivision 2; 298.225; 298.24, subdivision 1, and by adding a subdivision; 298.40, by adding a subdivision; 299.012, subdivision 1; 341.05; 349.11; 349.12; 349.13; 349.14; 349.15; 349.16; 349.17; 349.18; 349.19; 349.20; 349.21; 349.22; 349.31, subdivision 1; 362A.01, subdivision 1; 362A.05; 458.14; 462.651, subdivision 1, and by adding a subdivision; 473.595, subdivision 1;

sion; 473.595, subdivision 1; 477A.13; Minnesota Statutes 1983 Supplement, sections 16A.15, subdivision 6; 124.2137, subdivision 1; 240.18; 272.02, subdivision 1; 273.11, subdivision 1; 273.13, subdivisions 6, 7, 9, 17, 17b, 17c, and 21; 273.1312, subdivision 4; 273.1314, subdivisions 6, 8, and 15; 275.125, subdivisions 11a, 11b, and 12a; 276.04; 278.01, subdivision 1; 278.05, subdivision 4; 279.01, subdivision 1; 290.01, subdivisions 20a and 20b; 290.06, subdivision 11; 290.069, subdivisions 1, 2, 4, 5, and by adding subdivisions; 290.089, subdivision 2; 290.09, subdivision 29; 290.18, subdivision 2; 290.21, subdivision 4; 290.92, subdivisions 27 and 28; 290A.04, subdivisions 2e and 2f; 296.14, subdivision 4; 296.18, subdivision 1; 297A.02, subdivision 2, and by adding a subdivision; 297A.14; 297A.25, subdivision 1; 297B.03; 298.28, subdivision 1; 340.14, subdivision 2; 473.446, subdivision 1; 477A.013, subdivisions 1 and 2; 477A.0131, subdivision 1; 609.75, subdivision 3; 609.761; amending Laws 1979, chapter 189, section 2; Laws 1982, Second Special Session, chapter 2, sections 12, as amended, and 14, as amended; Laws 1983, chapter 342, article 1, section 44; 1984 Regular Session, H.F. No. 1393, article 9, section 9; proposing new law coded as Minnesota Statutes, chapter 41A; proposing new law coded in Minnesota Statutes, chapters 16A; 270; 282; 349; 362A; 507; 508; repealing Minnesota Statutes 1982, sections 270.051; 290.06, subdivision 13; 295.44, subdivisions 2, 3, and 4; 349.26; 462.651, subdivision 2; Minnesota Statutes 1983 Supplement, sections 273.11, subdivision 7; 290.06, subdivision 2e; 462.651, subdivision 3; 477A.0131, subdivision 2; and 477A.03, subdivision 2; Laws 1983, chapter 342, article 1, section 8."

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

House Conferees: (Signed) John D. Tomlinson, Randy C. Kelly, Willis Eken, Elton R. Redalen, Harry A. Sieben, Jr.

Senate Conferees: (Signed) Douglas J. Johnson, Collin C. Peterson, Linda Berglin, Steven G. Novak, John Bernhagen

Mr. Johnson, D.J. moved that the foregoing recommendations and Conference Committee Report on H.F. No. 2016 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. 2016 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 65 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Nelson	Renneke
Anderson	Diessner	Knutson	Novak	Samuelson
Belanger	Dieterich	Kroening	Olson	Schmitz
Benson	Frank	Kronebusch	Pehler	Sieloff
Berg	Frederick	Laidig	Peterson, C.C.	Solon
Berglin	Frederickson	Langseth	Peterson, D.C.	Storm
Bernhagen	Freeman	Lantry	Peterson, D.L.	Stumpf
Bertram	Hughes	Lessard	Peterson, R.W.	Taylor
Brataas	Isackson	Luther	Petty	Ulland
Chmielewski	Johnson, D.E.	McQuaid	Pogemiller	Vega
Dahl	Johnson, D.J.	Mehrkens	Purfeerst	Waldorf
Davis	Jude	Merriam	Ramstad	Wegscheid
DeCramer	Kamrath	Moe, R. D.	Reichgott	Willet

Messrs. Moe, D.M. and Spear voted in the negative.

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

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Chmielewski moved that the following members be excused for a Conference Committee on H.F. No. 1621 at 5:20 p.m.:

Messrs. Chmielewski, Schmitz and Mehrkens. The motion prevailed.

### SPECIAL ORDER

H.F. No. 1903: A bill for an act relating to local government; permitting refunding of certain bonds; clarifying powers of municipalities with respect to sale of air rights; amending Minnesota Statutes 1982, sections 472A.03; and 472A.06.

### SUSPENSION OF RULES

Mr. Petty 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. 1903 and that the rules of the Senate be so far suspended as to give H.F. No. 1903, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

Mr. Petty moved to amend H.F. No. 1903, as amended pursuant to Rule 49, adopted by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2146.)

Page 2, line 27, after "rights" insert "*provided that the deed, lease, or other related instrument shall set forth the obligations of the parties with respect to the maintenance of structural support for the improvements constructed on or within the air rights and shall specify the duration of any easements upon public buildings, including any easement for structural support*".

Mr. Knaak questioned whether the amendment was germane. The President ruled the amendment was germane.

The question recurred on the adoption of the amendment.

The motion prevailed. So the amendment was adopted.

H.F. No. 1903 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 45 and nays 10, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Laidig	Olson	Schmitz
Benson	Frederickson	Langseth	Pehler	Sieloff
Berglin	Hughes	Lantry	Peterson, C.C.	Spear
Bernhagen	Isackson	Luther	Peterson, D.C.	Taylor
Bertram	Johnson, D.E.	McQuaid	Peterson, D.L.	Ulland
Dahl	Jude	Moe, D. M.	Petty	Vega
Davis	Kamrath	Moe, R. D.	Pogemiller	Waldorf
DeCramer	Kroening	Nelson	Ramstad	Wegscheid
Dicklich	Kronebusch	Novak	Renneke	Willet

Those who voted in the negative were:

Anderson	Brataas	Frederick	Knutson	Peterson.R.W.
Belanger	Dieterich	Knaak	Merriam	Stumpf

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

### RECONSIDERATION

Mr. Petty moved that the vote whereby H.F. No. 1903 was passed by the Senate on April 19, 1984, be now reconsidered. The motion prevailed.

Ms. Olson moved to amend H.F. No. 1903, as amended pursuant to Rule 49, adopted by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2146.)

Page 1, after line 6, insert:

“Section 1. [465.76] [LEGAL COUNSEL; REIMBURSEMENT.]

*If reimbursement is requested by the officer or employee, the governing body of a home rule charter or statutory city or county may, after consultation with its legal counsel, reimburse a city or county officer or employee for any costs and reasonable attorney's fees incurred by the person to defend charges of a criminal nature brought against the person that arose out of the reasonable and lawful performance of duties for the city or county, provided if less than a quorum of the governing body is disinterested, that such reimbursement shall be approved by a judge of the district court.”*

Page 3, line 8, delete “This act is” and insert “Sections 2 and 3 are”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, before the period, insert “; proposing new law coded in Minnesota Statutes, chapter 465”

The motion prevailed. So the amendment was adopted.

H.F. No. 1903 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 43 and nays 12, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Lantry	Peterson.C.C.	Solon
Benson	Frank	Lessard	Peterson.D.C.	Spear
Berglin	Frederickson	Luther	Petty	Taylor
Bernhagen	Hughes	McQuaid	Pogemiller	Ulland
Bertram	Johnson, D.E.	Moe, R. D.	Ramstad	Vega
Dahl	Jude	Nelson	Renneke	Wegscheid
Davis	Kamrath	Novak	Samuelson	Willet
DeCramer	Kroening	Olson	Schmitz	
Dicklich	Kronebusch	Pehler	Sieloff	

Those who voted in the negative were:

Anderson	Frederick	Knutson	Peterson,D.L.	Stumpf
Belanger	Isackson	Merriam	Peterson,R.W.	Waldorf
Brataas	Knaak			

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

**SPECIAL ORDER**

S.F. No. 1662: A bill for an act relating to solid waste; reducing the number of proposed sites in metropolitan counties having a population of less than 300,000 for mixed municipal solid waste disposal facilities; amending Minnesota Statutes 1983 Supplement, section 473.803, subdivision 1a.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Nelson	Renneke
Anderson	Dicklich	Knutson	Novak	Samuelson
Belanger	Diessner	Kroening	Olson	Schmitz
Benson	Dieterich	Kronebusch	Pehler	Sieloff
Berglin	Frank	Lantry	Peterson, D.C.	Spear
Bernhagen	Frederickson	Lessard	Peterson, R.W.	Ulland
Bertram	Hughes	McQuaid	Petty	Vega
Brataas	Isackson	Mehrkens	Pogemiller	Waldorf
Chmielewski	Jude	Merriam	Purfeerst	Wegscheid
Dahl	Kamrath	Moe, D. M.	Ramstad	Willet

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

H.F. No. 229: A bill for an act relating to health; allowing any interested person to seek enforcement of certain patient rights; amending Minnesota Statutes 1982, section 144.651, by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 144.651, subdivision 1.

**SUSPENSION OF RULES**

Mr. Spear 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. 229 and that the rules of the Senate be so far suspended as to give H.F. No. 229, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

Mr. Sieloff moved to amend H.F. No. 229, as amended pursuant to Rule 49, adopted by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 21.)

Page 2, line 1, after "*resident*" insert "*, or his guardian or conservator, or a person holding the patient's power of attorney*"

Page 2, line 3, delete "*a*" and insert "*where the patient is subject to a guardianship or conservatorship, any*"

Page 2, line 6, before the period, insert "*in probate court or other court having jurisdiction of guardianships and conservatorships*"

Page 2, after line 18, insert:

"Sec. 3. [CITY OF ST. PAUL; LIQUOR LICENSES.]

*Notwithstanding any law to the contrary enacted in the 1984 legislative*

*session, the city of St. Paul may not issue retail intoxicating liquor licenses within the territory where sale of liquor was prohibited by Special Laws 1885, chapter 281, section 6. Regardless of the order of final enactment of this section and any law which conflicts with this section, this section shall be given effect. Notwithstanding Minnesota Statutes, sections 645.26, subdivision 3, 645.33, or other law, this section shall prevail over any other act to the contrary which is irreconcilable with this section."*

Amend the title accordingly

Mr. Spear requested division of the amendment as follows:

First portion:

Page 2, line 1, after "resident" insert "or his guardian or conservator, or a person holding the patient's power of attorney"

Page 2, line 3, delete "a" and insert "where the patient is subject to a guardianship or conservatorship, any"

Page 2, line 6, before the period, insert "in probate court or other court having jurisdiction of guardianships and conservatorships"

Second portion:

Page 2, after line 18, insert:

"Sec. 3. [CITY OF ST. PAUL; LIQUOR LICENSES.]

*Notwithstanding any law to the contrary enacted in the 1984 legislative session, the city of St. Paul may not issue retail intoxicating liquor licenses within the territory where sale of liquor was prohibited by Special Laws 1885, chapter 281, section 6. Regardless of the order of final enactment of this section and any law which conflicts with this section, this section shall be given effect. Notwithstanding Minnesota Statutes, sections 645.26, subdivision 3, 645.33, or other law, this section shall prevail over any other act to the contrary which is irreconcilable with this section."*

Amend the title accordingly

The question was taken on the adoption of the first portion of the amendment.

The roll was called, and there were yeas 28 and nays 23, as follows:

Those who voted in the affirmative were:

Benson	Diessner	Laidig	Peterson, R. W.	Taylor
Berg	Dieterich	Lessard	Ramstad	Ulland
Bernhagen	Frederickson	McQuaid	Renneke	Waldorf
Brataas	Kamrath	Moe, R. D.	Samuelson	Wegscheid
Chmielewski	Knutson	Olson	Sieloff	
DeCramer	Kronebusch	Peterson, D.L.	Storm	

Those who voted in the negative were:

Adkins	Frank	Lantry	Petty	Stumpf
Berglin	Freeman	Luther	Pogemiller	Vega
Bertram	Jude	Merriam	Purfeerst	Willet
Dahl	Knaak	Novak	Solon	
Davis	Langseth	Peterson, D.C.	Spear	

The motion prevailed. So the first portion of the amendment was adopted.

Mr. Sieloff withdrew the second portion of his amendment.

H.F. No. 229 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Laidig	Peterson, D.C.	Spear
Anderson	Diessner	Langseth	Peterson, D.L.	Storm
Benson	Dieterich	Lantry	Peterson, R.W.	Stumpf
Berg	Frank	Lessard	Petty	Ulland
Berglin	Frederickson	Luther	Purfeerst	Vega
Bernhagen	Freeman	McQuaid	Ramstad	Waldorf
Bertram	Jude	Merriam	Reichgott	Wegscheid
Brataas	Kamrath	Moe, D. M.	Renneke	Willet
Chmielewski	Knaak	Moe, R. D.	Samuelson	
Dahl	Knutson	Novak	Sieloff	
Davis	Kronebusch	Olson	Solon	

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

### SPECIAL ORDER

H.F. No. 1509: A bill for an act relating to motor vehicles; prohibiting fees for the return of number plates; amending Minnesota Statutes 1982, section 168.15.

Was read the third time 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 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Laidig	Olson	Spear
Anderson	Diessner	Langseth	Peterson, D.C.	Storm
Benson	Dieterich	Lantry	Peterson, D.L.	Stumpf
Berg	Frank	Lessard	Peterson, R.W.	Ulland
Bernhagen	Frederickson	Luther	Petty	Vega
Bertram	Jude	McQuaid	Purfeerst	Waldorf
Brataas	Kamrath	Merriam	Ramstad	Wegscheid
Chmielewski	Knaak	Moe, D. M.	Renneke	
Dahl	Knutson	Moe, R. D.	Samuelson	
Davis	Kronebusch	Novak	Sieloff	

So the bill passed and its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Purfeerst moved that H.F. No. 1315 be taken from the table. The motion prevailed.

H.F. No. 1315: A bill for an act relating to bicycles; allowing bicycle registrants to donate in excess of the registration fee to pay for costs of administering and publicizing the bicycle registration program and for developing bicycle education programs and recreational facilities and trails; providing criteria for fund allocation to political subdivisions; providing for reports to the legislature; providing for appointment of deputy registrars of



bicycles; continuing the bicycle study review commission as the advisory committee on bikeways and bikeway safety; amending Minnesota Statutes 1982, sections 168C.04; 168C.11; Laws 1976, chapter 199, section 14, subdivision 1.

### SUSPENSION OF RULES

Mr. Purfeerst 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. 1315 and that the rules of the Senate be so far suspended as to give H.F. No. 1315 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 1315 was read the second time.

H.F. No. 1315 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 42 and nays 4, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Knaak	Moe, R. D.	Storm
Anderson	Davis	Kronebusch	Nelson	Stumpf
Belanger	DeCramer	Laidig	Novak	Taylor
Benson	Dicklich	Langseth	Peterson, D.C.	Vega
Berg	Diessner	Lantry	Peterson, D.L.	Waldorf
Berglin	Frank	Lessard	Petty	Wegscheid
Bernhagen	Frederickson	Luther	Ramstad	
Bertram	Freeman	Merriam	Reichgott	
Chmielewski	Jude	Moe, D. M.	Schmitz	

Messrs. Kamrath, Knutson, Renneke and Samuelson voted in the negative.

So the bill passed and its title was agreed to.

Mr. Purfeerst moved that S.F. No. 1293, No. 25 on Special Orders, be stricken and laid on the table. The motion prevailed.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Purfeerst moved that H.F. No. 1695 be taken from the table. The motion prevailed.

H.F. No. 1695: A bill for an act relating to courts; accelerating the effective date of judicial reorganization in the third and seventh judicial districts; amending Minnesota Statutes 1982, section 487.191.

### SUSPENSION OF RULES

Mr. Purfeerst 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. 1695 and that the rules of the Senate be so far suspended as to give H.F. No. 1695 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 1695 was read the second time.

H.F. No. 1695 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knutson	Moe, R. D.	Samuelson
Anderson	DeCramer	Kroening	Nelson	Schmitz
Belanger	Dicklich	Kronebusch	Novak	Sieloff
Benson	Diessner	Laidig	Peterson, D.C.	Storm
Berg	Frank	Langseth	Peterson, D.L.	Stumpf
Berglin	Frederickson	Lantry	Peterson, R.W.	Ulland
Bernhagen	Freeman	Lessard	Petty	Vega
Bertram	Isackson	Luther	Purfeerst	Waldorf
Brataas	Jude	Mehrkens	Ramstad	Wegscheid
Chmielewski	Kamrath	Merriam	Reichgott	Willet
Dahl	Knaak	Moe, D. M.	Renneke	

So the bill passed and its title was agreed to.

Mr. Purfeerst moved that S.F. No. 2123, No. 33 on Special Orders, be stricken and laid on the table. The motion prevailed.

### SPECIAL ORDER

H.F. No. 1974: A bill for an act relating to energy; defining residence; establishing energy efficiency standards for public housing; amending Minnesota Statutes 1982, sections 116J.27, subdivisions 1 and 4; and 116J.30, by adding a subdivision.

Ms. Peterson, D.C. moved to amend H.F. No. 1974, as amended pursuant to Rule 49, adopted by the Senate April 16, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1681.)

Page 2, line 23, before the period, insert “, or to otherwise enforce the provisions of subdivision 3”

Page 2, line 24, after “inspections” insert “or other enforcement” and strike “in”

Page 2, line 25, strike everything before “shall”

Page 2, line 27, strike “50” and insert “100”

Page 2, line 28, strike “to be paid to the state treasury”

Page 3, after line 17, insert:

“Sec. 3. Minnesota Statutes 1982, section 116J.27, is amended by adding a subdivision to read:

*Subd. 4a. [ENFORCEMENT AFTER INSPECTION.] If the commissioner determines, after an inspection conducted by or on behalf of the department, that a renter-occupied residence is not in compliance with the standards prescribed pursuant to subdivision 1, the commissioner may issue to the owner of the renter-occupied residence or the owner's agent a determination of noncompliance and may commence a contested case proceeding under sections 14.57 to 14.62. The determination shall (1) specify the reasons for the determination, (2) include a copy of the inspection report, (3) state the actions that must be taken to bring the residence into compliance*

with the standards, (4) state that if the residence is not brought into compliance with the standards within 90 days following the date of the determination, a contested case proceeding will be commenced, and (5) specify a fine that will be assessed upon the conclusion of the contested case proceeding in the absence of a showing of good cause in that proceeding. The contested case proceeding hearing shall be held in the county in which the renter-occupied residence is located. Notwithstanding the provisions of sections 14.50 and 14.61, the hearing examiner in the contested case proceeding shall make findings of fact and conclusions of law and issue a decision, and if the hearing examiner decides that the residence is not in compliance with the standards, the hearing examiner shall enter an order directing the owner to take such affirmative action as in the judgment of the hearing examiner will effectuate the purposes of section 116J.27.

Sec. 4. Minnesota Statutes 1982, section 116J.27, is amended by adding a subdivision to read:

*Subd. 4b. [FINES FOR NONCOMPLIANCE; EXCEPTION.] If the hearing examiner issues a decision, following a contested case proceeding commenced pursuant to subdivision 4a, that a renter-occupied residence is not in compliance with the standards prescribed pursuant to subdivision 1 and that the owner of the renter-occupied residence has not proven a good cause, as defined by rule or temporary rule adopted by the commissioner, for his failure to comply with the standards prescribed pursuant to subdivision 1, the hearing examiner shall assess a fine against the owner in accordance with a schedule of fines adopted by the commissioner by rule or temporary rule. This subdivision shall not apply in the case of low-rent housing owned by a public housing authority or a housing and redevelopment authority as defined in section 462.421, subdivision 2.*

Sec. 5. Minnesota Statutes 1983 Supplement, section 116J.27, subdivision 6, is amended to read:

*Subd. 6. [BUILDING EVALUATORS.] The commissioner shall certify evaluators in each county of the state who are qualified to determine the compliance of a residence with applicable energy efficiency standards. The commissioner shall, by rule pursuant to chapter 14, adopt standards for the certification and performance of evaluators and set a fee for the certification of evaluators which is sufficient to cover the ongoing costs of the program once it is established. The commissioner shall encourage the certification of existing groups of trained municipal personnel and qualified individuals from community-based organizations and public service organizations. Each certified evaluator shall, on request of the owner, inspect any residence and report the degree to which it complies with applicable energy efficiency standards established pursuant to subdivision 1. The inspections shall be made within 30 days of the request. Evaluators shall be certified only if they also meet all requirements for conducting residential energy audits pursuant to 42 U.S.C. 8211 et seq. The commissioner shall enter into an agreement with the department of education for the provision of evaluator training through the area vocational technical institutes. The commissioner may contract with the area vocational technical institutes to reduce the training costs to the students. The commissioner may eliminate the examination fee for persons seeking upgraded certificates. The commissioner may also establish requirements for continuing education, periodic recertification, and revocation*

of certification for evaluators.”

Page 3, after line 24, insert:

“Sec. 7. Minnesota Statutes 1982, section 116J.30, is amended by adding a subdivision to read:

*Subd. 5. For purposes of sections 504.18 and 566.18 to 566.33, the weatherstripping, caulking, storm window, and storm door energy efficiency standards for renter-occupied residences prescribed by section 116J.27, subdivisions 1 and 3, are health and safety standards and the penalties and remedies provided in this section are in addition to and do not limit remedies otherwise available to tenants of renter-occupied residences.*

Sec. 8. Minnesota Statutes 1983 Supplement, section 290A.19, is amended to read:

**290A.19 [OWNER OR MANAGING AGENT TO FURNISH RENT CERTIFICATE; PENALTY.]**

(a) The owner or managing agent of any property for which rent is paid for occupancy as a homestead shall furnish a certificate of rent constituting property tax to each person who is a renter on December 31, in the form prescribed by the commissioner. If the renter moves prior to December 31, the owner or managing agent shall at his option either provide the certificate to the renter at the time he moves, or mail the certificate to the forwarding address if an address has been provided by the renter. The certificate shall be made available to the renter not later than January 31 of the year following the year in which the rent was paid. Any owner or managing agent who willfully fails to furnish a certificate as provided herein shall be liable to the commissioner for a penalty of \$20 for each act or failure to act. The penalty shall be assessed and collected in the manner provided in chapter 290 for the assessment and collection of income tax.

(b) If the owner or managing agent elects to provide the renter with the certificate at the time he moves, rather than after December 31, the amount of rent constituting property taxes shall be computed as follows:

(i) The net tax shall be reduced by 1/12th for each month remaining in the calendar year.

(ii) In calculating the denominator of the fraction pursuant to section 290A.03, subdivision 11, the gross rent paid through the last month of claimant's occupancy shall be substituted for “the gross rent paid for the calendar year for the property in which the unit is located.”

(c) The certificate of rent constituting property taxes shall include the address of the property, including the county, and the property tax parcel identification number and any additional information which the commissioner determines is appropriate.

(d) If the owner or managing agent fails to provide the renter with a certificate of rent constituting property taxes, the commissioner shall allocate the net tax on the building to the unit on a square footage basis or other appropriate basis as the commissioner determines. The renter shall supply the commissioner with a statement from the county treasurer which gives the amount of property tax on the parcel, the address and property tax parcel

identification number of the property, and the number of units in the building.

*(e) Effective January 1, 1986, the commissioner shall provide to the commissioner of the department of energy and economic development a copy of all certificates of rent constituting property taxes that have been filed with the department. The copies of the certificates shall be provided by June 1 of each year."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "providing remedies for non-compliance with the minimum energy efficiency standards for renter-occupied residences; making other changes;"

Page 1, line 5, before the semicolon, insert ", and by adding subdivisions" and delete "and" and delete "a"

Page 1, line 6, delete "subdivision" and insert "subdivisions; Minnesota Statutes 1983 Supplement, sections 116J.27, subdivision 6; and 290A.19"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 33 and nays 28, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Langseth	Peterson, C. C.	Spear
Berglin	Frank	Lantry	Peterson, D. C.	Stumpf
Bertram	Freeman	Luther	Peterson, R. W.	Vega
Dahl	Hughes	Merriam	Petty	Wegscheid
Davis	Johnson, D. J.	Moe, R. D.	Pogemiller	Willet
DeCramer	Jude	Novak	Reichgott	
Dicklich	Kroening	Pehler	Solon	

Those who voted in the negative were:

Anderson	Diessner	Knaak	Olson	Sieloff
Belanger	Frederick	Knutson	Peterson, D. L.	Storm
Benson	Frederickson	Kronebusch	Ramstad	Ulland
Berg	Isackson	Lessard	Renneke	Waldorf
Bernhagen	Johnson, D. E.	McQuaid	Samuelson	
Brataas	Kamrath	Mehrkens	Schmitz	

The motion prevailed. So the amendment was adopted.

H.F. No. 1974 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 35 and nays 25, as follows:

Those who voted in the affirmative were:

Berglin	Diessner	Kroening	Moe, R. D.	Reichgott
Bertram	Dieterich	Langseth	Novak	Solon
Chmielewski	Frank	Lantry	Pehler	Spear
Dahl	Freeman	Lessard	Peterson, C. C.	Stumpf
Davis	Hughes	Luther	Peterson, D. C.	Vega
DeCramer	Johnson, D. J.	Merriam	Peterson, R. W.	Wegscheid
Dicklich	Jude	Moe, D. M.	Petty	Willet

Those who voted in the negative were:

Anderson	Frederick	Knaak	Mehrkens	Samuelson
Belanger	Frederickson	Knutson	Olson	Schmitz
Benson	Isackson	Kronebusch	Peterson, D.L.	Sieloff
Bernhagen	Johnson, D.E.	Laidig	Ramstad	Storm
Brataas	Kamrath	McQuaid	Renneke	Ulland

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

Remaining on the Order of Business of Motions and Resolutions, 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. 2182:

H.F. No. 2182: A bill for an act relating to agriculture; changing certain duties of the commissioner; changing certain reporting requirements concerning agricultural land ownership; refining procedures and deadlines for investment reimbursement; authorizing the commissioner to use certain funds for short-term loans to help participants meet their family farm security loan obligations; exempting certain corporations and persons from the definition of warehouseman; exempting the family farm security program from certain loan commitment approval requirements; amending Minnesota Statutes 1982, sections 21.118; 29.27; 31.11; 31A.08; 41.56, subdivision 3; 231.01, subdivision 5; 500.221, subdivision 2a; 500.24, subdivision 4; and Minnesota Statutes 1983 Supplement, sections 16A.80, subdivision 2; 32.417; 38.02, subdivisions 1 and 3; and 500.221, subdivision 4.

The House respectfully requests that a Conference Committee of five members be appointed thereon.

Wenzel, Metzen, Uphus, Krueger and Jensen have been appointed as such committee on the part of the House.

House File No. 2182 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

Mr. Bertram moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2182, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

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

S.F. No. 1336: A bill for an act relating to crime; providing for criminal

penalties and a one year driver's license revocation upon refusal by a driver suspected of driving under the influence of alcohol or a controlled substance to take a test; authorizing testing of a suspect who is unconscious or in a condition rendering the suspect incapable of refusal; restricting issuance of limited licenses for work purposes; clarifying provisions of the hit and run law; clarifying penalties imposed on certain persons convicted of driving while under the influence of alcohol or a controlled substance; clarifying provisions of the driving after revocation, suspension, or cancellation law; prescribing penalties for causing death or injury of another while operating a vehicle in a certain manner; providing for admission into evidence of certain convictions for driving offenses for impeachment purposes; authorizing issuance of limited licenses in certain circumstances; amending Minnesota Statutes 1982, sections 169.09, subdivision 4; 169.123, subdivisions 4, 5a, and 9, and by adding a subdivision; 171.24; and 171.30, subdivision 1; and Minnesota Statutes 1983 Supplement, sections 169.09, subdivisions 1, 14, and 15; 169.121, subdivision 3; 169.123, subdivisions 2 and 6; and 609.21, subdivisions 1 and 2; proposing new law coded in Minnesota Statutes, chapters 171 and 634; repealing Minnesota Statutes 1982, section 169.123, subdivision 9.

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

Vellenga, Vanasek, Staten, McKasy and Bishop.

Senate File No. 1336 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

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. 1762: A bill for an act relating to the human rights department; prohibiting waiver of legal rights; changing the statute of limitations; providing sanctions for intentional delays; permitting award of attorney fees in administrative hearings; changing damage awards; amending Minnesota Statutes 1982, sections 363.06, subdivision 3; 363.071, by adding a subdivision; 363.116; 363.14, subdivisions 1 and 2; Minnesota Statutes 1983 Supplement, sections 363.06, subdivision 4; 363.071, subdivision 2; and 363.072, subdivision 1; proposing new law coded in chapter 363.

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

Clark, K.; Dempsey and Cohen.

Senate File No. 1762 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

Mr. President:

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

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

S.F. No. 1349: A bill for an act relating to liquor; abolishing prohibition on furnishing liquor to certain persons and exclusion of certain persons from liquor establishments after notice; amending Minnesota Statutes 1982, section 340.601; repealing Minnesota Statutes 1982, sections 340.73, subdivision 2; 340.78; and 340.81.

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

Jacobs, O'Connor, Sarna, Metzen and Wigley.

Senate File No. 1349 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

### SPECIAL ORDER

H.F. No. 1425: A bill for an act relating to agriculture; providing for alternative methods for establishing the value of milk purchased from producers; amending Minnesota Statutes 1982, section 32.25, subdivision 1.

Mr. Wegscheid moved that the amendment made to H.F. No. 1425 by the Committee on Rules and Administration in the report adopted April 11, 1984, pursuant to Rule 49, be stricken.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 10 and nays 37, as follows:

Those who voted in the affirmative were:

Belanger	Isackson	Mehrkens	Schmitz	Ulland
Frederickson	Kronebusch	Olson	Sieloff	Wegscheid

Those who voted in the negative were:

Adkins	Diessner	Laidig	Peterson, D.C.	Spear
Benson	Frank	Lantry	Peterson, D.L.	Storm
Berg	Freeman	Luther	Peterson, R.W.	Stumpf
Berglin	Hughes	Merriam	Petty	Vega
Chmielewski	Jude	Moe, R. D.	Pogemiller	Willet
Dahl	Kamrath	Novak	Purfeerst	
Davis	Knaak	Pehler	Renneke	
Dicklich	Kroening	Peterson, C.C.	Samuelson	

The motion did not prevail.

Mr. Wegscheid then moved to amend H.F. No. 1425, as amended pursuant to Rule 49, adopted by the Senate April 11, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1450.)

Page 2, line 31, delete "8.5" and insert "8.6"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 25 and nays 32, as follows:

Those who voted in the affirmative were:



Adkins	Brataas	Kamrath	Lessard	Schmitz
Anderson	Frederickson	Knaak	McQuaid	Sieloff
Belanger	Isackson	Knutson	Mehrkens	Storm
Benson	Johnson, D.E.	Kronebusch	Olson	Ulland
Bernhagen	Jude	Laidig	Renneke	Wegscheid

Those who voted in the negative were:

Berglin	Frank	Merriam	Peterson, D.C.	Stumpf
Chmielewski	Freeman	Moe, D. M.	Peterson, R.W.	Vega
Dahl	Hughes	Moe, R. D.	Petty	Waldorf
Davis	Johnson, D.J.	Nelson	Purfearst	Willet
Dicklich	Langseth	Novak	Reichgott	
Diessner	Lantry	Pehler	Solon	
Dieterich	Luther	Peterson, C.C.	Spear	

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

H.F. No. 1425 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Knutson	Moe, R. D.	Schmitz
Anderson	Frank	Kroening	Novak	Sieloff
Belanger	Frederickson	Kronebusch	Pehler	Solon
Benson	Freeman	Laidig	Peterson, C.C.	Spear
Berglin	Hughes	Langseth	Peterson, D.C.	Storm
Bernhagen	Isackson	Lantry	Peterson, D.L.	Stumpf
Brataas	Johnson, D.E.	Luther	Peterson, R.W.	Taylor
Chmielewski	Johnson, D.J.	McQuaid	Petty	Ulland
Davis	Jude	Mehrkens	Ramstad	Vega
Dicklich	Kamrath	Merriam	Reichgott	Wegscheid
Diessner	Knaak	Moe, D. M.	Renneke	Willet

So the bill passed and its title was agreed to.

**CONFERENCE COMMITTEE EXCUSED**

Pursuant to Rule 21, Mr. Freeman moved that the following members be excused for a Conference Committee on S.F. No. 1762 at 6:45 p.m.:

Messrs. Freeman, Storm and Ms. Reichgott. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, 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. 1577:

H.F. No. 1577: A bill for an act relating to solid and hazardous waste management; amending various provisions of the waste management act; prescribing various powers and duties of the waste management board and the pollution control agency relating to hazardous waste management plan-

ning and the development of hazardous waste facilities; establishing programs for public education, technical and research assistance to generators, and grants for hazardous waste reduction and processing and collection facilities; requiring requests for proposals for hazardous waste processing and collection facilities; authorizing hazardous waste processing facility loans; prescribing procedures for the designation of solid waste facilities by counties and waste management districts; reducing the number of proposed sites in certain metropolitan counties for mixed municipal solid waste disposal facilities; amending various provisions relating to county and metropolitan solid waste management; appropriating money; amending Minnesota Statutes 1982, sections 115A.03, subdivisions 15 and 28; 115A.06, by adding a subdivision; 115A.08, by adding a subdivision; 115A.09, by adding a subdivision; 115A.11; 115A.18; 115A.24; 115A.241; 115A.46, subdivisions 1 and 2; 115A.70, by adding a subdivision; 116.07, by adding subdivisions; 116J.88, by adding a subdivision; 400.04, subdivision 3; 400.162; 473.181, subdivision 4; 473.801, subdivisions 1 and 4; 473.803, subdivisions 2, 3, and by adding a subdivision; 473.811, subdivision 10; 473.833, subdivision 4; Minnesota Statutes 1983 Supplement, sections 115A.08, subdivision 5; 115A.21, subdivision 1, and by adding a subdivision; 115A.22, subdivisions 1 and 4; 115A.241; 115A.25, subdivisions 1, 1a, and 1b; 115A.26; 115A.27, subdivision 2; 115A.28, subdivision 1; 115A.291; 115B.22, subdivision 1; 116J.90, by adding a subdivision; 473.149, subdivisions 2d and 2e; 473.803, subdivisions 1a and 1b; and 473.823, subdivision 6; proposing new law coded in Minnesota Statutes, chapters 115A and 473; repealing Minnesota Statutes 1982, sections 115A.071; 115A.46, subdivision 3; 115A.70, subdivisions 1, 2, 4, 5, and 6; 473.827; and Minnesota Statutes 1983 Supplement, section 115A.70, subdivisions 3 and 7.

The House respectfully requests that a Conference Committee of five members be appointed thereon.

Long; Vanasek; Nelson, D.; Rose and Munger have been appointed as such committee on the part of the House.

House File No. 1577 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

Mr. Merriam moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1577, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1655:

H.F. No. 1655: A bill for an act relating to financial institutions; providing an expedited procedure for certain bank applications; providing a uniform examination cycle for all supervised institutions; extending the temporary removal of mortgage usury limits; providing a time period within which no-

tices of the filing of applications for detached facilities must be published; providing prior notice to the commissioner of a change in the ownership of a state bank; bringing state law into conformity with federal law regarding limitations on loans to bank directors, officers, or employees; providing prior notification to the commissioner of the termination or cancellation of a fidelity bond to a bank; authorizing the commissioner, after notification, to order the bank to take action; clarifying the exclusion of bankers' acceptances from the restrictions upon total liabilities to a bank; extending the time period imposed on a bank for the filing of proof of publication of its quarterly report; modifying the definition of "demand deposits" in light of federal deregulation of interest rates; removing the photo identification requirement from the provisions regulating the opening of checking accounts; clarifying service charges on dishonored checks; making various technical changes; amending Minnesota Statutes 1982, sections 45.071, by adding a subdivision; 46.04, subdivision 1; 47.204, subdivision 1; 48.03, subdivision 4; 48.08; 48.13; 48.14; 48.24, subdivision 6; 48.48, subdivisions 1 and 2; 48.51; 51A.50; 52.06, subdivision 1; 53.03, subdivision 4; 53.09, subdivision 1; and 56.12; Minnesota Statutes 1983 Supplement, sections 45.04; 47.54, subdivision 1; 48.512, subdivision 2; 52.203; 53.01; 53.03, subdivisions 1 and 5; 53.04, subdivision 3a; 168.67; and 332.50, subdivision 2; repealing Minnesota Statutes 1982, sections 47.75, subdivision 2; and 51A.44, subdivision 3.

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

Brinkman, Osthoff and Heinitz have been appointed as such committee on the part of the House.

House File No. 1655 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

Mr. Solon moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1655, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

## RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

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

## APPOINTMENTS

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

H.F. No. 1257: Messrs. Solon, Vega and Ms. Olson.

H.F. No. 2182: Messrs. Bertram, Davis, Berg, DeCramer and Merriam.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

### SPECIAL ORDER

S.F. No. 433: A bill for an act relating to labor; regulating the minimum wage by phasing out the tip credit; amending Minnesota Statutes 1982, section 177.28, subdivision 4.

### CALL OF THE SENATE

Mr. Vega imposed a call of the Senate for the proceedings on S.F. No. 433. The Sergeant at Arms was instructed to bring in the absent members.

Mr. Chmielewski moved to amend S.F. No. 433 as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 177.27, subdivision 4, is amended to read:

Subd. 4. The commissioner may investigate, ~~mediate, and settle a wage claims claim~~ by an employee against an employer if the failure to pay any wage may violate Minnesota laws or any order or rule of the department thereunder. *If upon investigation the commissioner determines that a violation has occurred, the commissioner shall require the employer to pay to the department within 30 days the appropriate amount of the wage claim, as determined by the commissioner, plus simple interest at a rate of 8 percent per annum calculated from the time the wages constituting the wage claim were due and payable. The commissioner shall then pay the amount of the wage claim plus interest to the employee.*

Sec. 2. Minnesota Statutes 1982, section 177.27, subdivision 5, is amended to read:

Subd. 5. The commissioner may commence a civil action in any court of competent jurisdiction for the benefit of any employee for appropriate relief with respect to any wage claim which the commissioner ~~deems~~ *considers* to be valid; upon:

*(1) the employer's failure to pay a wage claim plus interest as provided under subdivision 4; or*

*(2) a written request being filed with the commissioner by the employee, provided: ~~(1) the failure to pay the wage would constitute a violation of Minnesota laws or any order or rule of the department thereunder, and (2) the wage claim does not exceed \$300.~~*

The employer shall pay all costs and disbursements as may be allowed by the court, and shall further pay an assessment of ten percent of the amount of any awarded wage claim to the treasurer of the state of Minnesota. In any action herein no security for payment of costs shall be required.

Nothing herein shall be construed to prevent an employee from prosecuting his own claim for wages.

Sec. 3. Minnesota Statutes 1983 Supplement, section 177.30, is amended to read:

## 177.30 [KEEPING RECORDS.]

Every employer subject to sections 177.21 to 177.35 or any rule adopted pursuant to those sections shall make and keep, for a period of not less than three years in or about the premises in which any employee is employed, a record of the name, address and occupation of each employee, the rate of pay, and the amount paid each pay period to each employee, the hours worked each day and each workweek by the employee, and other information as deemed necessary and appropriate by the commissioner for the enforcement of sections 177.21 to 177.35.

~~The commissioner may impose a penalty of up to \$100 on an employer for each failure of the employer to maintain records as required by this section. The penalty imposed by this section is in addition to any penalties provided under section 177.32, subdivision 1.~~

Sec. 4. Minnesota Statutes 1983 Supplement, section 177.32, subdivision 1, is amended to read:

Subdivision 1. An employer who does any of the following is guilty of a misdemeanor and subject to a civil fine of \$500 for each violation: (a) hinders or delays the commissioner or an authorized representative in the performance of duties required under sections 177.21 to 177.35; (b) refuses to admit the commissioner or an authorized representative to the place of business or employment of the employer, as required by section 177.27, subdivision 1; (c) consistently and repeatedly fails to make, keep, and preserve records as required by section 177.30; (d) falsifies any record; (e) refuses to make any record available, or to furnish a sworn statement of the record or any other information as required by section 177.27; (f) consistently and repeatedly fails to post a summary of sections 177.21 to 177.35 or a copy or summary of the applicable rules as required by section 177.31; (g) pays or agrees to pay wages at a rate less than the rate required under sections 177.21 to 177.35; or (h) otherwise violates any provision of sections 177.21 to 177.35 or any rule adopted pursuant to those sections.

## Sec. 5. [REPORT TO LEGISLATURE.]

*The commissioner of labor and industry shall report to the legislature by January 1, 1985 concerning recommendations for improving enforcement of the Minnesota Fair Labor Standards Act."*

Delete the title and insert:

"A bill for an act relating to labor; requiring an employer to pay certain wage claims to the department of labor and industry; providing for a civil fine of \$500 for certain violations of the minimum wage law; removing a certain limitation on commencing civil actions for minimum wage law violations; eliminating a penalty; requiring the commissioner of labor and industry to report to the legislature on recommendations to improve enforcement of the minimum wage law; amending Minnesota Statutes 1982, section 177.27, subdivisions 4 and 5; and Minnesota Statutes 1983 Supplement, sections 177.30; and 177.32, subdivision 1."

Mr. Vega questioned whether the amendment was germane. The President ruled the amendment was germane.

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 36, as follows:

Those who voted in the affirmative were:

Anderson	Chmielewski	Knaak	Olson	Storm
Belanger	Frederick	Knutson	Pehler	Taylor
Benson	Frederickson	Kronebusch	Peterson, D.L.	Ulland
Berg	Isackson	Laidig	Ramstad	
Bernhagen	Johnson, D.E.	Lessard	Renneke	
Bertram	Jude	McQuaid	Sieloff	
Brataas	Kamrath	Mehrrens	Solon	

Those who voted in the negative were:

Adkins	Frank	Merriam	Petty	Vega
Berglin	Freeman	Moe, D. M.	Pogemiller	Waldorf
Dahl	Hughes	Moe, R. D.	Purfeerst	Wegscheid
Davis	Johnson, D.J.	Nelson	Reichgott	Willet
DeCramer	Kroening	Novak	Samuelson	
Dicklich	Langseth	Peterson, C.C.	Schmitz	
Diessner	Lantry	Peterson, D.C.	Spear	
Dieterich	Luther	Peterson, R.W.	Stumpf	

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

S.F. No. 433 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 40 and nays 25, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Langseth	Pehler	Schmitz
Berg	Dieterich	Lantry	Peterson, D.C.	Solon
Berglin	Frank	Luther	Peterson, R.W.	Spear
Chmielewski	Freeman	Merriam	Petty	Stumpf
Dahl	Hughes	Moe, D. M.	Pogemiller	Vega
Davis	Johnson, D.J.	Moe, R. D.	Purfeerst	Waldorf
DeCramer	Jude	Nelson	Reichgott	Wegscheid
Dicklich	Kroening	Novak	Samuelson	Willet

Those who voted in the negative were:

Anderson	Brataas	Kamrath	McQuaid	Renneke
Belanger	Frederick	Knaak	Mehrrens	Sieloff
Benson	Frederickson	Knutson	Olson	Storm
Bernhagen	Isackson	Kronebusch	Peterson, D.L.	Taylor
Bertram	Johnson, D.E.	Laidig	Ramstad	Ulland

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Messages From the House.

## MESSAGES FROM THE HOUSE

Mr. President:

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

S.F. No. 1880: A bill for an act relating to local government; providing for

financing of county and county regional jails; providing for a special allocation of mortgage revenue bonds for calendar year 1985; authorizing the levy of special assessments or service charges for fire protection and pedestrian skyway systems; allowing the town of Blue Hill to exercise certain powers; letting municipal housing contracts; increasing the amount of expenditures for construction and other work that requires an award by contract; amending Minnesota Statutes 1982, sections 429.021, subdivision 1; 429.031, subdivision 3; 429.091, subdivision 2; 429.101, subdivision 1; 462.461, subdivisions 1, 2, and 3; 462C.09, by adding a subdivision; 641.24; and 641.264, subdivision 1.

Senate File No. 1880 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

Mr. Wegscheid moved that the Senate do not concur in the amendments by the House to S.F. No. 1880, 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.

### 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. 1577: Messrs. Merriam; Berg; Wegscheid; Peterson, R.W. and Dicklich.

H.F. No. 1655: Messrs. Solon, Dicklich and Mrs. Kronebusch.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Peterson, R.W. moved that H.F. No. 1982 be taken from the table. The motion prevailed.

H.F. No. 1982: A bill for an act relating to towns; authorizing contracts with nonprofit organizations; amending Minnesota Statutes 1982, section 365.10.

### SUSPENSION OF RULES

Mr. Peterson, R.W. 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. 1982 and that the rules of the Senate be so far suspended as to give H.F. No. 1982 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 1982 was read the second time.

Mr. Peterson, R.W. moved to amend H.F. No. 1982 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 1982, and insert the language after the enacting clause, and the title, of S.F. No. 2187, the first engrossment. The motion prevailed. So the amendment was adopted.

H.F. No. 1982 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:

Adkins	Dieterich	Knutson	Pehler	Sieloff
Anderson	Frank	Kronebusch	Peterson, C.C.	Solon
Belanger	Frederick	Langseth	Peterson, D.C.	Spear
Benson	Frederickson	Lantry	Peterson, D.L.	Storm
Berglin	Freeman	Lessard	Peterson, R.W.	Stumpf
Bertram	Hughes	Luther	Petty	Taylor
Brataas	Isackson	McQuaid	Pogemiller	Ulland
Chmielewski	Johnson, D.E.	Mehrkens	Purfeerst	Vega
Dahl	Johnson, D.J.	Moe, D. M.	Ramstad	Waldorf
Davis	Jude	Moe, R. D.	Reichgott	
DeCramer	Kamrath	Novak	Renneke	
Diessner	Knaak	Olson	Schmitz	

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

Mr. Peterson, R.W. moved that S.F. No. 2187, No. 32 on Special Orders, be stricken and laid on the table. The motion prevailed.

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Merriam moved that the following members be excused for a Conference Committee on H.F. No. 1577 at 8:45 p.m.:

Messrs. Merriam; Berg; Peterson, R.W.; Dicklich and Wegscheid. The motion prevailed.

### SPECIAL ORDER

H.F. No. 1422: A bill for an act relating to corporations; regulating corporate take-overs; requiring certain disclosures; providing certain limitations on offerors; prescribing suspension powers of the commissioner; providing a hearing; regulating control share acquisitions of Minnesota business corporations; defining terms; prescribing penalties; amending Minnesota Statutes 1982, sections 80B.01; 80B.03, subdivisions 1, 2, and 5, and by adding subdivisions; 80B.05; 80B.06; 80B.07; 80B.08; 80B.10; 302A.011, by adding subdivisions; 302A.449, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 302A; repealing Minnesota Statutes 1982, sections 80B.02; 80B.03, subdivisions 3 and 4; and 80B.12, subdivisions 1 and 3.



Mr. Moe, R.D. moved that the amendment made to H.F. No. 1422 by the Committee on Rules and Administration in the report adopted April 18, 1984, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

### CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate for the proceedings on H.F. No. 1422. The Sergeant at Arms was instructed to bring in the absent members.

Mr. Frederick moved to amend H.F. No. 1422 as follows:

Page 2, line 16, delete "18" and insert "13"

Pages 14 to 17, delete sections 14 to 18

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete everything after the semicolon

Page 1, delete line 7

Page 1, line 8, delete everything before "amending"

Page 1, line 11, delete everything after the second semicolon

Page 1, delete lines 12 and 13

Page 1, line 14, delete everything before "repealing"

The motion did not prevail. So the amendment was not adopted.

Mr. Benson moved to amend H.F. No. 1422 as follows:

Page 2, after line 29, insert:

"Sec. 2. Minnesota Statutes 1983 Supplement, section 45.023, is amended to read:

45.023 [RULES.]

The commissioner of commerce may adopt, amend, suspend, or repeal rules, including temporary rules, in accordance with chapter 14, and as otherwise provided by law, whenever necessary or proper in discharging the commissioner's official responsibilities."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 13, after the semicolon, insert "Minnesota Statutes 1983 Supplement, section 45.023;"

The question was taken on the adoption of the amendment.

Mr. Moe, R.D. moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 28 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Frank	Knaak	Olson	Sieloff
Belanger	Frederick	Knutson	Peterson, D.L.	Storm
Benson	Frederickson	Kronebusch	Peterson, R.W.	Taylor
Berg	Isackson	Laidig	Petty	Ulland
Bernhagen	Johnson, D.E.	McQuaid	Ramstad	
Brataas	Kamrath	Mehrkens	Rennecke	

Those who voted in the negative were:

Adkins	Dieterich	Lantry	Peterson, C. C.	Spear
Berglin	Freeman	Lessard	Peterson, D. C.	Stumpf
Bertram	Hughes	Luther	Pogemiller	Vega
Dahl	Johnson, D. J.	Moe, R. D.	Purfeerst	Waldorf
Davis	Jude	Nelson	Reichgott	Wegscheid
DeCramer	Kroening	Novak	Samuelson	Willet
Diessner	Langseth	Pehler	Schmitz	

The motion did not prevail. So the amendment was not adopted.

Mr. Knaak moved to amend H.F. No. 1422 as follows:

Page 8, line 11, delete "*Chapter 14 does not apply to the hearing*" and insert "*The commissioner shall adopt rules under the provisions of chapter 14 that will apply to the procedure to be followed in the hearing provided by this section*"

Page 12, line 36, strike "or order"

The motion did not prevail. So the amendment was not adopted.

Mr. Benson moved that H.F. No. 1422, No. 7 on Special Orders, be stricken and re-referred to the Committee on Judiciary.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 25 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Karrath	McQuaid	Renneke
Belanger	Frederick	Knaak	Olson	Sieloff
Benson	Frederickson	Knutson	Peterson, D. L.	Storm
Bernhagen	Isackson	Kronebusch	Peterson, R. W.	Taylor
Brataas	Johnson, D. E.	Laidig	Ramstad	Ulland

Those who voted in the negative were:

Adkins	Frank	Lantry	Peterson, C. C.	Solon
Berglin	Freeman	Lessard	Peterson, D. C.	Spear
Bertram	Hughes	Luther	Pogemiller	Stumpf
Dahl	Johnson, D. J.	Moe, D. M.	Purfeerst	Vega
Davis	Jude	Moe, R. D.	Reichgott	Waldorf
DeCramer	Kroening	Nelson	Samuelson	Willet
Diessner	Langseth	Pehler	Schmitz	

The motion did not prevail.

H.F. No. 1422 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 39 and nays 27, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Lantry	Pehler	Solon
Berglin	Freeman	Lessard	Peterson, C. C.	Spear
Bertram	Hughes	Luther	Peterson, D. C.	Stumpf
Chmielewski	Johnson, D. J.	Merriam	Pogemiller	Vega
Dahl	Jude	Moe, D. M.	Purfeerst	Waldorf
Davis	Kroening	Moe, R. D.	Reichgott	Wegscheid
DeCramer	Kronebusch	Nelson	Samuelson	Willet
Dicklich	Langseth	Novak	Schmitz	

Those who voted in the negative were:

Anderson	Dieterich	Kamrath	Olson	Storm
Belanger	Frank	Knaak	Peterson, D.L.	Taylor
Benson	Frederick	Knutson	Peterson, R.W.	Ulland
Berg	Frederickson	Laidig	Ramstad	
Bernhagen	Isackson	McQuaid	Renneke	
Brataas	Johnson, D.E.	Mehrkens	Sieloff	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 2006: A bill for an act relating to game and fish; authorizing reciprocity with Wisconsin in the purchase and sale of annual hunting and fishing licenses; proposing new law coded in Minnesota Statutes, chapter 98.

Mr. Moe, R.D. moved that the amendment made to H.F. No. 2006 by the Committee on Rules and Administration in the report adopted April 18, 1984, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 2006 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Knutson	Nelson	Renneke
Anderson	Frederick	Kronebusch	Novak	Samuelson
Belanger	Frederickson	Laidig	Olson	Schmitz
Benson	Freeman	Langseth	Pehler	Sieloff
Berglin	Hughes	Lantry	Peterson, D.C.	Solon
Bernhagen	Isackson	Lessard	Peterson, D.L.	Spear
Brataas	Johnson, D.E.	Luther	Petty	Storm
Chmielewski	Johnson, D.J.	McQuaid	Pogemiller	Stumpf
Dahl	Jude	Mehrkens	Purfeerst	Ulland
Diessner	Kamrath	Moe, D. M.	Ramstad	Vega
Dieterich	Knaak	Moe, R. D.	Reichgott	Waldorf

Messrs. Peterson, C.C. and Willet voted in the negative.

So the bill passed and its title was agreed to.

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Freeman moved that the following members be excused for a Conference Committee on S.F. No. 1843 at 11:00 p.m.:

Messrs. Freeman, Sieloff and Luther. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, 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. 1386.

H.F. No. 1386: A bill for an act relating to children; authorizing intervention by the juvenile court to protect children from abuse committed by family or household members; prohibiting public inspection of certain court records relating to the identity of criminal sexual conduct victims; clarifying a term in the child abuse reporting law; amending Minnesota Statutes 1982, sections 260.015, by adding subdivisions; 260.111, by adding a subdivision; and 260.191, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 626.556, subdivision 2; proposing new law coded in Minnesota Statutes, chapters 260 and 609.

The House respectfully requests that a Conference Committee of three members be appointed thereon.

Clark, J.; Greenfield and Levi have been appointed as such committee on the part of the House.

House File No. 1386 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

Mr. Petty moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1386, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1843: A bill for an act relating to courts; providing for the appointment of chief judge and assistant chief judge for each judicial district; clarifying the administrative authority of the chief judge; amending Minnesota Statutes 1982, section 484.69, subdivisions 1 and 3.

Senate File No. 1843 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

Mr. Freeman moved that the Senate do not concur in the amendments by the House to S.F. No. 1843, 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. 1628: A bill for an act relating to public welfare; setting licensing, planning and zoning provisions with respect to licensed residential and day

care facilities; providing that certain facilities are permitted multi-family uses; allowing municipalities to require conditional use permits for certain other facilities; requiring counties to engage in planning to promote dispersal of residential facilities; providing that certain facilities are permitted single family uses; amending Minnesota Statutes 1982, sections 245.783, and by adding a subdivision; 245.812, subdivisions 3, 4 and 7, and by adding a subdivision; and 462.357, subdivisions 7, 8, and by adding a subdivision.

Senate File No. 1628 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

Ms. Berglin moved that the Senate do not concur in the amendments by the House to S.F. No. 1628, 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. 1686, 1766, 2186 and 2207.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 1686: A bill for an act relating to animals; protecting leader dogs; imposing penalties; proposing new law coded in Minnesota Statutes, chapter 347.

Referred to the Committee on Agriculture and Natural Resources.

H.F. No. 1766: A bill for an act relating to local government; requiring every political subdivision to establish equitable compensation relationships among its employees; proposing new law coded in Minnesota Statutes, chapter 471.

Ms. Berglin moved that H.F. No. 1766 be laid on the table. The motion prevailed.

H.F. No. 2186: A bill for an act relating to public finance; providing for allocation of federal authority to issue certain state and local obligations; amending Minnesota Statutes 1982, sections 116J.42, by adding a subdivision; 273.77; 429.091, by adding a subdivision; 430.12; and 472.09, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapters 458; 459; 462; 474; and 475.

Mr. Pogemiller moved that H.F. No. 2186 be laid on the table. The motion prevailed.

H.F. No. 2207: A bill for an act relating to Minnesota Statutes; correcting

erroneous, ambiguous, omitted, and obsolete references and text; eliminating certain redundant, conflicting, and superseded provisions; reenacting certain laws; amending Minnesota Statutes 1982, sections 14.40; 97.433, subdivision 3; 116C.73; 116D.06, subdivision 1; 123.78, subdivision 1; 156A.04; 161.16, subdivision 4; 169.45; 256C.02; 302A.115, subdivision 3; 327C.02, subdivision 3; 356.23; 356.25; 383A.09, subdivision 5; 412.022, subdivision 1; 501.78, subdivision 4; 524.3-1201; 609.346, subdivision 2; 609.487, subdivision 4; Minnesota Statutes 1983 Supplement, sections 3.9222, subdivision 6; 14.115, subdivisions 5 and 6; 16.872, subdivision 4; 38.04; 41.61, subdivision 1; 51A.51, subdivisions 2 and 3a; 53.03, subdivision 6; 53.04, subdivision 3a; 60A.17, subdivision 6c; 88.644; 102.26, subdivision 3c; 115.071, subdivision 2b; 116J.28, subdivision 3; 124.195, subdivision 10; 124.272, subdivision 3; 124A.14, subdivision 1; 144A.071, subdivision 5; 168.126, subdivision 1; 176.111, subdivision 18; 240.08, subdivision 2; 241.64, subdivisions 1 and 3; 256B.431, subdivisions 2 and 3; 260.185, subdivision 1; 268.04, subdivision 25; 272.02, subdivision 1; 273.118; 290.01, subdivision 19; 290.09, subdivision 5; 290.10; 290.17, subdivision 2; 290A.03, subdivision 3; 297A.01, subdivision 3; 297A.02, subdivision 3; 297A.25, subdivision 1; 325F.09; 393.07, subdivision 1; 420.13; 505.04; 507.235, subdivision 2; 508.421, subdivision 1; 514.221, subdivision 3; 515A.1-102; 518.17, subdivision 5; 543.20, subdivision 2; 558.215; 629.341, subdivision 1; Laws 1980, chapter 451, section 2; Laws 1983, chapters 128, section 36; 289, section 114, subdivision 1; reenacting Minnesota Statutes 1983 Supplement, sections 45.04, subdivision 1; 116J.28; 256.482, subdivision 2; repealing Minnesota Statutes 1982, sections 156A.031, subdivision 2; 377.06; and 480.059, subdivision 3; repealing Minnesota Statutes 1983 Supplement, section 116D.05; Laws 1982, chapter 501, section 20; Laws 1983, chapters 142, sections 5 and 8; 207, sections 6 and 42; 248, section 3; 253, section 22; 259, section 6; 260, sections 15, 47, and 56, subdivision 2; 277, section 2, subdivision 2; 289, section 16; 293, sections 66, 80, and 83; 301, section 66; 312, article 8, section 6.

Mr. Jude moved that H.F. No. 2207 be laid on the table. The motion prevailed.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Pogemiller moved that H.F. No. 2186 be taken from the table. The motion prevailed.

H.F. No. 2186: A bill for an act relating to public finance; providing for allocation of federal authority to issue certain state and local obligations; amending Minnesota Statutes 1982, sections 116J.42, by adding a subdivision; 273.77; 429.091, by adding a subdivision; 430.12; and 472.09, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapters 458; 459; 462; 474; and 475.

### SUSPENSION OF RULES

Mr. Pogemiller 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. 2186 and that the rules of the Senate be so far suspended as to give H.F.

No. 2186 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 2186 was read the second time.

Mr. Pogemiller moved to amend H.F. No. 2186 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 2186, and insert the language after the enacting clause, and the title, of S.F. No. 2100, the second engrossment.

The motion prevailed. So the amendment was adopted.

H.F. No. 2186 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Frederickson	Kronebusch	Pehler	Schmitz
Anderson	Freeman	Laidig	Peterson, C.C.	Sieloff
Belanger	Hughes	Langseth	Peterson, D.C.	Solon
Berglin	Isackson	Lantry	Peterson, D.L.	Storm
Brataas	Johnson, D.E.	Luther	Petty	Taylor
Chmielewski	Johnson, D.J.	McQuaid	Pogemiller	Ulland
Dahl	Jude	Mehrkens	Purfeerst	Vega
Diessner	Kamrath	Moe, D. M.	Ramstad	Waldorf
Dieterich	Knaak	Moe, R. D.	Reichgott	Willet
Frank	Knutson	Novak	Renneke	
Frederick	Kroening	Olson	Samuelson	

So the bill, as amended, passed and its title was agreed to.

**SPECIAL ORDER**

H.F. No. 1878: A bill for an act relating to building officials; providing for continuing education; amending Minnesota Statutes 1982, section 16.861, by adding a subdivision.

Mr. Petty moved to amend H.F. No. 1878 as follows:

Page 2, after line 2, insert:

“Sec. 2. [AGENT EDUCATION.]

*Subdivision 1. A law styled as S.F. No. 1750, if enacted at the 1984 regular session, is amended by deleting section 3.*

*Subd. 2. Notwithstanding the provisions of Minnesota Statutes, sections 645.26, subdivision 3, 645.33, or any other law, this section takes precedence over the provisions of S. F. No. 1750.*

Sec. 3. [EFFECTIVE DATE.]

*Section 2 is effective upon final enactment.”*

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 1878 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 2, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kronebusch	Novak	Sieloff
Anderson	Frank	Laidig	Olson	Spear
Belanger	Frederickson	Langseth	Pehler	Storm
Benson	Freeman	Lantry	Peterson, C. C.	Stumpf
Berglin	Hughes	Lessard	Peterson, D. C.	Ulland
Bernhagen	Johnson, D.E.	Luther	Peterson, D.L.	Waldorf
Brataas	Jude	McQuaid	Petty	Willet
Chmielewski	Knaak	Mehrkens	Purfeerst	
Dahl	Knutson	Moe, D. M.	Ramstad	
Diessner	Kroening	Moe, R. D.	Renneke	

Messrs. Isackson and Kamrath voted in the negative.

So the bill, as amended, passed and its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Frederickson moved that H.F. No. 1735 be taken from the table. The motion prevailed.

H.F. No. 1735: A bill for an act relating to crimes; requiring the court to impose a stay of execution of sentence with a 90-day period of incarceration as a condition of probation for certain offenders convicted of a first offense of burglary of a dwelling; amending Minnesota Statutes 1983 Supplement, section 609.583.

### SUSPENSION OF RULES

Mr. Frederickson 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. 1735 and that the rules of the Senate be so far suspended as to give H.F. No. 1735 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 1735 was read the second time.

H.F. No. 1735 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 43 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Knutson	Novak	Samuelson
Anderson	Frederickson	Kroening	Pehler	Schmitz
Belanger	Freeman	Kronebusch	Peterson, C. C.	Storm
Berglin	Hughes	Langseth	Peterson, D. C.	Stumpf
Bernhagen	Isackson	Lantry	Peterson, D. L.	Ulland
Brataas	Johnson, D.E.	Luther	Purfeerst	Waldorf
Chmielewski	Jude	McQuaid	Ramstad	Willet
Dahl	Kamrath	Mehrkens	Reichgott	
Dieterich	Knaak	Moe, D. M.	Renneke	

So the bill passed and its title was agreed to.



Mr. Frederickson moved that S.F. No. 2190, No. 34 on Special Orders, be stricken and laid on the table. The motion prevailed.

### MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 147 and the Conference Committee Report thereon were reported to the Senate.

#### CONFERENCE COMMITTEE REPORT ON S.F. NO. 147

A bill for an act relating to retirement; employee and employer contributions to the Minnesota state retirement system; amending Minnesota Statutes 1982, section 352.92, subdivisions 1 and 2.

April 19, 1984

The Honorable Jerome M. Hughes  
President of the Senate  
The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 147, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 147 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 3.85, is amended by adding a subdivision to read:

*Subd. 11. [RULES FOR PENSION VALUATIONS AND COST ESTIMATES.] The commission shall by June 30, 1985, adopt rules prescribing specific detailed methods of calculating, evaluating, and displaying current and proposed law liabilities, costs, and actuarial equivalents of all public employee pension plans in Minnesota. These rules shall be consistent with the general direction prescribed in chapter 356.*

*There is appropriated from the general fund to the commission not to exceed \$75,000 in fiscal year 1985, and \$25,000 in each fiscal year thereafter for developing, implementing, and annually updating the rules adopted pursuant to this section.*

Sec. 2. Minnesota Statutes 1982, section 3.85, is amended by adding a subdivision to read:

*Subd. 12. [LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT TO PREPARE VALUATIONS AND MAKE REPORTS TO LEGISLATURE.] (a) The legislative commission on pensions and retirement shall annually contract with an established actuarial consulting firm to conduct valuations and finance adequacy studies for the funds specified in (b). The contract shall also include provisions for performing cost analyses of proposals for changes in benefit and funding policies.*

*(b) The plans which the legislative commission on pension and retirement shall include in the contract for valuation and analysis are:*

*(1) the Statewide Teachers Retirement Association;*

- (2) *the General Plan, Minnesota State Retirement System;*
- (3) *the Correctional Plan, Minnesota State Retirement System;*
- (4) *the State Patrol Plan, Minnesota State Retirement System;*
- (5) *the Judges Plan, Minnesota State Retirement System;*
- (6) *the Minneapolis Employees Retirement Fund;*
- (7) *the General Plan, Public Employees Retirement Association;*
- (8) *the Police and Fire Plan, Public Employees Retirement Association;*
- (9) *the Duluth Teachers Retirement Association;*
- (10) *the Minneapolis Teachers Retirement Association;*
- (11) *the St. Paul Teachers Retirement Association; and*
- (12) *the Legislator's Retirement Plan.*

(c) *The annual contracts shall include the following objectives:*

(1) *Every year beginning in fiscal year 1986, the contract shall specify completion of standard valuations for the period ending June 30 of the preceding fiscal year with contents as described in section 356.215, subdivision 4; and cash flow forecasts through the amortization target date.*

(2) *Every four years, beginning in fiscal year 1986, the contract shall specify completion of an experience study for the four-year period ending June 30 of the preceding fiscal year. The experience study shall evaluate the appropriateness of continuing to use for future valuations the assumptions relating to: individual salary progression; rate of return on investments; payroll growth; mortality; withdrawal; disability; retirement; and any other experience-related factor that could impact the future financial condition of the retirement funds.*

(d) *The commission shall annually prepare a report to the legislature summarizing the results of the valuations and cash flow projections and shall include with its report recommendations concerning the appropriateness of the support rates to achieve proper funding of the retirement funds by the required funding dates. It shall also, within two months of the completion of the quadrennial experience studies, prepare a report to the legislature on the appropriateness of the valuation assumptions listed in paragraph (c), clause (2).*

(e) *Beginning with the fiscal year commencing July 1, 1985, there is annually appropriated to the commission \$400,000 for the purchase of actuarial consulting services to prepare annual valuations, cash flow forecasts, and cost analyses of benefit or funding proposals.*

(f) *There is appropriated quadrennially, beginning in fiscal year 1986, \$100,000 for the purchase of actuarial consulting services to perform the experience study described in paragraph (c), clause (2).*

Sec. 3. Minnesota Statutes 1983 Supplement, section 3A.03, subdivision 2, is amended to read:

Subd. 2. [REFUND.] (1) Any person who has made contributions pursuant to subdivision 1 who is no longer a member of the legislature is entitled to

receive upon application to the director a refund of all contributions credited to the member's account with interest at the rate of ~~3-1/2~~ five percent per annum compounded annually ~~after the third year of service.~~

(2) The refund of contributions as provided in clause (1) above terminates all rights of a former member of the legislature or his or her survivors under this chapter. Should the former member of the legislature again be a member of the legislature after having taken a refund as provided above, he or she shall be considered a new member. However, a new member may reinstate the rights and credit for service forfeited, provided the new member repays all refunds taken plus interest thereon at six percent per annum compounded annually.

(3) No person shall be required to apply for or accept a refund.

Sec. 4. Minnesota Statutes 1982, section 352.04, subdivision 2, is amended to read:

Subd. 2. [EMPLOYEE CONTRIBUTIONS.] The employee contribution to the fund shall be an amount equal to ~~3-46~~ 3.73 percent of salary, beginning with the first full pay period after ~~December 31, 1981~~ June 30, 1984. These contributions shall be made by deduction from salary in the manner provided in subdivision 4.

Sec. 5. Minnesota Statutes 1982, section 352.04, subdivision 3, is amended to read:

Subd. 3. [EMPLOYER CONTRIBUTIONS.] The employer contribution to the fund shall be an amount equal to ~~the total amount deducted from the salaries of employees on each payroll abstract, plus an additional 1.58 percent of salary beginning with the first full pay period after July 1, 1982. For the period beginning with the first full pay period after December 31, 1981, and ending with the last full pay period before July 1, 1982, the contribution shall be an amount equal to 3.46 percent of salary plus an additional 1.74 percent of salary. The employer contribution shall be made in the manner provided in subdivisions 5 and 6~~ 3.90 percent of salary beginning with the first full pay period after June 30, 1984.

Sec. 6. Minnesota Statutes 1983 Supplement, section 352.113, subdivision 2, is amended to read:

Subd. 2. [APPLICATION; ACCRUAL OF BENEFITS.] An employee making claim for a total and permanent disability benefit shall file a written application therefor in the office of the system in a form and manner prescribed by the executive director. The benefit shall begin to accrue ~~90 days~~ the day following the commencement of disability or the day following the last day paid whichever is later but in no event earlier than 60 days prior to the date the application is filed with the director.

Sec. 7. Minnesota Statutes 1982, section 352.113, subdivision 3, is amended to read:

Subd. 3. [COMPUTATION OF BENEFITS.] The total and permanent disability benefit shall be computed in the manner provided in section 352.115. The disability benefit shall be the normal annuity without reduction for each month the employee is under age 65 at the time of becoming disabled. A disabled employee may elect to receive the normal disability benefit

or an optional annuity as provided in section 352.116, subdivision 3. The election of an optional annuity shall be made prior to the commencement of payment of the disability benefit and shall be effective ~~30 days after receipt of the election or the date on which the disability begins to accrue as provided in subdivision 2; whichever occurs later.~~ Upon becoming effective, the optional annuity shall begin to accrue on the same date as provided for the disability benefit.

Sec. 8. Minnesota Statutes 1982, section 352.115, subdivision 1, is amended to read:

Subdivision 1. [AGE AND SERVICE REQUIREMENTS.] After separation from state service any employee (a) who has attained the age of at least ~~62~~ 55 years and who is entitled to credit for not less than ten years allowable service or (b) who has ~~attained the age of at least 58 years and who is entitled to received credit for not less than 20~~ 30 years allowable service *regardless of age* is entitled upon application to a retirement annuity.

Sec. 9. Minnesota Statutes 1983 Supplement, section 352.115, subdivision 8, is amended to read:

Subd. 8. [ACCRUAL OF ANNUITY.] State employees shall make application for an annuity but such application shall not be made more than 60 days prior to the time the employee is eligible to retire by reason of both age and service requirements. If the director determines an applicant for annuity has fulfilled all the requirements of the law to entitle him to an annuity, he shall authorize payment thereof in accordance with the provisions of this chapter and payment shall be made pursuant to this authorization. An annuity shall begin to accrue no earlier than 60 days prior to the date the application is filed with the director ~~except that if an optional annuity as provided in section 352.116, subdivision 3 is selected the annuity shall begin to accrue 30 days after the application is filed with the director,~~ but in no event prior to the day following the termination of state service or prior to the day the employee is eligible to retire by reason of both age and service requirements. The retirement annuity shall cease with the last payment which had accrued to the retired employee during his lifetime unless he elected an optional annuity provided in section 352.116, subdivision 3, and he had become entitled to payment thereof. The joint and last survivor annuity shall cease with the last payment received by the survivor in his or her lifetime. If a retired employee had not selected an optional annuity, or a survivor annuity is not payable under the option, and a spouse survives, such spouse shall be entitled only to the annuity for the calendar month in which the retired employee died. If an optional annuity is payable after the death of the retired employee, the survivor shall be entitled to the annuity for the calendar month in which the retired employee died.

Sec. 10. Minnesota Statutes 1982, section 352.12, subdivision 1, is amended to read:

Subdivision 1. [DEATH BEFORE TERMINATION OF SERVICE.] If an employee dies before his state service has terminated and neither a survivor annuity nor a reversionary annuity is payable or if a former employee who has sufficient service credit to be entitled to an annuity dies before the benefit has become payable, the director shall make a refundment to his last designated beneficiary or, if there be none, to his surviving spouse or, if none, to

the employee's surviving children in equal shares or, if none, to the employee's surviving parents in equal shares or, if none, to the representative of his estate in an amount equal to his accumulated contributions plus interest thereon to the date of death at the rate of ~~three and one-half~~ *five* percent per annum compounded annually. In the event an employee dies who has received a refundment which he had subsequently repaid in full, interest shall be paid on such repaid refundment only from the date of repayment. If the repayment was made in installments, interest shall be paid only from the date installment payments began. The designated beneficiary, surviving spouse or representative of the estate of an employee who had received a disability benefit shall not be entitled to interest upon any balance remaining to his credit in the fund at the time of death.

Sec. 11. Minnesota Statutes 1982, section 352.12, subdivision 2, is amended to read:

Subd. 2. [SURVIVING SPOUSE BENEFIT.] If an employee *or former employee* who has attained the age of at least ~~62~~ *55* years and has credit for not less than ten years allowable service *or who has attained the age of at least 58 years and has credit for not less than 20 years allowable service* dies before his state service has terminated *or if an employee who has filed a valid application for an annuity or disability benefit prior to the termination of his state service or who has credit for not less than 30 years of allowable service, regardless of age attained, dies before* ~~the~~ *an annuity or disability benefit* has become payable, notwithstanding any designation of beneficiary to the contrary, his *or her* surviving spouse may elect to receive, in lieu of the ~~refundment refund~~ *refund* with interest provided in subdivision 1, an annuity equal to the joint and ~~50~~ *100* percent survivor annuity which the employee could have qualified for had he ~~retired~~ *or she terminated service* on the date of death. *The annuity shall be computed as provided in section 352.115, subdivisions 1, 2, and 3, and section 352.116, subdivisions 1 and 3. The annuity shall cease with the last payment received by the surviving spouse in his or her lifetime. An amount equal to the excess, if any, of the accumulated contributions which were credited to the account of the deceased employee over and above the total of the benefits paid and payable to the surviving spouse shall be paid to the deceased employee's last designated beneficiary or, if none, to the surviving children of the deceased spouse in equal shares or, if none, to the surviving parents of the deceased spouse or, if none, to the representative of the estate of such deceased spouse. Any employee may request in writing that this subdivision not apply and that payment be made only to his designated beneficiary as otherwise provided by this chapter.*

Sec. 12. Minnesota Statutes 1982, section 352.22, subdivision 2, is amended to read:

Subd. 2. [AMOUNT OF REFUNDMENT.] Except as provided in subdivision 3, any person who ceased to be a state employee after June 30, 1973, by reason of termination of state service shall receive a refundment in an amount equal to his accumulated contributions plus interest at the rate of ~~three and one-half~~ *five* percent per annum compounded annually ~~on deductions taken after the third year of coverage except that if the employee, due to age, could not qualify for an annuity upon reaching compulsory retirement age had he continued in covered employment, he shall be paid interest from the date of coverage.~~ Such interest shall be computed to the first day of the month

in which the refund is processed and shall be based on fiscal year balances.

Sec. 13. Minnesota Statutes 1982, section 352.92, is amended to read:

352.92 [CORRECTIONAL EMPLOYEE CONTRIBUTIONS.]

Subdivision 1. [EMPLOYEE CONTRIBUTIONS.] Beginning with the first full pay period after July 1, ~~1982~~ 1984, in lieu of employee contributions payable under section 352.04, subdivision 2, contributions by covered correctional employees shall be in an amount equal to ~~4.50~~ 4.90 percent of salary. ~~For the period beginning with the first full pay period after December 31, 1981, and ending with the last full pay period before July 1, 1982, the contribution shall be in an amount equal to 3.78 percent of salary.~~

Subd. 2. [EMPLOYER CONTRIBUTIONS.] Beginning with the first full pay period after July 1, ~~1982~~ 1984, in lieu of employer contributions payable under section 352.04, subdivision 3, the employer shall contribute for covered correctional employees (1) an amount equal to ~~1-1/2 times the deduction from salaries of covered correctional employees on each payroll abstract, plus~~ (2) an additional amount of ~~1.32~~ percent of salaries of covered correctional employees on each payroll abstract. ~~For the period beginning with the first full pay period after December 31, 1981, and ending with the last full pay period before July 1, 1982, the contribution shall be an amount equal to 5.66 percent of salaries of covered correctional employees on each payroll abstract plus an additional amount equal to 3.16 percent of salaries of covered correctional employees on each payroll abstract 8.70 percent of salary.~~

Sec. 14. Minnesota Statutes 1982, section 352.93, subdivision 2, is amended to read:

Subd. 2. The monthly annuity under this section shall be determined by multiplying the average monthly salary by the number of years, or completed months, of covered correctional service by 2.5 percent for the first ~~20~~ 25 years of correctional service and two percent for each year thereafter; provided however, the monthly annuity shall not exceed 75 percent of the average monthly salary.

Sec. 15. Minnesota Statutes 1982, section 352.93, subdivision 3, is amended to read:

Subd. 3. The annuity under this section shall begin to accrue as provided in section 352.115, subdivision 8, and shall be paid for an additional 84 full calendar months or to the first of the month following the month in which ~~he~~ the employee becomes age 65, whichever occurs first, *except that in no event shall payment cease prior to the first of the month following the month in which the employee becomes 62*, and then be reduced to the amount as calculated under section 352.115, except that if this amount, when added to the social security benefit based on state service the employee is eligible to receive at such time, is less than the benefit payable under subdivision 2, the retired employee shall receive an amount that when added to such social security benefit will equal the amount payable under subdivision 2. When an annuity is reduced under this subdivision, the percentage adjustments, if any, that have been applied to the original annuity under section 11A.18, prior to the reduction, shall be compounded and applied to the reduced annuity. A former correctional employee employed by the state in a position covered by the regular plan between the ages of 58 and 65 shall receive a partial return of

his correctional contributions at retirement with five percent interest based on the following formula:

Employee contributions contributed as a correctional employee in excess of the contributions such employee would have contributed as a regular employee	X	Years and complete months of regular service between ages 58 and 65 ..... 7
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Sec. 16. Minnesota Statutes 1982, section 352.95, subdivision 1a, is amended to read:

Subd. 1a. [OPTIONAL ANNUITY ELECTION.] A disabled correctional employee may elect the normal disability benefit or an optional annuity as provided in section 352.116, subdivision 3. The election of an optional annuity shall be made prior to commencement of payment of the disability benefit and shall be effective 30 days after receipt of the election or the date on which the disability benefit begins to accrue as provided in subdivision 3, whichever occurs later. Upon becoming effective, the optional annuity shall begin to accrue on the same date as provided for the disability benefit.

Sec. 17. Minnesota Statutes 1983 Supplement, section 352B.02, subdivision 1, is amended to read:

Subdivision 1. There is hereby established a state patrol retirement fund, the membership of which shall consist of all persons defined in section 352B.01, subdivision 2. Each member shall pay a sum equal to 8.5 percent of the member's salary. Member contribution amounts shall be deducted each pay period by the department head, who shall cause the total amount of the deductions to be paid to the state treasurer, and shall cause a detailed report of all deductions to be made each pay period to the executive director of the Minnesota state retirement system. In addition thereto, there shall be paid out of money appropriated to the departments for this purpose, by the department heads, a sum equal to ~~12~~ 18.9 percent of the salary upon which deductions were made, and a sum equal to nine percent of the salaries upon which deductions were made for the purpose of amortizing the actuarial deficit of the fund.

These amounts shall be credited to the state patrol retirement fund. All moneys received shall be deposited by the state treasurer in the state patrol retirement fund. Out of the fund shall be paid the administrative expenses of the retirement fund, and the benefits and annuities as hereinafter provided. The legislative auditor shall audit the fund and the executive director shall procure an actuarial study of the fund in accordance with chapter 356, the cost of which shall be borne by the fund.

Sec. 18. Minnesota Statutes 1983 Supplement, section 352B.11, subdivision 1, is amended to read:

Subdivision 1. [REFUND OF PAYMENTS.] Should any member who has not received other benefits under this chapter become separated, either voluntarily or involuntarily, from state service that entitled him or her to be a member, the member, or in the event of the member's death, the member's estate, shall be entitled to receive a refund of all payments which have been

made by salary deductions *plus interest at the rate of five percent per annum compounded annually* upon application on a form prescribed by the executive director.

Sec. 19. Minnesota Statutes 1982, section 352B.11, subdivision 2, is amended to read:

Subd. 2. [DEATH; PAYMENT TO SPOUSE AND CHILDREN.] In the event any member serving actively as a member, a member receiving the disability benefit provided by section 352B.10, clause (1), or a former member receiving a disability benefit as provided by section 352B.10, clause (3) dies from any cause, the surviving spouse and dependent child or dependent children shall be entitled to benefit payments as follows:

(a) A member with at least ten years of allowable service or a former member with at least 20 years of allowable service is deemed to have elected a 100 percent joint and survivor annuity payable to a surviving spouse only on or after the date the member or former member attained or would have attained the age of 55.

(b) The surviving spouse of a member who had credit for less than ten years of service shall receive, for life, a monthly annuity equal to 20 percent of that portion of the average monthly salary of the member from which deductions were made for retirement. If the surviving spouse remarries, the annuity shall cease as of the date of the remarriage.

(c) The surviving spouse of a member who had credit for at least ten years of service and who dies after attaining 55 years of age, may elect to receive a 100 percent joint and survivor annuity, for life, notwithstanding a subsequent remarriage, in lieu of the annuity prescribed in clause (b).

(d) The surviving spouse of any member who had credit for ten years or more and who was not 55 years of age at death, shall receive the benefit equal to 20 percent of the average monthly salary as described in clause (b) until the deceased member would have reached his or her 55th birthday, and beginning the first of the month following that date, may elect to receive the 100 percent joint and survivor annuity. If the surviving spouse remarries prior to the deceased member's 55th birthday, all benefits or annuities shall cease as of the date of remarriage. Remarriage subsequent to the deceased member's 55th birthday shall not affect the payment of the benefit.

(e) Each dependent child shall receive a monthly annuity equal to ten percent of that portion of the average monthly salary of the former member from which deductions were made for retirement. A dependent child over the age of 18 years and under the age of 22 years also may receive the monthly benefit provided herein, if the child is continuously attending an accredited school as a full time student during the normal school year as determined by the director. If the child does not continuously attend school but separates from full time attendance during any portion of a school year, the annuity shall cease at the end of the month of separation. In addition, a payment of \$20 per month shall be prorated equally to surviving dependent children when the former member is survived by one or more dependent children. Payments for the benefit of any qualified dependent child shall be made to the surviving spouse, or if there be none, to the legal guardian of the child. The maximum monthly benefit shall not exceed 40 percent of the average



monthly salary for any number of children.

(f) If the member shall die under circumstances which entitle the surviving spouse and dependent children to receive benefits under the workers' compensation law, amounts equal to the workers' compensation benefits received by them shall not be deducted from the benefits payable pursuant to this section.

(g) The surviving spouse of a deceased former member who had credit for ten or more years of allowable service, but excluding the spouse of a former member receiving a disability benefit under the provisions of section 352B.10, clause (3), shall be entitled to receive the 100 percent joint and survivor annuity at such time as the deceased member would have reached his or her 55th birthdate, provided the surviving spouse has not remarried prior to that date. In the event of the death of a former member who does not qualify for other benefits under this chapter, the surviving spouse or, if none, the children or heirs shall be entitled to receive a refund of the accumulated deductions left in the fund *plus interest at the rate of five percent per annum compounded annually.*

Sec. 20. Minnesota Statutes 1983 Supplement, section 352C.09, subdivision 2, is amended to read:

Subd. 2. (1) Any person who has made contributions pursuant to subdivision 1 who is no longer a constitutional officer or commissioner is entitled to receive upon application to the director a refund of all contributions credited to his or her account with interest at the rate of ~~3-1/2~~ *five percent per annum compounded annually after the third year of service.*

(2) The refund of contributions as provided in clause (1) above terminates all rights of a former constitutional officer or commissioner or his or her survivors under the provisions of this chapter. Should the former constitutional officer or commissioner again hold such office after having taken a refund as provided above, he or she shall be considered a new member and may reinstate the rights and credit for service forfeited provided he or she repays all refunds previously taken plus interest at six percent per annum compounded annually.

(3) No person shall be required to apply for or accept a refund.

Sec. 21. Minnesota Statutes 1982, section 353.27, subdivision 3a, is amended to read:

Subd. 3a. [ADDITIONAL EMPLOYER CONTRIBUTION.] An additional employer contribution shall be made equal to (a) two and one-half percent of the total salary of each "basic member"; and (b) ~~one and one-half~~ *one-quarter of one percent* of the total salary of each "coordinated member." These contributions shall be made from funds available to the employing subdivision by the means and in the manner provided in section 353.28.

Sec. 22. Minnesota Statutes 1982, section 353.30, subdivision 1c, is amended to read:

Subd. 1c. Any person *who has received credit for at least 30 years of allowable service or any person* who has attained the age of at least 62 55 years but not more than 65 years, and who received credit for at least ten years of allowable service is entitled upon application to a retirement annuity

in an amount equal to the normal annuity provided in section 353.29, subdivisions 2 and 3, reduced by one-quarter of one percent for each month that the member is under age 65 at the time of retirement, *except that for any member who has 30 or more years of allowable service the reduction shall be applied only for each month that the member is under age 62 at the time of retirement.*

Sec. 23. Minnesota Statutes 1982, section 353.31, subdivision 1, is amended to read:

Subdivision 1. [BENEFITS FOR SURVIVING SPOUSE AND DEPENDENT CHILDREN; BEFORE RETIREMENT.] Upon the death of a "basic member" before retirement or upon the death of a "basic member" who was disabled and receiving disability benefits pursuant to section 353.33 at the time of death who has had at least 18 months of credited allowable service, the surviving spouse and dependent children of the member, as defined in section 353.01, subdivisions 15 and 20, shall be entitled to receive the monthly benefit provided below:

- |                          |   |
|--------------------------|---|
| (a) Surviving spouse     | 30 50 percent of the member's monthly average salary in effect over the last full six months of allowable service preceding the month in which death occurred |
| (b) Each dependent child | 10 percent of the member's monthly average salary in effect over the last full six months of allowable service preceding the month in which death occurred    |

Payments for the benefit of any dependent child, as defined in section 353.01, subdivision 15, shall be made to the surviving parent, or if there be none, to the legal guardian of the child. The maximum monthly benefit for a family shall not exceed \$700 \$1,000, and the minimum benefit per family shall not be less than 30 50 percent of the "basic member's" specified average *monthly* salary, subject to the aforementioned maximum. The surviving spouse benefit shall terminate upon the remarriage of the spouse, and the dependent children's benefit shall be reduced pro tanto when any child is no longer dependent.

Any survivor of a "basic member" whose average salary was less than \$75 per month shall not be entitled to the benefits provided in this subdivision. *Prior to payment of any survivor benefit pursuant to this subdivision, in lieu of that benefit, the surviving dependent spouse may elect to receive the joint and survivor annuity provided pursuant to section 353.32, subdivision 1a.*

Except for any benefits provided pursuant to section 353.32, subdivisions 1 and 1a, there are no survivor benefits payable to the surviving spouse or dependent children of a deceased "coordinated member".

Sec. 24. Minnesota Statutes 1983 Supplement, section 353.32, subdivision 1, is amended to read:

Subdivision 1. [BEFORE RETIREMENT.] If a member or former member who terminated public service dies before retirement or before he has re-

ceived any retirement annuity and no other payment of any kind is or may become payable to any person, a refund shall be paid to his designated beneficiary or, if there be none, to his surviving spouse, or, if none, to the legal representative of his estate. Such refund shall be in an amount equal to his accumulated deductions plus interest thereon at the rate of ~~3-1/2~~ five percent per annum compounded annually less the sum of any disability or survivor benefits, if any, that may have been paid by the fund; provided that a survivor who has a right to benefits pursuant to section 353.31 may waive such benefits in writing, except such benefits for a dependent child under the age of 18 years may only be waived pursuant to an order of the district court.

Sec. 25. Minnesota Statutes 1982, section 353.32, subdivision 1a, is amended to read:

Subd. 1a. [SURVIVING SPOUSE OPTIONAL ANNUITY.] If a member or former member who has attained the age of at least ~~58~~ 55 years and has credit for not less than ~~20~~ ten years of allowable service, or ~~has attained the age of at least 62 years and~~ who has credit for not less than ~~40~~ 30 years of allowable service, ~~dies before public service has terminated, or if an employee who has filed a valid application for an annuity or disability benefit prior to termination of public service, regardless of age attained,~~ dies before the annuity or disability benefit has become payable, notwithstanding any designation of beneficiary to the contrary, the surviving spouse may elect to receive, in lieu of a refund with interest provided in subdivision 1, or survivor benefits otherwise payable pursuant to section 353.31, an annuity equal to the ~~50~~ 100 percent joint and survivor annuity which the member could have qualified for ~~had the member terminated service on the date of death.~~ The annuity shall be computed as provided in sections 353.29, subdivisions 2 and 3; and 353.30, subdivisions 1, 1a, 1b and 1c. No payment shall accrue beyond the end of the month in which entitlement to the annuity has terminated. An amount equal to the excess, if any, of the accumulated contributions which were credited to the account of the deceased employee over and above the total of the annuities paid and payable to the surviving spouse shall be paid to the deceased member's last designated beneficiary or, if none, to the legal representative of the estate of the deceased member. Any member may specify in writing that this subdivision shall not apply and that payment shall be made only to the designated beneficiary, as otherwise provided by this chapter.

Sec. 26. Minnesota Statutes 1982, section 353.33, subdivision 2, is amended to read:

Subd. 2. [APPLICATIONS; ACCRUAL OF BENEFITS.] Every claim or demand for a total and permanent disability benefit shall be initiated by written application in the manner and form prescribed by the executive director, filed in the office of the retirement association, showing compliance with the statutory conditions qualifying the applicant for a total and permanent disability benefit. A member or former member who became totally and permanently disabled during his period of membership may file his application for total and permanent disability benefits within three years next following termination of public service, but not thereafter. This benefit shall begin to accrue ~~90 days~~ the day following the commencement of disability, 90 days preceding the filing of the application, or, if annual or sick leave is paid for more than the said 90 day period, from the date salary ceased whichever is

later. No payment shall accrue beyond the end of the month in which entitlement has terminated. If the disabliant dies prior to negotiating the check for the month in which death occurs, payment will be made to the surviving spouse, or if none, to the designated beneficiary, or if none, to the estate.

Sec. 27. Minnesota Statutes 1983 Supplement, section 353.34, subdivision 2, is amended to read:

Subd. 2. [REFUND ~~WITHOUT WITH~~ INTEREST.] Except as provided in subdivision 1, any person who ceases to be a public employee shall receive a refund in an amount equal to his accumulated deductions ~~without interest for the first three years of membership and thereafter accumulated deductions~~ with interest to the first day of the month in which the refund is processed at the rate of ~~three and one-half~~ five percent per annum compounded annually ~~after the third year of membership~~ based on fiscal year balances.

Sec. 28. Minnesota Statutes 1982, section 353.651, subdivision 3, is amended to read:

Subd. 3. [RETIREMENT ANNUITY FORMULA.] The average salary as defined in subdivision 2, multiplied by two and one-half percent per year of allowable service for the first 20 25 years and two percent per year of allowable service thereafter, shall determine the amount of the "normal" retirement annuity. If the member has earned allowable service for performing services other than those of a police officer or fire fighter, the annuity representing such service shall be computed in accordance with sections 353.29 and 353.30.

Sec. 29. Minnesota Statutes 1982, section 354.42, subdivision 5, is amended to read:

Subd. 5. *For the purpose of amortizing the unfunded entry-age normal liability an additional employer contribution shall be made in the amount of ~~3.05~~ 4.48 percent of the salary of each member for the purpose of amortizing the deficit in the fund. For the fiscal year ending June 30, 1985, the commissioner of finance shall increase allotments to state agencies having members covered by the teachers retirement association in an amount equal to 1.43 percent of the salaries of basic and coordinated plan members of the teachers' retirement fund.*

This contribution shall be made in the manner provided in section 354.43.

Sec. 30. Minnesota Statutes 1982, section 354.44, subdivision 6, is amended to read:

Subd. 6. [COMPUTATION OF FORMULA PROGRAM RETIREMENT ANNUITY.] (1) The formula retirement annuity hereunder shall be computed in accordance with the applicable provisions of the formula stated in clause (2) hereof on the basis of each member's average salary for the period of his formula service credit. For the purposes of computing the formula benefits under the formula and variable program, if a combination of these formulas is used, the formula percentages used will be those percentages in each formula as continued for the respective years of service from one formula to the next.

For all years of formula service credit "average salary" for the purpose of determining the member's retirement annuity means the average salary upon

which contributions were made and upon which payments were made to increase the salary limitation provided in Minnesota Statutes 1971, Section 354.511 for the highest five successive years of formula service credit provided however that such "average salary" shall not include any more than the equivalent of 60 monthly salary payments.

(2) The average salary as defined in clause (1), multiplied by the following percentages per year of formula service credit shall determine the amount of the annuity to which the member qualifying therefor is entitled:

	Coordinated Member	Basic Member
Each year of service during first ten	1.0 percent per year	2.0 percent per year
Each year of service thereafter	1.5 percent per year	2.5 percent per year

(3) Where any member retires prior to age 65 under a formula annuity, *he the member* shall be paid a retirement annuity in an amount equal to the normal annuity provided in this subdivision and subdivision 7, reduced by one-half of one percent for each month that the member is under age 65 to and including age 60 and reduced by one-fourth of one percent for each month under age 60 65 at the time of retirement except that for any member who has 30 or more years of allowable service credit, the reduction shall be applied only for each month which the member is under age 62.

Sec. 31. Minnesota Statutes 1982, section 354.46, subdivision 1, is amended to read:

Subdivision 1. [BASIC PROGRAM; BENEFITS FOR SPOUSE AND CHILDREN OF TEACHER.] If a basic member who has at least 18 months of allowable service credit and who has an average salary as defined in section 354.44, subdivision 6 equal to or greater than \$75 dies prior to retirement or if a former basic member who, at the time of death, was totally and permanently disabled and receiving disability benefits pursuant to section 354.48 dies prior to attaining the age of 65 years, the surviving dependent spouse and dependent children of the basic member or former basic member shall be entitled to receive a monthly benefit as follows:

- (a) Surviving dependent spouse ..... ~~30~~ 50 percent of the basic member's monthly average salary paid in the last full fiscal year preceding death
- (b) Each dependent child ..... ten percent of the basic member's monthly average salary paid in the last full fiscal year preceding death

Payments for the benefit of any dependent child under the age of 22 years shall be made to the surviving parent, or if there be none, to the legal guardian of the child. The maximum monthly benefit shall not exceed ~~\$700~~ \$1,000 for any one family, and the minimum benefit per family shall not be less than ~~30~~ 50 percent of the basic member's average salary, subject to the foregoing maximum. The surviving dependent spouse benefit shall terminate upon re-

marriage, and the surviving dependent children's benefit shall be reduced pro tanto when any surviving child is no longer dependent.

If the basic member and the surviving dependent spouse are killed in a common disaster and if the total of all survivors benefits payable pursuant to this subdivision is less than the accumulated deductions plus interest payable, the surviving dependent children shall receive the difference in a lump sum payment.

If the survivor benefits provided in this subdivision exceed in total the monthly average salary of the deceased basic member, these benefits shall be reduced to an amount equal to the deceased basic member's monthly average salary.

Prior to payment of any survivor benefit pursuant to this subdivision, in lieu of that benefit, the surviving dependent spouse may elect to receive the joint and survivor annuity provided pursuant to subdivision 2, or may elect to receive a refund of accumulated deductions with interest in a lump sum as provided pursuant to sections 354.47, subdivision 1 or 354.62, subdivision 5, clause (3). If there are any surviving dependent children, the surviving dependent spouse may elect to receive the refund of accumulated deductions only with the consent of the district court of the district in which the surviving dependent child or children reside.

Sec. 32. Minnesota Statutes 1982, section 354.46, subdivision 2, is amended to read:

Subd. 2. [DEATH WHILE ELIGIBLE DESIGNATED BENEFICIARY BENEFIT.] The surviving spouse of any member *or former member* who has attained the age of at least 55 years and has credit for at least ~~20~~ *ten* years of allowable service or who has credit for at least 30 years of allowable service irrespective of age shall be entitled to joint and survivor annuity coverage in the event of death of the member prior to retirement. If the surviving spouse does not elect to receive a surviving spouse benefit provided pursuant to subdivision 1, if applicable, or does not elect to receive a refund of accumulated member contributions provided pursuant to sections 354.47, subdivision 1, or 354.62, subdivision 5, clause (3), whichever is applicable, the surviving spouse shall be entitled to receive, upon written application on a form prescribed by the executive director, a benefit equal to the second portion of a 100 percent joint and survivor annuity as provided pursuant to section 354.45 and computed pursuant to section 354.44, subdivisions 2, 6 or 7, whichever is applicable. If the member was a participant in the variable annuity division, the applicable portion of the benefit shall be computed pursuant to section 354.62, subdivision 5, clause (1). The benefit shall be payable for life.

Sec. 33. Minnesota Statutes 1982, section 354.47, subdivision 1, is amended to read:

Subdivision 1. [DEATH BEFORE RETIREMENT.] (1) If a member dies before retirement and is covered pursuant to the provisions of section 354.44, subdivision 2, and neither an optional annuity, nor a reversionary annuity, nor a benefit pursuant to section 354.46, subdivision 1 is payable to the survivors if the member was a basic member, the surviving spouse, or if there is no surviving spouse, the designated beneficiary shall be entitled to an

amount equal to the member's accumulated deductions with interest credited to the account of the member to the date of death.

(2) If a member dies before retirement and is covered pursuant to the provisions of section 354.44, subdivisions 6 and 7, and neither an optional annuity, nor reversionary annuity, nor the benefit described in section 354.46, subdivision 1 is payable to the survivors if the member was a basic member, the surviving spouse, or if there is no surviving spouse, the designated beneficiary shall be entitled to an amount equal to the member's accumulated deductions credited to the account of the member as of June 30, 1957 and from July 1, 1957 to the date of death the member's accumulated deductions plus interest at the rate of ~~3-1/2~~ five percent per annum compounded annually.

(3) The amounts payable in clause (1) or clause (2) are in addition to the amount payable in section 354.62, subdivision 5, for the member's variable annuity account.

Sec. 34. Minnesota Statutes 1982, section 354.48, subdivision 2, is amended to read:

Subd. 2. [APPLICATIONS.] Any person described in subdivision 1 may make application for a total and permanent disability benefit within 18 months following termination of teaching service but not thereafter. This benefit shall begin to accrue ~~90 days~~ *the day* following the commencement of disability or the day following the date on which salary ceases, whichever is later, but shall not begin to accrue more than 90 days prior to the date the application is filed with the board. If salary is being received for either annual or sick leave during the period, payments shall accrue from the date salary ceases.

Sec. 35. Minnesota Statutes 1982, section 354.48, subdivision 3a, is amended to read:

Subd. 3a. [OPTIONAL ANNUITY ELECTION.] A disabled member may elect to receive the normal disability benefit or an optional annuity as provided in section 354.45, subdivision 1. The election of an optional annuity shall be made prior to commencement of payment of the disability benefit and shall be effective ~~30 days after receipt of the election or and shall begin to accrue on the same date on which the disability benefit begins to accrue, whichever occurs later. Upon becoming effective, the optional annuity shall begin to accrue on the same date as provided for the disability benefit.~~

Sec. 36. Minnesota Statutes 1982, section 354.49, subdivision 2, is amended to read:

Subd. 2. Except as provided in section 354.44, subdivision 1, any person who ceases to be a member by reason of termination of teaching service, shall receive a refundment in an amount equal to his accumulated deductions ~~without~~ *with interest at the rate of five percent per annum compounded annually* plus any variable annuity account accumulations payable pursuant to section 354.62, subdivision 5, clause (4).

Sec. 37. Minnesota Statutes 1982, section 354.49, subdivision 3, is amended to read:

Subd. 3. Any person who has attained the age of at least 65 with less than

ten years of credited allowable service shall be entitled to receive a refund in an amount equal to his accumulated deductions plus interest in lieu of a proportionate annuity pursuant to section 356.32 except those covered under the provisions of section 354.44, subdivisions 6 or 7 in which case the refund shall be an amount equal to his accumulated deductions credited to his account as of June 30, 1957 and after July 1, 1957 his accumulated deductions plus interest at the rate of ~~three and one-half~~ five percent compounded annually.

Sec. 38. Minnesota Statutes 1982, section 354.62, subdivision 5, is amended to read:

Subd. 5. [VARIABLE RETIREMENT ANNUITY.] (1) At retirement the amount of the member's variable account accumulation in the employee variable annuity contribution account, based on the valuation at the previous fiscal year end plus any contributions made by the person since the end of the previous fiscal year, and an equal amount from the employer variable annuity contribution account shall be transferred to the variable annuity reserve account, and the variable retirement annuity for the member shall be determined by the member's age, and sex, and the amount transferred for the member to the variable annuity reserve account at the date of retirement. The amount of the annuity shall be calculated on the basis of an appropriate annuity table of mortality with an interest assumption ~~as provided in section 354.07, subdivision 4~~ of eight percent, except that if the member elects to have the accumulation transferred to the Minnesota postretirement investment fund as authorized by clause (8), the annuity shall be calculated with an interest assumption of five percent.

(2) Whenever the admitted value of the annuity reserve account of the variable annuity division, as of June 30 of any year, exceeds or is less than the then present value of all variable annuities in force, determined in accordance with the rate of interest and approved actuarial tables then in effect, by at least two percent of the present value, the amount of each variable annuity payment shall be proportionately increased or decreased for the following year.

(3) The death benefit payable in the event of a member's death prior to retirement shall be a lump sum refund of a member's variable account accumulation, based on the valuation at the previous fiscal year end plus any contributions made by the person since the end of the previous fiscal year, to the surviving spouse, or if there is no surviving spouse to the designated beneficiary. Except that if a member has made an election in accordance with section 354.46, then the surviving spouse shall receive a joint and survivor annuity as described in section 354.44 and computed as provided in clause (1). An amount equal to the lump sum refund made in this clause shall be transferred from the employer contribution account to the variable annuity turnover account.

(4) Except as provided in section 354.44, subdivision 7, any person who ceases to be a member by reason of termination of teaching service, shall be entitled to a lump sum refundment of the member's variable account accumulations, based on the valuation at the previous fiscal year end plus any contributions made by the person since the end of the previous fiscal year. Application for a refundment may be made no sooner than 30 days after



termination of teaching service if the applicant has not again become a teacher. Repayment of a refundment upon resumption of teaching is not permitted under this section. An amount equal to the refundment to the member shall be transferred from the employer contribution account to the variable annuity turnover account.

(5) If a member is determined to be totally and permanently disabled as provided in sections 354.05, subdivision 14; and 354.48, the member shall be entitled to the annuity provided in this subdivision.

(6) Those members eligible for retirement as provided in section 354.44, subdivision 1 shall upon application for the annuity provided therein be entitled to the annuity provided in this subdivision. The annuity elected in accordance with sections 354.44, and 354.45 shall be the annuity applicable to this subdivision.

(7) Notwithstanding section 356.18, increases in annuity payments pursuant to this section shall be made automatically unless written notice is filed by the annuitant with the teachers retirement association board requesting that the increase not be made.

(8) At retirement, a member may elect to have the amount of the member's variable annuity accumulation in the employee variable annuity contribution account and an equal amount from the employer variable annuity contribution account transferred to the Minnesota post-retirement investment fund as provided in section 354.63, subdivision 2, clause (2). This election may also be made by a surviving spouse who receives an annuity under clause (3) of this subdivision. The election shall be made on a form provided by the executive secretary.

Sec. 39. Minnesota Statutes 1982, section 354A.23, is amended by adding a subdivision to read:

*Subd. 3. Notwithstanding anything to the contrary in the articles and bylaws of the basic programs enumerated in chapter 354A, the payment of interest on refunds and interest on repayment of refunds shall be computed in the same manner as for the coordinated programs covered by chapter 354A.*

Sec. 40. Minnesota Statutes 1982, section 354A.37, subdivision 3, is amended to read:

Subd. 3. [COMPUTATION OF REFUND AMOUNT.] A former coordinated member who qualifies for a refund pursuant to subdivision 1 shall receive a refund equal to the amount of the former coordinated member's accumulated contributions ~~without~~ *with interest at the rate of five percent per annum compounded annually.*

Sec. 41. Minnesota Statutes 1982, section 354A.37, subdivision 4, is amended to read:

Subd. 4. [CERTAIN REFUNDS AT AGE 65.] Any coordinated member who has attained the age of at least 65 with less than ten years of allowable service credit and has terminated active teaching service shall be entitled to a refund in lieu of a proportionate annuity pursuant to section 356.32. The refund shall be equal to the coordinated member's accumulated employee contributions plus interest at the rate of  $3\frac{1}{2}$  five percent compounded annually.

Sec. 42. Minnesota Statutes 1982, section 356.20, subdivision 4, is amended to read:

Subd. 4. [CONTENTS OF FINANCIAL REPORT.] Each financial report required by this section shall include:

(1) An exhibit prepared according to applicable actuarial standards enumerated in section 356.215, and specified in rules adopted by the legislative commission on pensions and retirement by an approved actuary as defined in section 356.215, subdivision 6 showing the accrued assets of the fund, the accrued liabilities, including accrued reserves, and the accrued unfunded liability of the fund. The exhibit shall contain the certificate of an approved actuary certifying that the required reserves for any benefits provided under a benefit formula are computed in accordance with the Entry Age Normal Cost (Level Normal Cost) actuarial method and rules adopted by the legislative commission on pensions and retirement.

(a) Assets shown in the exhibit shall include the following items of actual assets:

- Cash in office
- Deposits in banks
- Accounts receivable:
- Accrued members' contributions
- Accrued employer contributions
- Other
- Accrued interest on investments
- Dividends on stocks, declared but not yet received
- Investment in bonds at amortized cost
- Investment in stocks at cost
- Investment in real estate
- Equipment at cost, less depreciation
- Other
- Total assets .....

(b) The exhibit shall include a statement of the unfunded accrued liability of the fund. If the assets of the fund exceed the liabilities, the excess shall be listed as surplus and indicated in the exhibit following the item of reserves.

(c) The exhibit shall include a footnote showing accumulated member contributions without interest.

(d) Current liabilities shown in the exhibit shall include the following items:

- Current:
- Accounts payable
- Annuity payments
- Survivor benefit payments
- Refund to members
- Accrued expenses
- Suspense items
- Total current liabilities .....

(e) The exhibit shall include an item for accrued necessary reserves which shall be listed as "total reserves required as per attached schedule." The

attached schedule shall contain the owing information on the reserves required:

1. For active members
  - a. Retirement benefits
  - b. Disability benefits
  - c. Refund liability due to death or withdrawal
  - d. Survivors' benefits
2. For deferred annuitants
3. For former members without vested rights
4. For annuitants
  - a. Retirement
  - b. Disability annuities
  - c. Surviving spouses' annuities
  - d. Surviving children's annuities

5. In addition to the foregoing, if there are additional benefits not appropriately covered by the foregoing four items of reserves required, they shall be listed separately.

(2) An income statement on an accrual basis showing all income and all deductions from income for the fiscal year. The statement shall show separate items for employee contributions, employer regular contributions, employer additional contributions if provided by law, investment income, profit on the sale of investments, and other income, if any.

(3) A statement of deductions from income, which shall include separate items for benefit payments, retirement benefits, disability benefits, surviving spouse benefits, surviving children's benefits, refunds to members terminating employment, refunds due to death of members and due to death of annuitants, the increase in total reserves required, general administrative expense incurred, loss on sale of investments, and any other deductions.

(4) A statement showing appropriate statistics as to membership and beneficiaries of the fund, with indications of changes in the statistical data which may result from the current year's operation.

(5) Any additional statements or exhibits which will enable the management of the fund to portray a true interpretation of the fund's financial condition, except that the term "surplus" or the term "excess of assets" shall not be used except as otherwise specifically provided for in this section, nor shall any representation of assets and liabilities other than as provided for in this section be included in the additional statements or exhibits.

(6) A more detailed or subdivided itemization of any of the items required by this section, if the management of the fund so desires.

Sec. 43. Minnesota Statutes 1982, section 356.215, subdivision 4, is amended to read:

Subd. 4. [ACTUARIAL VALUATIONS; CONTENTS.] Actuarial valuations shall be made in conformity with the requirements of the definition contained in subdivision 1 *and rules adopted by the legislative commission on pensions and retirement*. Each actuarial valuation shall measure all aspects of the fund in accordance with changes in benefit plans, if any, and salaries as will be in force during the ensuing fiscal year. Each actuarial

valuation shall be in accordance with the entry age normal cost (level normal cost) method.

Each actuarial valuation required under this section shall include:

(1) For each fund providing any benefits under a benefit formula, the level normal cost of the benefits provided by the laws governing the fund as of the date of the valuation, computed in accordance with the entry age normal cost (level normal cost) method. The normal cost shall be expressed as a level percentage of the future payroll of the active participants of the fund as of the date of the valuation.

(2) The accrued liabilities of the fund which shall be equal to the present value of all benefits minus the present value of future normal costs calculated in accordance with the entry age normal cost method.

(3) For each fund providing benefits under the money purchase or defined contribution method, the member contributions accumulated at interest, as apportioned to members accounts, to the date of the valuation. These accumulations shall be separately tabulated in such manner as to reflect properly any differences in money purchase or defined contribution annuity rates which may apply.

(4) *For funds governed by chapters 3A, 352, 352B, 352C, 353, 354, 354A, and 490, a preretirement interest assumption of five eight percent, a post-retirement interest assumption of five percent, and an assumption that in each future year the salary on which a retirement or other benefit is based is ~~1.035~~ 1.065 multiplied by the salary for the preceding year. For all other funds, a preretirement interest assumption of five percent, a post-retirement interest assumption of five percent, and an assumption that in each future year the salary on which a retirement or other benefit is based is 1.035 multiplied by the salary for the preceding year.*

(5) Other assumptions as to mortality, disability, retirement, withdrawal, entry age and retirement age ~~that are appropriate to the fund, which shall be set forth in the valuation report~~ at levels consistent with those determined in the most recent experience study completed pursuant to section 356.215, subdivision 5, and set forth in the valuation report.

(6) An actuarial balance sheet showing ~~accrued assets, accrued liabilities, and the deficit from full funding of liabilities (unfunded accrued liability)~~. The accrued liabilities shall include the following required reserves:

- (a) For active members
  - 1. Retirement benefits
  - 2. Disability benefits
  - 3. Refund liability due to death or withdrawal
  - 4. Survivors' benefits
- (b) For deferred annuitants' benefits
- (c) For former members without vested rights
- (d) For annuitants
  - 1. Retirement annuities
  - 2. Disability annuities
  - 3. Surviving spouses' annuities
  - 4. Surviving children's annuities

*current and expected future benefit obligations, current and expected future*

assets, and the current and expected future unfunded liabilities. Specifically, the balance sheet shall be organized in the following manner:

[CURRENT AND EXPECTED FUTURE ASSETS]

Current Assets	
Cash and equivalents	\$ . . .
Fixed income investments	. . .
Equity investments	. . .
Total Current Assets	\$ . . .
Expected Future Assets	
Present value of expected future supplemental contributions	. . .
Present value of future normal costs	. . .
Total Expected Future Assets	\$ . . .
Total Current and Expected Future Assets	\$ . . .

[CURRENT AND EXPECTED FUTURE BENEFIT OBLIGATIONS]

Current Benefit Obligations	
Actuarial value of benefit obligations on account of service rendered to date:	
For annuitants	
Retirement annuities	\$ . . .
Disability annuities	. . .
Surviving spouses' annuities	. . .
Surviving children's annuities	. . .
For former members without vested rights	. . .
For deferred annuitants' benefits	. . .
For active employees	
Retirement benefits	. . .
Disability benefits	. . .
Refund liability due to death or withdrawal	. . .
Survivors' benefits	. . .
Total Current Benefit Obligations	\$ . . .
Expected Future Benefit Obligations	
Actuarial value of benefit obligations on account of future service for active employees	
Total Current and Expected Future Benefit Obligations	\$ . . .
Current Unfunded Liability	
(Total Current Benefit Obligations less Total Current Assets):	
	\$ . . .
Current and Future Unfunded Liability	
(Total Current and Expected Future Benefit Obligations less Total Current and Expected Future Assets):	
	\$ . . .

For the purpose of this subdivision, the terms

(a) "expected future statutory supplemental contributions" means the sum of future employee and employer contributions at the rates specified in statute at the time the valuation is completed reduced by the present value of future normal costs; and

(b) "current assets" means the value of all assets at cost, plus one-third of any unrealized capital gains or losses, plus realized income, including realized capital gains or losses.

In addition to the above ~~required reserves~~ *itemization of benefit obligations*, separate items shall be shown for additional benefits, if any, which may not be appropriately included in the ~~reserves listed~~ *list shown above*.

(7) In addition to the level normal cost, the additional annual contribution which would be required to retire the current unfunded accrued liability. *For funds governed by chapters 3A, 352, 352B, 352C, 353, 354, 354A, and 490, the additional contribution shall be calculated on a level dollar basis by the established date for full funding which is in effect at the time of the valuation percent basis by the established date for full funding which is in effect at the time of the valuation. The level percent additional contribution shall be calculated assuming annual payroll growth of 6.5 percent. For all other funds, the additional annual contribution shall be calculated on a level dollar basis.*

If, after the first actuarial valuation date occurring after June 1, 1979, there has not been a change in any or all of the actuarial assumptions used for calculating the accrued liability of the fund, a change in the benefit plan governing annuities and benefits payable from the fund, a change in the actuarial cost method used in calculating the accrued liability of all or a portion of the fund, or a combination of the three, which change or changes by themselves without inclusion of any other items of increase or decrease produce a net increase in the unfunded accrued liability of the fund, the established date for full funding for the first actuarial valuation made after June 1, 1979 and each successive actuarial valuation shall be the first actuarial valuation date which occurs after June 1, 2009.

If after the first actuarial valuation date occurring after June 1, 1979, there has been a change in any or all of the actuarial assumptions used for calculating the accrued liability of the fund, a change in the benefit plan governing annuities and benefits payable from the fund, a change in the actuarial cost method used in calculating the accrued liability of all or a portion of the fund, or a combination of the three, which change or changes by themselves without inclusion of any other items of increase or decrease produce a net increase in the unfunded accrued liability in the fund, the established date for full funding shall be determined using the following procedure:

(i) The unfunded accrued liability of the fund shall be determined in accordance with the plan provisions governing annuities and retirement benefits and the actuarial assumptions in effect prior to an applicable change:

(ii) The level annual dollar contribution *or level percentage, whichever is applicable, which is needed to amortize the unfunded accrued liability amount determined pursuant to subclause (i) by the established date for full funding in effect prior to the change shall be calculated using the interest assumption specified in clause (4) in effect prior to the change;*

(iii) The unfunded accrued liability of the fund shall be determined in ac-

cordance with any new plan provisions governing annuities and benefits payable from the fund and any new actuarial assumptions and the remaining plan provisions governing annuities and benefits payable from the fund and actuarial assumptions in effect prior to the change;

(iv) The level annual dollar contribution *or level percentage, whichever is applicable, which is needed to amortize the difference between the unfunded accrued liability amount calculated pursuant to subclause (i) and the unfunded accrued liability amount calculated pursuant to subclause (iii) over a period of 30 years from the end of the plan year in which the applicable change is effective shall be calculated using the interest assumption specified in clause (4) in effect subsequent to any applicable change;*

(v) The level annual dollar *or level percentage* amortization contribution pursuant to subclause (iv) shall be added to the level annual dollar amortization contribution *or level percentage* calculated pursuant to subclause (ii);

(vi) The period in which the unfunded accrued liability amount determined in subclause (iii) will be amortized by the total level annual dollar *or level percentage* amortization contribution computed pursuant to subclause (v) shall be calculated using the interest assumption specified in clause (4) in effect subsequent to any applicable change, rounded to the nearest integral number of years, but which shall not exceed a period of 30 years from the end of the plan year in which the determination of the established date for full funding using the procedure set forth in this clause is made and which shall not be less than the period of years beginning in the plan year in which the determination of the established date for full funding using the procedure set forth in this clause is made and ending by the date for full funding in effect prior to the change; and

(vii) The period determined pursuant to subclause (vi) shall be added to the date as of which the actuarial valuation was prepared and the date obtained shall be the new established date for full funding.

~~(8) An actuarial balance sheet shall not include as an asset the present value of the contributions required under clause (7).~~

~~(9) (8) An analysis by the actuary explaining the increase or decrease in the unfunded accrued liability since the last valuation. The explanation shall subdivide the increase or decrease in unfunded accrued liability into at least the following parts:~~

~~(a) Increases or decreases in unfunded accrued liability because of changes in benefits;~~

~~(b) Increases and decreases in unfunded accrued liability because of each change, if any, in actuarial assumptions;~~

~~(c) Actuarial gains or losses resulting from any deviations of actual investment earnings, actual mortality rates, actual salary increase rates, actual disability rates, actual withdrawal rates and actual retirement rates from the assumptions on which the valuations are based;~~

~~(d) Increases or decreases in unfunded accrued liability because of other reasons, including the effect of the amortization contribution required under clause (7); and~~

~~(e) Increases or decreases in unfunded accrued liability because of changes~~

in eligibility requirements or groups included in the membership of the fund.

~~(10)~~ (9) A tabulation of active membership and annuitants in the fund. If the membership of a fund is under more than one general benefit program, a separate tabulation shall be made for each general benefit program. The tabulations shall be submitted in the following form:

Annual

(a) Active members Number Payroll

As of last valuation date  
new entrants

Total

Separations from active service

Refund of contributions

Separation with deferred annuity

Separation with neither refund  
nor deferred annuity

Disability

Death

Retirement with service annuity

Total separations

As of current valuation date

Annual Annuity

(b) Annuitants Number Benefit

As of last valuation date

New entrants

Total

Terminations

Deaths

Other

Total terminations

As of current valuation date

The tabulation required under subclause (b) shall be made separately for each of the following classes of annuitants:

- (a) Service retirement annuitants
- (b) Disabled annuitants
- (c) Surviving spouse annuitants
- (d) Surviving children annuitants
- (e) Deferred annuitants

~~(11)~~ (10) A statement of the administrative expenses in dollars and also as a percentage of covered payroll.

~~(12)~~ (11) A summary of the principal provisions of the plan upon which the valuation is based.

Sec. 44. [356.70] [EARLY RETIREMENT.]

*Subdivision 1. [COMBINED AGE AND SERVICE REQUIREMENT.] Any member of a retirement plan established pursuant to chapters 352, 353, 354, or 354A who has attained the age of at least 55 years and whose attained age plus credited allowable service totals 85, is entitled, upon application prior to December 31, 1986, to the normal retirement annuity provided in*



*these chapters without any reduction in annuity by reason of such early retirement.*

*Subd. 2. [REPORTS.] The retirement associations to which this section applies shall request and the employing units of members retiring under the provisions of this section shall provide to the retirement association information on the salary, retirement contributions, and social security contributions paid by the employing unit to individuals filling the position vacated by the retiree. The employing unit shall also provide information on net savings, if any, made possible by the provisions of this section.*

*The retirement associations shall prepare reports to the legislature summarizing this information and other information in its possession relating to characteristics of retirees retiring under the provisions of this section including:*

- (a) age at time of retirement;*
- (b) years of service;*
- (c) salary at time of retirement;*
- (d) high-five average salary used to determine the retirement annuity; and*
- (e) monthly benefit.*

*The reports shall be made to the legislature within 30 days following the end of calendar years 1984, 1985, and 1986 and shall cover all retirees retiring under the provisions of this section.*

Sec. 45. Laws 1983, chapter 301, section 225, subdivision 1, is amended to read:

~~Subdivision 1. [REIMBURSEMENT REQUIRED.] Any public employee or official who retires from January 1, 1983 to June 30, 1985, and whose pension contributions were increased by Laws 1982, Third Special Session chapter 1, article 2, section 2, subdivision 1, paragraph (v) and who has not previously received a refund of those contributions, must, upon application, be reimbursed for the amount of increased contributions paid by the official or employee because of that law. Reimbursement must be in a lump sum to the employee or official, or his or her survivor, at the same time as the first annuity payment between October 1 and October 15, 1984, except that refunds to employees or officials retiring or terminating service prior to October 1, 1984, shall be paid at the same time as the first annuity payment or within 90 days after termination, as the case may be. The amount of the reimbursement is the amount that the employee's or official's contributions increased because of Laws 1982, Third Special Session chapter 1, article 2, section 2, subdivision 1, paragraph (v) plus interest at the then current rate paid on refunds by the relief or retirement association. Reimbursement shall be paid by the retirement or relief association to which the employee belongs. Reimbursement may be made without application if the governing board of the appropriate retirement system or association determines that this method is feasible.~~

Sec. 46. Laws 1983, chapter 301, section 225, is amended by adding a subdivision to read:

*Subd. 1a. [CREDIT REQUIRED.] The executive director of the Minne-*

*sota state retirement system shall credit to the share account in the supplemental retirement fund of any participant in the unclassified employees program established by Minnesota Statutes, chapter 352D, an amount equal to the amount by which employer contributions on behalf of that participant were reduced by reason of the law cited in subdivision 1. Funds sufficient to make the credits required by this subdivision are appropriated from the general fund to the executive director.*

**Sec. 47. [COMMISSIONER OF FINANCE TO REDUCE ALLOTMENTS.]**

*The commissioner of finance shall reduce the fiscal year 1985 allotments to any agencies or institutions receiving a state appropriation pursuant to Laws 1983, chapters 258, 293, 301, or 312 and having employees contributing to the public employees retirement association, state employees retirement fund, the correctional employees retirement fund, and the highway patrol retirement fund. The reduction shall be in an amount equal to the estimated fiscal year 1985 salaries of members of these plans multiplied by the differences between the employer contribution rate in effect prior to July 1, 1984, and the employer rate in effect after June 30, 1984.*

**Sec. 48. [ANNUAL APPROPRIATION.]**

*There is appropriated and transferred from the general fund to the commissioner of finance, \$1,000,000 annually for distribution among those local police and salaried firefighters relief associations that receive amortization state aid according to Minnesota Statutes, section 423A.02. Distribution shall be made according to that proportion the unfunded accrued liability of each relief association bears to the total unfunded accrued liabilities of all relief associations as reported in the most recent actuarial valuations of the relief associations that receive amortization state aid according to section 423A.02. Moneys shall be distributed to the relief associations at the same time fire and police department state aid is distributed according to section 69.021.*

Sec. 49. Laws 1983, chapter 314, article 12, section 1, subdivision 2, is amended to read:

Subd. 2. [TEACHERS RETIREMENT ASSOCIATION: TEACHERS STATEWIDE.] To the teachers retirement association, to meet the state's obligation prescribed in Minnesota Statutes, section 354.43, there is appropriated:

- \$87,508,200.....1984,
- \$92,137,200 104,476,000.....1985.

**Sec. 50. [TEACHERS RETIREMENT ASSOCIATION FUNDING.]**

*There is appropriated to the commissioner of finance from the general fund \$1,965,000 for the purpose of meeting the increased contribution requirements for the teacher's retirement fund necessitated by the passage of section 29, during the fiscal year commencing July 1, 1984.*

**Sec. 51. [REPEALER.]**

*Minnesota Statutes 1982, sections 352.022; 353.38; and 354.07, subdivision 8; and Laws 1983, chapter 301, section 225, subdivision 2, are repealed.*

## Sec. 52. [EFFECTIVE DATES.]

*Sections 1 through 5, 10, 12, 13, 17 through 21, 24, 27, 29, 33, 36, 37, 39 through 41, and 47 through 50 are effective July 1, 1984. The remaining sections are effective the day following final enactment. The provisions of section 43 are applicable to all valuations performed beginning with the valuations for the fiscal year ending June 30, 1984."*

Delete the title and insert:

"A bill for an act relating to retirement; making various changes in benefits, contributions, and financing in laws governing various public pension funds; directing reimbursement or credit of certain public pension contributions; appropriating funds; amending Minnesota Statutes 1982, sections 3.85, by adding subdivisions; 352.04, subdivisions 2 and 3; 352.113, subdivision 3; 352.115, subdivision 1; 352.12, subdivisions 1 and 2; 352.22, subdivision 2; 352.92; 352.93, subdivisions 2 and 3; 352.95, subdivision 1a; 352B.11, subdivision 2; 353.27, subdivision 3a; 353.30, subdivision 1c; 353.31, subdivision 1; 353.32, subdivision 1a; 353.33, subdivision 2; 353.651, subdivision 3; 354.42, subdivision 5; 354.44, subdivision 6; 354.46, subdivisions 1 and 2; 354.47, subdivision 1; 354.48, subdivisions 2 and 3a; 354.49, subdivisions 2 and 3; 354.62, subdivision 5; 354A.23, by adding a subdivision; 354A.37, subdivisions 3 and 4; 356.20, subdivision 4; and 356.215, subdivision 4; Minnesota Statutes 1983 Supplement, sections 3A.03, subdivision 2; 352.113, subdivision 2; 352.115, subdivision 8; 352B.02, subdivision 1; 352B.11, subdivision 1; 352C.09, subdivision 2; 353.32, subdivision 1; and 353.34, subdivision 2; Laws 1983, chapters 301, section 225, subdivision 1, and by adding a subdivision; and 314, article 12, section 1, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 356; repealing Minnesota Statutes 1982, sections 352.022; 353.38; 354.07, subdivision 8; and Laws 1983, chapter 301, section 225, subdivision 2."

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Collin C. Peterson, Randolph W. Peterson, Earl W. Renneke, Allan H. Spear

House Conferees: (Signed) John Sarna, John T. Clawson, Frank J. Rodriguez, Richard E. Wigley, James Metzen

Mr. Peterson, C.C. moved that the foregoing recommendations and Conference Committee Report on S.F. No. 147 be now adopted, and that the bill be repassed as amended by the Conference Committee.

Mr. Moe, D.M. moved that the recommendations and Conference Committee Report on S.F. No. 147 be rejected, the Conference Committee discharged, and that a new Conference Committee be appointed by the Subcommittee on Committees to act with a like Conference Committee appointed on the part of the House.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 8 and nays 49, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Isackson	Moe, D. M.	Waldorf
Benson	Frank	Kamrath		

Those who voted in the negative were:

Adkins	Frederick	Laidig	Pehler	Renneke
Belanger	Frederickson	Langseth	Peterson, C.C.	Samuelson
Berg	Hughes	Lantry	Peterson, D.C.	Schmitz
Berglin	Johnson, D.E.	Lessard	Peterson, D.L.	Solon
Bernhagen	Johnson, D.J.	McQuaid	Peterson, R.W.	Spear
Brataas	Jude	Mehrkens	Petty	Stumpf
Chmielewski	Knaak	Moe, R. D.	Pogemiller	Ulland
Dahl	Knutson	Nelson	Purfeerst	Vega
Dicklich	Kroening	Novak	Ramstad	Willet
Diessner	Kronebusch	Olson	Reichgott	

The motion did not prevail.

The question recurred on the motion of Mr. Peterson, C.C. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 147 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 64 and nays 3, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Olson	Schmitz
Anderson	Dieterich	Kronebusch	Pehler	Sieloff
Belanger	Frank	Laidig	Peterson, C.C.	Solon
Berg	Frederick	Langseth	Peterson, D.C.	Spear
Berglin	Frederickson	Lantry	Peterson, D.L.	Storm
Bernhagen	Freeman	Lessard	Peterson, R.W.	Stumpf
Bertram	Hughes	Luther	Petty	Taylor
Brataas	Isackson	McQuaid	Pogemiller	Ulland
Chmielewski	Johnson, D.E.	Mehrkens	Purfeerst	Vega
Dahl	Johnson, D.J.	Merriam	Ramstad	Waldorf
Davis	Jude	Moe, R. D.	Reichgott	Wegscheid
DeCramer	Knaak	Nelson	Renneke	Willet
Dicklich	Knutson	Novak	Samuelson	

Messrs. Benson, Kamrath and Moe, D.M. voted in the negative.

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

Ms. Berglin moved that H.F. No. 2098 be taken from the table. The motion prevailed.

H.F. No. 2098: A bill for an act relating to public welfare; revising procedures for determining operating cost payment rates for nursing homes; amending Minnesota Statutes 1982, sections 144.072; 256B.25; 256D.06, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 144A.31, subdivision 4; 256B.421, subdivisions 2, 5, and 8; 256B.431, subdivisions 1, 2, 4, 5, and by adding a subdivision; 256.48, subdivision 1; and 256B.50; proposing new law coded in Minnesota Statutes, chapter 144.

### SUSPENSION OF RULES

Ms. Berglin moved that an urgency be declared within the meaning of

Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 2098 and that the rules of the Senate be so far suspended as to give H.F. No. 2098 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 2098 was read the second time.

Ms. Berglin moved to amend H.F. No. 2098 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 2098, and insert the language after the enacting clause, and the title, of S.F. No. 1985, the second engrossment.

The motion prevailed. So the amendment was adopted.

Ms. Berglin then moved to amend H.F. No. 2098, as amended by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1985.)

Page 5, line 28, after the second semicolon, insert "*medical directors; licenses and permits.*"

Page 20, after line 36, insert:

*"Certified beds in facilities which do not allow medical assistance intake on July 1, 1984, or after shall be deemed to be decertified for purposes of section 144A.071 only."*

The motion prevailed. So the amendment was adopted.

Ms. Berglin moved that H.F. No. 2098 be laid on the table. The motion prevailed.

### SPECIAL ORDER

H.F. No. 1966: A bill for an act relating to public welfare; limiting medical assistance and providing appeal rights for former recipients of public assistance; limiting medical assistance and general assistance reimbursements for chemical dependency treatment; extending temporary rulemaking authority for prospective payments for inpatient hospital services; expanding medical assistance eligibility for certain persons; eliminating the requirement that the commissioner seek a co-payment waiver for HMO enrollees under medical assistance; clarifying existing language; changing standards for the contribution of a non-institutionalized spouse; amending Minnesota Statutes 1982, sections 256.045, subdivisions 2, 4, 5, and 7; 256B.17, subdivisions 1 and 3; 256B.19, subdivision 1; Minnesota Statutes 1983 Supplement, sections 256.045, subdivision 3; 256.968; 256.969, subdivisions 2 and 6; 256B.06, subdivision 1; and 256B.17, subdivisions 4 and 5; repealing Minnesota Statutes 1983 Supplement, section 256B.17, subdivision 8.

Ms. Berglin moved that the amendment made to H.F. No. 1966 by the Committee on Rules and Administration in the report adopted April 18, 1984, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Ms. Berglin then moved to amend H.F. No. 1966 as follows:

Page 27, line 33, delete "\$1,026,000" and insert "\$776,000"

The motion prevailed. So the amendment was adopted.

Ms. Berglin then moved to amend H.F. No. 1966 as follows:

Page 26, after line 28, insert:

“Sec. 29 [STATE ADMINISTRATIVE AIDS.]

*Subdivision 1. [SUSPENSION.] Notwithstanding Laws 1983, chapter 312, article 1, section 2, subdivision 3, the provisions of section 256D.22 are suspended until December 31, 1984.*

*Subd. 2. [APPROPRIATIONS.] The sum of \$2,000,000 is appropriated from the general fund to the commissioner of public welfare for purposes of section 256D.22.”*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 13, after the semicolon, insert “extending administrative aid to counties;”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 44 and nays 16, as follows:

Those who voted in the affirmative were:

Anderson	DeCramer	Jude	Moe, D. M.	Pogemiller
Belanger	Dicklich	Kamrath	Moe, R. D.	Ramstad
Benson	Diessner	Knaak	Olson	Renneke
Berg	Dieterich	Knutson	Pehler	Sieloff
Berglin	Frank	Kronebusch	Peterson, C. C.	Spear
Bernhagen	Frederick	Lantry	Peterson, D. C.	Storm
Bertram	Isackson	McQuaid	Peterson, D. L.	Taylor
Brataas	Johnson, D. E.	Mehrkens	Peterson, R. W.	Wegscheid
Davis	Johnson, D. J.	Merriam	Petty	

Those who voted in the negative were:

Adkins	Kroening	Luther	Samuelson	Stumpf
Chmielewski	Laidig	Purfeerst	Schmitz	Waldorf
Dahl	Langseth	Reichgott	Solon	Willet
Hughes				

The motion prevailed. So the amendment was adopted.

Ms. Berglin then moved to amend H.F. No. 1966 as follows:

Page 28, line 15, delete “25,”

Page 28, line 21, after the period, insert “Section 25 is effective October 1, 1984.”

The motion prevailed. So the amendment was adopted.

Ms. Berglin then moved to amend H.F. 1966 as follows:

Page 3, delete line 5 and insert “these words which suggest, offer, or imply the”

Page 9, lines 16 and 17, reinstate the stricken language

Page 9, delete lines 19 to 30 and insert:

*“By January 15, 1985, the commissioner of health shall, in consultation with the state planning agency, conduct a study and prepare a report to the legislature describing recommendations for an integrated, comprehensive cost containment program for acute care health services. At a minimum the commissioner shall consider:*

*(a) a proposal for a mechanism that would constrain expansion in the service capacity of the acute care health system by means of specific and quantifiable prospectively determined limits;*

*(b) a proposal for mechanisms that would prospectively control increases in charges for acute care health services;*

*(c) a proposal detailing appropriate competitive initiatives to achieve cost containment for acute care health services;*

*(d) a proposal that would ensure appropriate financial and geographic access to acute care health services; and*

*(e) any other related proposals and alternatives the commissioner deems prudent.”*

Page 10, line 18, delete “10 21”

Page 14, line 34, after the periods insert *“Prior to implementation of the diagnostic classification system, the commissioner shall report the proposed grouping of hospitals to the senate health and human services committee and the house health and welfare committee.”*

Page 15, line 9, delete “216, Article 1, section 39” and insert “ 312, Article 5, section 9, subdivision 6”

Pages 23 to 25, delete sections 26 and 27

Page 26, line 13, after “recipient” insert *“in those instances where an interim assistance agreement has been executed”*

Page 27, line 26, after “increases” insert *“using the RSD1 cost of living charge”*

Page 27, after line 26, insert:

**“Sec. 31. [CITIZEN REVIEW BOARD PILOT PROJECT.]**

*Subdivision 1. [PURPOSE.] The purpose of a citizen review board pilot project is to determine (1) the need for and feasibility of establishing a statewide system of citizen review boards for children placed in substitute care for more than six months; (2) the optimal methods of achieving statewide compliance with the requirements of Public Law 96-272, Sections 427 and 475; (3) a comparison of the citizen review board concept with local social service agency administrative review panels; (4) whether a citizen review facilitates the timely return of children to their birth parents, placement for adoption, or other permanency plans; and (5) whether the citizen review process provides benefits to children that are comparable to those provided by the juvenile court.*

*Subd. 2. [PILOT PROJECT; ESTABLISHMENT.] The commissioner of public welfare, hereinafter the commissioner, shall establish a citizen review board pilot project in at least one judicial district to be determined by the*

*commissioner. The citizen review boards shall review one-half of the cases of children in substitute care for more than six months in each project district. The other one-half will be reviewed under existing administrative review procedures.*

*Subd. 3. [CITIZEN REVIEW BOARD.] There shall be one citizen review board for every 75 children eligible for review by a citizen board in each project area. Each board shall consist of five members who are residents of the judicial district and have shown an interest in the welfare of children. Each board shall, to the extent feasible, represent the various socio-economic, racial, and ethnic groups of the district in which it serves. At least one member shall be a foster parent. No more than one person may be employed by the department of public welfare, by a child welfare agency, or by the juvenile court. Board members shall be appointed by the commissioner in consultation with the administrator of the local social services agency and the presiding judge of the juvenile court. Board members shall be required to attend in-service training sessions sponsored by the commissioner. Board members shall be appointed to serve a term that expires June 30, 1987. Appointments to fill vacancies on the board shall be made in the same manner and subject to the same conditions as the initial appointments to the board. Members shall continue to serve until a successor is appointed. Members of the board shall not receive compensation but shall be reimbursed for expenses.*

*Subd. 4. [REVIEW.] For purposes of determining what efforts have been made by the supervising agency or child caring institution to carry out the plan for permanent placement of each child subject to review under the project, citizen review boards shall, every six months from the date of the child's initial placement, review the cases of participating children who have resided in public or private foster care for a period of more than six months and who are under the jurisdiction of (1) the commissioner of corrections; (2) the designated social service agency; (3) the commissioner of public welfare pursuant to Minnesota Statutes, section 260.242; or (4) a child placing agency, a facility licensed pursuant to Minnesota Statutes, sections 245.781 to 245.812, a county home school, or a licensed group foster home. All children in care who are subject to citizen board review shall be reviewed within a year and every six months thereafter until the project expires. The review procedure established by this subdivision shall replace administrative reviews required by Minnesota Statutes, section 257.071, subdivision 2, for children reviewed under the pilot project.*

*Subd. 5. [RETURN OF CHILDREN TO PARENTS; ADOPTION.] Citizen review boards shall encourage and facilitate the timely return to their birth parents of foster children reviewed under this program or, where appropriate, shall encourage the appropriate agency to initiate procedures to make the child free for adoption and to exert maximum effort to place the child for adoption.*

*Subd. 6. [RECOMMENDATIONS TO JUVENILE COURT AND THE LOCAL SOCIAL SERVICES AGENCY.] The citizen review board shall submit to the juvenile court and the local social services agency, within ten days following review of any placement, findings and recommendations regarding the efforts and progress made by the designated local social services agency to carry out the case placement plan established pursuant to Minne-*



sota Statutes, section 257.071, together with any other recommendations regarding the child. The findings and recommendations shall include the date of the next review; the signature of all persons attending the review; documentation of the procedural safeguards as required in Public Law 96-272, Section 475; and any comments the birth parents or the child wish to communicate to the agency or the court.

*Subd. 7. [UNNECESSARY CHANGES IN PLACEMENT.]* Citizen review boards shall promote and encourage the department of public welfare and all agencies involved in placing children in foster care to maximize stability and family continuity for children in foster care by discouraging unnecessary changes in the placement of foster children.

*Subd. 8. [APPROPRIATENESS OF PLACEMENT.]* Citizen review boards shall review foster care placements and family recruitment policies of agencies involved in placing children for adoption to ensure that the best interests of minority children are met by having due consideration given to their racial and ethnic heritage.

*Subd. 9. [INFORMATION ON RIGHTS.]* Citizen review boards shall assist the local social services agencies in informing birth parents, foster parents, and other interested parties of their rights and responsibilities with respect to any child in foster care. Birth parents, foster parents, the child, and other interested parties shall be allowed to participate in the review process.

*Subd. 10. [DEFICIENCY REPORTS.]* Citizen review boards shall report to the department of public welfare, the local social services agency, and other adoptive or foster care agencies deficiencies in the agencies' efforts to secure permanent homes for children whose cases have been reviewed by the board.

*Subd. 11. [AGENCY COOPERATION; DATA PRIVACY REQUIREMENTS.]* All public and private agencies and institutions that provide or arrange foster care services for children shall cooperate with the citizen review boards by furnishing information required for effective implementation of this section. Information in the possession of a public agency or institution shall be provided pursuant to Minnesota Statutes, section 13.05, subdivision 9, and shall retain the same classification in the possession of a citizen review board as it had in the possession of the public agency or institution. Information supplied by a private agency or institution that identifies an individual shall not be disclosed or disseminated by a citizen review board for any purpose except as required to implement this section.

*Subd. 12. [LIMITATIONS.]* This section shall not be construed to limit or delay actions by agencies or institutions to arrange for adoptions, foster care, termination of parental rights, or other related matters on their own initiative; or to alter or restrict the duties and authority of those agencies and institutions in those matters.

*Subd. 13. [REVIEW; REPORT.]* The commissioner shall monitor each pilot project. The commissioner, the local social services agency, and the presiding judge of the juvenile court in each project area shall review the quality, efficiency, and effectiveness of the pilot project. The commissioner shall evaluate the projects and report to the legislature by November 15, 1986. The report shall include: (1) a comparison of the citizen review board

*process and the local social services agency administrative review panels; (2) the cost-effectiveness of the citizen review board; (3) the effect upon the numbers of children in substitute care for longer than six months; (4) the number of children served; (5) the extent of compliance with federal requirements; (6) the quality and efficiency of the citizen review board pilot projects; and (7) recommendations regarding establishment of citizen review boards statewide in order to maximize achievement of statewide compliance with requirements of Public Law 96-272, Sections 427 and 475.*

Sec. 32. [RULES OF THE DEPARTMENT.]

*For purposes of the pilot projects the department of public welfare shall promulgate permanent rules necessary to implement section 1."*

Renumber the sections in sequence

Page 28, delete lines 1 to 9 and renumber the subsequent subdivision

Page 28, line 15, delete "26, 27,"

Page 28, line 17, delete everything after "act" and insert a period

Page 28, delete line 18

Page 28, line 19, delete "act."

Amend the title as follows:

Page 1, line 19, delete "allowing"

Page 1, line 21, delete "recoupment" and insert "recovery"

Page 1, delete line 22

Page 1, line 23, delete "programs"

Page 1, lines 31 and 32, delete "256D.06, by adding a subdivision;"

Page 1, line 35, delete "256D.03, subdivision 4;"

The motion prevailed. So the amendment was adopted.

H.F. No. 1966 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 53 and nays 6, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Novak	Renneke
Anderson	Diessner	Knutson	Olson	Schmitz
Belanger	Dieterich	Kronebusch	Pehler	Sieloff
Benson	Frank	Laidig	Peterson, C.C.	Solon
Berglin	Frederickson	Lantry	Peterson, D.C.	Spear
Bernhagen	Hughes	Lessard	Peterson, D.L.	Storm
Bertram	Isackson	Luther	Peterson, R.W.	Ulland
Brataas	Johnson, D.E.	McQuaid	Petty	Waldorf
Chmielewski	Johnson, D.J.	Mehrrens	Pogemiller	Wegscheid
Dahl	Jude	Merriam	Ramstad	
DeCramer	Kamrath	Moe, D. M.	Reichgott	

Those who voted in the negative were:

Davis	Purfeerst	Samuelson	Stumpf	Willet
Kroening				

So the bill, as amended, passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, 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. 1814, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1814 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 1814

A bill for an act relating to taxation; clarifying certain property tax credit provisions; providing that amounts to pay certain certificates are a special levy; providing for deduction of taconite aids from levy limit base; simplifying iron ore valuation hearing requirements; altering the process for determining flexible homestead brackets; allowing for the rounding of amounts of special assessments on tax statements; changing the date for the issuance of warrants for delinquent personal property taxes; providing for additional administrative procedures for cigarette tax collection; requiring annual payment of occupation taxes; changing payment method for production taxes; adopting certain procedures relating to liquor tax collections; authorizing county treasurers to charge for dishonored checks; amending Minnesota Statutes 1982, sections 273.1104, subdivision 2; 277.03; 298.09, subdivision 2; 298.27; 298.282, subdivision 3; 340.601; Minnesota Statutes 1983 Supplement, sections 124.2137, subdivision 1; 273.13, subdivision 7; 273.1311; 273.1315; 275.50, subdivision 5; 275.51, subdivision 3i; and 276.04; proposing new law coded in Minnesota Statutes, chapters 297; 340; and 385; repealing Minnesota Statutes 1982, sections 298.045; 298.046; 298.047; and 298.048.

April 19, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives  
The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 1814, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 1814 be further amended as follows:

Page 1, delete lines 29 to 36

Page 2, delete lines 1 to 36

Page 3, delete line 1

Page 15, after line 9, insert:

"Sec. 9. Minnesota Statutes 1983 Supplement, section 290A.03, subdivision 8, is amended to read:

Subd. 8. [CLAIMANT.] (a) "Claimant" means a person, other than a dependent, who filed a claim authorized by sections 290A.01 to 290A.20 and who was domiciled in this state during the calendar year for which the claim for relief was filed.

(b) In the case of a claim relating to rent constituting property taxes, the claimant shall have resided in a rented or leased unit on which ad valorem taxes or payments made in lieu of ad valorem taxes, including payments of special assessments imposed in lieu of ad valorem taxes, are payable at some time during the calendar year covered by the claim.

(c) "Claimant" shall not include a resident of a nursing home, intermediate care facility, or long term residential facility whose rent constituting property taxes is paid pursuant to the supplemental security income program under title XVI of the Social Security Act, the Minnesota supplemental aid program under sections 256D.35 to 256D.41, the medical assistance program pursuant to title XIX of the Social Security Act, or the general assistance medical care program pursuant to section 256D.03, subdivision 3. If only a portion of the rent constituting property taxes is paid by these programs, the resident shall be a claimant for purposes of this chapter, but the refund calculated pursuant to section 290A.04 shall be multiplied by a fraction, the numerator of which is income as defined in subdivision 3 reduced by the total amount of income from the above sources other than vendor payments under the medical assistance program or the general assistance medical care program and the denominator of which is income as defined in subdivision 3 plus vendor payments under the medical assistance program or the general assistance medical care program, to determine the allowable refund pursuant to this chapter.

(d) Notwithstanding paragraph (c), if the claimant was a resident of the nursing home, intermediate care facility or long term residential facility for only a portion of the calendar year covered by the claim, the claimant may compute rent constituting property taxes by disregarding the rent constituting property taxes from the nursing home, intermediate care facility, or long term residential facility and use only that amount of rent constituting property taxes or property taxes payable relating to that portion of the year when the claimant was not in the facility. The claimant's household income is his income for the entire calendar year covered by the claim.

(e) In the case of a claim for rent constituting property taxes of a part year Minnesota resident, the income and rental reflected in this computation shall be for the period of Minnesota residency only. Any rental expenses paid which may be reflected in arriving at federal adjusted gross income cannot be utilized for this computation. *When two individuals of a household are able to meet the qualifications for a claimant, they may determine among them as to who the claimant shall be. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final.* If a homestead property owner was a part year Minnesota resident, the income reflected in the computation made pursuant to section 290A.04 shall be for the entire calendar year, including income not assignable to Minnesota.

(f) ~~Except as provided in section 290A.05,~~ If a homestead is occupied by two or more renters ~~or joint tenants or tenants in common,~~ who are not husband and wife, the rent ~~or property taxes~~ shall be deemed to be paid equally

by each, and separate claims shall be filed by each. The income of each shall be his household income for purposes of computing the amount of credit to be allowed.

Sec. 10. Minnesota Statutes 1983 Supplement, section 290A.03, subdivision 13, is amended to read:

Subd. 13. [PROPERTY TAXES PAYABLE.] "Property taxes payable" means the property tax exclusive of special assessments, penalties, and interest payable on a claimant's homestead before reductions made pursuant to section 273.13, subdivisions 6, 7 and 14a, but after deductions made pursuant to sections 124.2137, 273.115, 273.116, 273.135, 273.139, 273.1391, 273.42, subdivision 2, and any other state paid property tax credits in any calendar year. In the case of a claimant who makes ground lease payments, "property taxes payable" includes the amount of the payments directly attributable to the property taxes assessed against the parcel on which the house is located. No apportionment or reduction of the "property taxes payable" shall be required for the use of a portion of the claimant's homestead for a business purpose if the claimant does not deduct any business depreciation expenses for the use of a portion of the homestead in the determination of federal adjusted gross income. For homesteads which are manufactured homes as defined in section 168.011, subdivision 8, "property taxes payable" shall also include the amount of the gross rent paid in the preceding year for the site on which the homestead is located, which is attributable to the net tax paid on the site. The amount attributable to property taxes shall be determined by multiplying the net tax on the parcel by a fraction, the numerator of which is the gross rent paid for the calendar year for the site and the denominator of which is the gross rent paid for the calendar year for the parcel. *When a homestead is owned by two or more persons as joint tenants or tenants in common, such tenants shall determine between them which tenant may claim the property taxes payable on the homestead. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final.* Property taxes are considered payable in the year prescribed by law for payment of the taxes.

In the case of a claim relating to "property taxes payable," the claimant must have owned and occupied the homestead on January 2 of the year in which the tax is payable and (i) the property must have been classified as homestead property pursuant to section 273.13, subdivisions 6, 7, or 14a on or before June 1 of the year in which the "property taxes payable" were levied; or (ii) the claimant must provide documentation from the local assessor that application for homestead classification has been made prior to October 1 of the year in which the "property taxes payable" were payable and that the assessor has approved the application.

Sec. 11. Minnesota Statutes 1983 Supplement, section 290A.05, is amended to read:

290A.05 [COMBINED HOUSEHOLD INCOME; ~~RENTERS AND LESSEES.~~]

If a person occupies a homestead with another person or persons not related to the person as husband and wife, excluding dependents, ~~joint tenants or tenants in common who are also claimants~~, roomers or boarders on contract, and has property tax payable with respect to the homestead, the household income of the claimant or claimants for the purpose of computing the refund

allowed by section 290A.04 shall include the total income received by the other persons residing in the homestead. If a person occupies a homestead with another person or persons not related as husband and wife or as dependents, ~~and who are residing at the homestead under rental or lease agreement,~~ the property tax payable or rent constituting property tax shall be *reduced as follows.*

*If the other person or persons are residing at the homestead under rental or lease agreement, the amount of property tax payable or rent constituting property tax shall be that portion not covered by the rental agreement."*

Page 18, after line 7, insert:

"Sec. 15. Minnesota Statutes 1983 Supplement, section 298.28, subdivision 1, is amended to read:

Subdivision 1. [DISTRIBUTION FROM GENERAL FUND.] The proceeds of the taxes collected under section 298.24, except the tax collected under section 298.24, subdivision 2, shall, upon certificate of the commissioner of revenue to the general fund of the state, be paid by the commissioner of revenue as follows:

(1) 2.5 cents per gross ton of merchantable iron ore concentrate, hereinafter referred to as "taxable ton," to the city or town in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. If the mining, quarrying, and concentration, or different steps in either thereof are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities and towns among such subdivisions upon the basis of attributing 40 percent of the proceeds of the tax to the operation of mining or quarrying the taconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such operations performed in each such taxing district. His order making such apportionment shall be subject to review by the tax court at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner.

(2) 12.5 cents per taxable ton, less any amount distributed under clause (8), to the taconite municipal aid account in the apportionment fund of the state treasury, to be distributed as provided in section 298.282.

(3) 29 cents per taxable ton plus the increase provided in paragraph (c) to qualifying school districts to be distributed as follows:

(a) Six cents per taxable ton to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) 23 cents per taxable ton, less any amount distributed under part (d), shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 in direct proportion to school district tax levies as follows: each district shall receive that portion of the total distribution which its certified levy for the prior year, computed pursuant to section 275.125, comprises of the sum of certified levies for the prior year for all qualifying districts, com-

puted pursuant to section 275.125. For purposes of distributions pursuant to this part, certified levies for the prior year computed pursuant to section 275.125 shall not include the amount of any increased levy authorized by referendum pursuant to section 275.125, subdivision 2d.

(c) On July 15, 1982 and on July 15 in subsequent years, an amount equal to the increase derived by increasing the amount determined by clause (3)(b) in the same proportion as the increase in the steel mill products index over the base year of 1977 as provided in section 298.24, subdivision 1, clause (a), shall be distributed to any school district described in clause (3)(b) where a levy increase pursuant to section 275.125, subdivision 2d, is authorized by referendum, according to the following formula. Each district shall receive the product of:

(i) \$150 times the pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), enrolled in the previous school year, less the product of two mills times the district's taxable valuation in the second previous year; times

(ii) the lesser of:

(A) one, or

(B) the ratio of the amount certified pursuant to section 275.125, subdivision 2d, in the previous year, to the product of two mills times the district's taxable valuation in the second previous year.

If the total amount provided by clause (3)(c) is insufficient to make the payments herein required then the entitlement of \$150 per pupil unit shall be reduced uniformly so as not to exceed the funds available. Any amounts received by a qualifying school district in any fiscal year pursuant to clause (3)(c) shall not be applied to reduce foundation aids which the district is entitled to receive pursuant to sections 124.2121 to 124.2128 or the permissible levies of the district. Any amount remaining after the payments provided in this paragraph shall be paid to the commissioner of finance who shall deposit the same in the taconite environmental protection fund and the northeast Minnesota economic protection trust fund as provided in section 298.28, subdivision 1, clause 10.

(d) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.

(4) 19.5 cents per taxable ton to counties to be distributed as follows:

(a) 15.5 cents per taxable ton shall be distributed to the county in which the taconite is mined or quarried or in which the concentrate is produced, less any amount which is to be distributed pursuant to part (b). The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, one cent per taxable ton of the tax distributed to the counties pursuant to part (a) and imposed on and collected from such taxpayer shall be distributed by the commissioner of revenue to the county in which the power plant is located.

(c) Four cents per taxable ton shall be paid to the county from which the

taconite was mined, quarried or concentrated to be deposited in the county road and bridge fund. If the mining, quarrying and concentrating, or separate steps in any of those processes are carried on in more than one county, the commissioner shall follow the apportionment formula prescribed in clause (1).

(5) (a) 25.75 cents per taxable ton, less any amount required to be distributed under part (b), to the taconite property tax relief account in the apportionment fund in the state treasury, to be distributed as provided in sections 273.134 to 273.136.

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, .75 cent per taxable ton of the tax imposed and collected from such taxpayer shall be distributed by the commissioner of revenue to the county and school district in which the power plant is located as follows: 25 percent to the county and 75 percent to the school district.

(6) One cent per taxable ton to the state for the cost of administering the tax imposed by section 298.24.

(7) Three cents per taxable ton shall be deposited in the state treasury to the credit of the iron range resources and rehabilitation board account in the special revenue fund for the purposes of section 298.22. The amount determined in this clause shall be increased in 1981 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1. The amount distributed pursuant to this clause shall be expended within or for the benefit of a tax relief area defined in section 273.134. No part of the fund provided in this clause may be used to provide loans for the operation of private business unless the loan is approved by the governor and the legislative advisory commission.

(8) .20 cent per taxable ton shall be paid in 1979 and each year thereafter, to the range association of municipalities and schools, for the purpose of providing an area wide approach to problems which demand coordinated and cooperative actions and which are common to those areas of northeast Minnesota affected by operations involved in mining iron ore and taconite and producing concentrate therefrom, and for the purpose of promoting the general welfare and economic development of the cities, towns and school districts within the iron range area of northeast Minnesota.

(9) the amounts determined under clauses (4)(a), (4)(c), and (5) shall be increased in 1979 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1.

(10) the proceeds of the tax imposed by section 298.24 which remain after the distributions in clauses (1) to (9) and parts (a) and (b) of this clause have been made shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection trust fund created in section 298.292 as follows: In 1981 and each year thereafter, two-thirds to the taconite environmental protection fund and one-third to the northeast Minnesota economic protection trust fund. The proceeds shall be placed in the respective special accounts in the general



fund.

(a) In 1978 and each year thereafter, there shall be distributed to each city, town, school district, and county the amount that they received under section 294.26 in calendar year 1977; provided, however, that the amount distributed in 1981 to the unorganized territory number 2 of Lake County and the town of Beaver Bay based on the between-terminal trackage of Erie Mining Company will be distributed in 1982 and subsequent years to the unorganized territory number 2 of Lake County and the towns of Beaver Bay and Stony River based on the miles of track of Erie Mining Company in each taxing district.

(b) In 1978 and each year thereafter, there shall be distributed to the iron range resources and rehabilitation board the amounts it received in 1977 under section 298.22.

On or before October 10 of each calendar year each producer of taconite or iron sulphides subject to taxation under section 298.24 (hereinafter called "taxpayer") shall file with the commissioner of revenue and with the county auditor of each county in which such taxpayer operates, and with the chief clerical officer of each school district, city or town which is entitled to participate in the distribution of the tax, an estimate of the amount of tax which would be payable by such taxpayer under said law for such calendar year; provided such estimate shall be in an amount not less than the amount due on the mining and production of concentrates up to September 30 of said year plus the amount becoming due because of probable production between September 30 and December 31 of said year, less any credit allowable as hereinafter provided. Such estimate shall list the taxing districts entitled to participate in the distribution of such tax, and the amount of the estimated tax which would be distributable to each such district in the next ensuing calendar year on the basis of the last percentage distribution certified by the commissioner of revenue. If there be no such prior certification, the taxpayer shall set forth its estimate of the proper distribution of such tax under the law, which estimate may be corrected by the commissioner if he deems it improper, notice of such correction being given by him to the taxpayer and the public officers receiving such estimate. The commissioner of revenue shall annually on or before October 10 report an estimated distribution amount to each taxing district and the officers with whom such report is so filed shall use the amount so indicated as being distributable to each taxing district in computing the permissible tax levy of such county, or city or school district in the year in which such estimate is made, and payable in the next ensuing calendar year, except that in 1978 and 1979 two cents per taxable ton, and in 1980 and thereafter, one cent per taxable ton of the amount distributed under clause (4)(c) shall not be deducted in calculating the permissible levy. Such taxpayer shall then pay, at the times payments are required to be made pursuant to section 298.27, as the amount of tax payable under section 298.24, the greater of (a) the amount shown by such estimate, or (b) the amount due under said section as finally determined by the commissioner of revenue pursuant to law. If, as a result of the payment of the amount of such estimate, the taxpayer has paid in any calendar year an amount of tax in excess of the amount due in such year under section 298.24, after application of credits for any excess payments made in previous years, all as determined by the commissioner of revenue, the taxpayer shall be given credit for such excess amount against any taxes which, under said section, may become due from the taxpayer in subsequent years. In any calendar year in which a general property tax levy subject to sections

~~275.125~~ or 275.50 to 275.59 has been made, if the taxes distributable to any such county, or city or school district are greater than the amount estimated by the commissioner to be paid to any such county, or city or school district in such year, the excess of such distribution shall be held in a special fund by the county, or city or school district and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections ~~275.125~~ or 275.50 to 275.59, of such county, or city or school district payable in such year. If the amounts distributable to any such county, or city or school district, after final determination by the commissioner of revenue under this section are less than the amounts indicated by such estimates by which a taxing district's levies were reduced pursuant to this section, such county, or city or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections ~~275.125~~ or 275.50 to 275.59 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

There is hereby annually appropriated to such taxing districts as are stated herein, to the taconite property tax relief account and to the taconite municipal aid account in the apportionment fund in the state treasury, to the department of revenue, to the iron range resources and rehabilitation board, to the range association of municipalities and schools, to the taconite environmental protection fund, and to the northeast Minnesota economic protection trust fund, from any fund or account in the state treasury to which the money was credited, an amount sufficient to make the payment or transfer. The payment of the amount appropriated to such taxing districts shall be made by the commissioner of revenue on or before May 15 annually."

Page 22, delete lines 8 to 12

Page 22, delete lines 17 to 21 and insert:

*"Sections 1, 4, 7, 8, 12, 13, and 17 to 20 are effective the day following final enactment. Sections 2, 5, 6, and 16 are effective for taxes levied in 1984 and thereafter, payable in 1985 and thereafter. Sections 9 to 11 are effective for claims based on property taxes payable in 1985 and thereafter. Sections 14 and 15 are effective for taconite produced in 1984 and thereafter, taxes payable in 1985 and thereafter."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 16, delete everything after the semicolon

Page 1, line 17, delete "for dishonored checks;"

Page 1, line 21, delete "124.2137, subdivision 1;"

Page 1, line 23, after "3i;" delete "and" and after "276.04;" insert "290A.03, subdivisions 8 and 13; 290A.05; and 298.28, subdivision 1;"

Page 1, line 24, after "297" delete the semicolon and insert "and" and after "340;" delete "and 385;"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Tom Osthoff, Linda Scheid, Randy C. Kelly

Senate Conferees: (Signed) Douglas J. Johnson, Conrad M. Vega, Charles A. Berg

Mr. Johnson, D.J. moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1814 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. 1814 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 60 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kamrath	Merriam	Reichgott
Anderson	Dicklich	Knaak	Moe, D. M.	Renneke
Belanger	Diessner	Knutson	Novak	Samuelson
Benson	Dieterich	Kroening	Olson	Schmitz
Berg	Frank	Kronebusch	Pehler	Sieloff
Berglin	Frederick	Laidig	Peterson, D.C.	Solon
Bernhagen	Frederickson	Langseth	Peterson, D.L.	Storm
Bertram	Hughes	Lantry	Peterson, R.W.	Stumpf
Brataas	Isackson	Lessard	Petty	Taylor
Chmielewski	Johnson, D.E.	Luther	Pogemiller	Ulland
Dahl	Johnson, D.J.	McQuaid	Purfeerst	Waldorf
Davis	Jude	Mehrckens	Ramstad	Wegscheid

Mr. Nelson voted in the negative.

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE-CONTINUED

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1425:

H.F. No. 1425: A bill for an act relating to agriculture; providing for alternative methods for establishing the value of milk purchased from producers; amending Minnesota Statutes 1982, section 32.25, subdivision 1.

The House respectfully requests that a Conference Committee of three members be appointed thereon.

Krueger, Wenzel and Graba have been appointed as such committee on the part of the House.

House File No. 1425 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

Mr. Wegscheid moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1425, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on

the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

### RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

### APPOINTMENTS

Mr. Moe, R.D. from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

S.F. No. 1880: Messrs. Benson, Wegscheid and Pogemiller.

H.F. No. 1386: Mr. Petty, Ms. Reichgott and Mr. Ramstad.

S.F. No. 1843: Messrs. Freeman, Luther and Sieloff.

S.F. No. 1628: Ms. Berglin, Messrs. Petty and Sieloff.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 989, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 989: A bill for an act relating to collection and dissemination of data; classifying government data as public, private, and nonpublic; clarifying issues relating to classifications of data, access to data, the effect of death of individuals on classifications, and the temporary classification of data; refining provisions of the data practice act; amending Minnesota Statutes 1982, sections 13.02, subdivision 8, and by adding a subdivision; 13.03, subdivisions 3 and 4, and by adding subdivisions; 13.04, subdivision 2; 13.05, subdivisions 3, 7, 9, and 10, and by adding a subdivision; 13.06, subdivisions 1 and 6; 13.31, subdivision 2; 13.41, by adding a subdivision; 13.43, subdivision 2; 13.44; 13.46, subdivision 2, and by adding subdivisions; 13.67; 144.335, subdivision 2; and 253B.03, subdivision 8; proposing new law coded in Minnesota Statutes, chapter 13.

Senate File No. 989 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

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. 1466, and

repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1466 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

**CONFERENCE COMMITTEE REPORT ON H.F. NO. 1466**

A bill for an act relating to courts; providing procedures for collection of conciliation court judgments; requiring conciliation court clerks to explain procedures of conciliation court to litigants and to assist them in filling out forms; amending Minnesota Statutes 1982, sections 488A.13, subdivision 2; 488A.16, subdivision 8; 487.30, by adding subdivisions; 488A.30, subdivision 2; and 488A.33, subdivision 7.

April 18, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 1466, report that we have agreed upon the items in dispute and recommend as follows:

That the House concur in the Senate amendment.

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) John T. Clawson, Charles C. Halberg, Richard J. Cohen

Senate Conferees: (Signed) Gene Merriam, Michael O. Freeman, Dean E. Johnson

Mr. Merriam moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1466 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. 1466 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Olson	Schmitz
Anderson	Diessner	Kronebusch	Pehler	Sieloff
Belanger	Dieterich	Langseth	Peterson, C. C.	Solon
Benson	Frank	Lantry	Peterson, D. C.	Spear
Berglin	Frederick	Lessard	Peterson, D. L.	Storm
Bernhagen	Freeman	Luther	Peterson, R. W.	Stumpf
Bertram	Hughes	McQuaid	Petty	Taylor
Brataas	Isackson	Mehrkens	Pogemiller	Ulland
Chmielewski	Johnson, D. J.	Merriam	Purfeerst	Waldorf
Dahl	Jude	Moe, D. M.	Ramstad	Wegscheid
Davis	Kamrath	Moe, R. D.	Reichgott	Willet
DeCramer	Knaak	Novak	Samuelson	

So the bill, as amended by the Conference Committee, was repassed and

its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 756, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 756 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 756

A bill for an act relating to notaries public; changing the term of office; increasing the required bond amount; authorizing appointment of out-of-state notaries; requiring designation of the clerk of district court of the county in which appointment is sought as agent for out-of-state notaries; amending Minnesota Statutes 1982, sections 359.01; and 359.02.

April 19, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 756, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H.F. No. 756 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 359.01, is amended to read:

359.01 [COMMISSION.]

*Subdivision 1. [RESIDENT NOTARIES.]* The governor may appoint and commission as notaries public, by and with the advice and consent of the senate, as many citizens of this state, over the age of 18 years, resident in the county for which appointed, as ~~he~~ the governor deems necessary.

*Subd. 2. [NONRESIDENT NOTARIES.]* Notwithstanding the provisions of subdivision 1, the governor may appoint as notary public, by and with the advice and consent of the senate, a person who is not a resident of this state and who is not a resident of the county for which appointment is sought if:

(1) the person is a resident of Wisconsin, Iowa, North Dakota, or South Dakota, and of a county that shares a boundary with this state;

(2) the person designates the clerk of the district court of a county of this state that shares a boundary with the county of residence as agent for the service of process for all purposes relating to notarial acts and for receipt of

*all correspondence relating to notarial acts.*

*Subd. 3. [FEES.]* The fee for each commission shall not exceed \$10, and shall be paid to the governor's private secretary.

Sec. 2. Minnesota Statutes 1982, section 359.02, is amended to read:

359.02 [TERM, BOND, OATH, REAPPOINTMENT.]

Every notary so commissioned shall hold office for ~~seven~~ six years, unless sooner removed by the governor or the district court; and, before entering upon the duties of his office, he shall give a bond to the state in the sum of ~~\$2,000~~ \$10,000, to be approved by the governor, conditioned for the faithful discharge of the duties of his office, which, with his oath of office, shall be filed with the secretary of state. Within ten days before the expiration of his commission he may be reappointed for a new term to commence and to be designated in his new commission as beginning upon the day immediately following such expiration. The reappointment so made shall go into effect and be valid although the appointing governor may not be in the office of governor on said day.

Sec. 3. [359.071] [CHANGE OF RESIDENCE.]

*A notary public who, during his term of office, establishes residency in a county of this state other than the county for which he was appointed, may file with the secretary of state an affidavit identifying the county of current residency, the county for which he is appointed as notary public, and the date of change of residency. If the affidavit is properly filed, the notary shall continue to have the same powers during the unexpired term of his appointment as if he had not changed residence. No new bond is required to be given to the state and the existing bond shall remain valid until the expiration of the commission. The notary public shall be entitled to use his official seal for the remainder of his term.*

Sec. 4. [APPLICATION.]

*The reduction in the term of a notary and the increase in the bond provided by section 2 do not apply to a notary whose current commission is dated prior to August 1, 1984, but shall apply to all commissions dated on and after that date."*

Delete the title and insert:

"A bill for an act relating to notarial acts; authorizing appointment of out-of-state notaries; requiring designation of the clerk of district court of the county in which appointment is sought as agent for out-of-state notaries; changing the term of office for notaries public; increasing the bond amount; providing for transfer of notary public commissions; amending Minnesota Statutes 1982, sections 359.01; and 359.02; proposing new law coded in Minnesota Statutes, chapter 359."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Fred C. Norton, Bert J. McKasy, Sharon Coleman

Senate Conferees: (Signed) Tad Jude, Ron Sieloff

Mr. Jude moved that the foregoing recommendations and Conference

Committee Report on H.F. No. 756 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. 756 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 4, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kamrath	Olson	Samuelson
Anderson	Diessner	Kroening	Pehler	Schmitz
Belanger	Dieterich	Kronebusch	Peterson, C.C.	Sieloff
Berglin	Frank	Langseth	Peterson, D.C.	Solon
Bernhagen	Frederick	Lantry	Peterson, D.L.	Storm
Bertram	Freeman	Luther	Petty	Stumpf
Brataas	Hughes	McQuaid	Pogemiller	Taylor
Chmielewski	Isackson	Mehrkens	Purfeerst	Ulland
Dahl	Johnson, D.J.	Moe, R. D.	Ramstad	Wegscheid
Davis	Jude	Novak	Reichgott	Willet

Messrs. Knaak; Merriam; Peterson, R. W. and Spear voted in the negative.

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 1760 and the Conference Committee Report thereon were reported to the Senate.

#### CONFERENCE COMMITTEE REPORT ON S.F. NO. 1760

A bill for an act relating to governmental operations; requesting the regents of the University of Minnesota to conduct a job evaluation study and report to the legislature.

April 18, 1984

The Honorable Jerome M. Hughes  
President of the Senate

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1760, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate concur in the House amendment adopted April 13, 1984, and that S.F. No. 1760 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [COMPENSATION COMPARABILITY STUDY.]

*The legislature requests the regents of the University of Minnesota to conduct an objective job evaluation study to determine the extent to which comparability of the value of work is reflected in the salaries of its nonacademic*



*employees, including hospital employees. The study is to include an analysis of compensation comparability for male-dominated, female-dominated, and balanced classes of employees as those classes are defined in Minnesota Statutes, section 43A.02.*

## Sec. 2. [REPORT OF STUDY.]

*The regents of the University of Minnesota are requested to compile and submit to the legislative commission on employee relations by April 1, 1985, a list showing those female-dominated classes for which a compensation inequity exists based on comparability of the value of the work, an estimate of the cost to provide comparability adjustments, and the steps taken to achieve pay equity."*

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Ember D. Reichgott, Donna C. Peterson, Nancy Brataas

House Conferees: (Signed) Lyndon R. Carlson, James C. Swanson, David T. Bishop

Ms. Reichgott moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1760 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. 1760 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kroening	Pehler	Schmitz
Anderson	Frank	Kronebusch	Peterson, C.C.	Sieloff
Belanger	Frederick	Langseth	Peterson, D.C.	Solon
Berg	Freeman	Lantry	Peterson, D.L.	Spear
Berglin	Hughes	Luther	Peterson, R.W.	Storm
Bernhagen	Isackson	McQuaid	Petty	Stumpf
Bertram	Johnson, D.E.	Mehrkens	Pogemiller	Taylor
Chmielewski	Johnson, D.J.	Merriam	Purfeerst	Ulland
Dahl	Jude	Moe, D. M.	Ramstad	Waldorf
Davis	Kamrath	Moe, R. D.	Reichgott	Wegscheid
DeCramer	Knaak	Novak	Renneke	
Diessner	Knutson	Olson	Samuelson	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

## MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 311 and the Conference Committee Report thereon were reported to the Senate.

## CONFERENCE COMMITTEE REPORT ON S.F. NO. 311

A bill for an act relating to public welfare; requiring licensure for adult day

care facilities; amending Minnesota Statutes 1982, sections 245.782, subdivisions 2, 5, and by adding a subdivision; 245.783, by adding a subdivision; 245.791; 245.802, by adding a subdivision.

April 18, 1984

The Honorable Jerome M. Hughes  
President of the Senate

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 311, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 311 be further amended as follows:

Page 1, line 14, delete the second "and" and insert a comma

Page 1, line 15, after the comma insert "and supportive living residences,"

Page 2, after line 1, insert:

"Sec. 3. Minnesota Statutes 1982, section 245.782, subdivision 6, is amended to read:

Subd. 6. "Residential facility" means any facility, public or private, which for gain or otherwise regularly provides one or more persons with a 24 hour per day substitute for care, food, lodging, training, education, supervision, habilitation, rehabilitation, and treatment they need, but which for any reason cannot be furnished in the person's own home. Residential facilities include, but are not limited to: state institutions under the control of the commissioner of public welfare, foster homes, residential treatment centers, maternity shelters, group homes, residential programs, *supportive living residences for functionally impaired adults*, or schools for handicapped children."

Page 3, delete lines 31 to 34 and insert:

"*Subd. 1a. [STANDARDS FOR SUPPORTIVE LIVING RESIDENCES.] Standards for licensing supportive living residences shall include provisions concerning the referral of adults needing treatment to appropriate programs and the prevention of inappropriate placements in supportive living residences, a maximum bed limit of 40, and provisions discouraging the concentration of supportive living residences in any one region or neighborhood.*"

Page 4, line 5, delete "6" and insert "7"

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 3, after "facilities" insert "and supportive living residences"

Page 1, line 4, after "5," insert "6,"

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Linda Berglin, Marilyn M. Lantry, Duane D.

Benson

House Conferees: (Signed) John E. Brandl, Lee Greenfield, Tony Onnen

Mr. Berglin moved that the foregoing recommendations and Conference Committee Report on S.F. No. 311 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 311 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Novak	Renneke
Anderson	Diessner	Knutson	Olson	Samuelson
Belanger	Dieterich	Kroening	Pehler	Schmitz
Benson	Frank	Kronebusch	Peterson, C.C.	Steloff
Berg	Frederick	Langseth	Peterson, D.C.	Solon
Berglin	Freeman	Lantry	Peterson, D.L.	Spear
Bernhagen	Hughes	Luther	Peterson, R.W.	Storm
Bertram	Isackson	McQuaid	Petty	Stumpf
Brataas	Johnson, D.E.	Mehrkens	Pogemiller	Taylor
Chmielewski	Johnson, D.J.	Merriam	Purfeerst	Ulland
Dahl	Jude	Moe, D. M.	Ramstad	Waldorf
DeCramer	Kamrath	Moe, R. D.	Reichgott	Wegscheid

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

## MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 1750 and the Conference Committee Report thereon were reported to the Senate.

### CONFERENCE COMMITTEE REPORT ON S.F. NO. 1750

A bill for an act relating to commerce; providing for the classification of crime reports of the department of commerce; including certain financial institutions within the definition of broker-dealer of securities; broadening the securities transaction exemption for corporate transactions; providing for the receipt of applications for renewal of real estate broker and salesperson licenses; establishing certain fees relating to the regulation of real estate brokers and salespersons; providing for real estate salesperson licensing requirements after examination; clarifying a certain definition relating to recovery from the real estate education, research, and recovery fund; limiting recovery to cases involving judgments against licensed individuals; providing for the depositing of funds under the unclaimed property statutes; regulating sales of unclaimed property; appropriating money; amending Minnesota Statutes 1982, sections 13.81, subdivision 1; 13.82, subdivision 1; 80A.14, subdivision 4; 80A.15, subdivision 2; 80A.30, subdivision 2; 82.17, subdivision 3; 82.20, subdivisions 8 and 9; 82.21, subdivision 1; 82.22, subdivisions 2 and 5; 345.32; 345.47, subdivision 1; 345.48; 345.49;

Minnesota Statutes 1983 Supplement, sections 82.22, subdivisions 6 and 13; and 82.34, subdivision 7; proposing new law coded in Minnesota Statutes, chapter 345.

April 18, 1984

The Honorable Jerome M. Hughes  
President of the Senate

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1750, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 1750 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 13.81, subdivision 1, is amended to read:

Subdivision 1. [CRIME REPORTS.] When collected, created, or maintained by law enforcement agencies including municipal police departments, county sheriff departments, fire departments, the bureau of criminal apprehension, the Minnesota state patrol, *department of commerce*, or the peace officers standards and training board:

(a) Data contained on incident complaint reports, variously called logs or dockets, comprising a chronological record of events, shall be public; provided that data on individuals which could reasonably be used to determine the identity of an undercover agent, informant, or victim of criminal sexual conduct or intrafamilial sexual abuse shall be private data on individuals; provided further that any other data classified by law as private or confidential contained in incident complaint reports shall remain private or confidential data.

(b) Data in arrest warrant indices are classified as confidential pursuant to section 13.02, subdivision 3, until the defendant has been taken into custody, served with a warrant, or appears before the court except when the law enforcement agency determines that the public purpose is served by making the information public.

(c) Data which uniquely describes stolen, lost, confiscated, or recovered property or property described in pawn shop transaction records are classified as either private or nonpublic depending on the content of the specific data.

(d) To the extent that the release of program data would reveal the identity of an informant or adversely affect the integrity of the fund, financial records of a program which pays rewards to informants shall be protected nonpublic data in the case of data not on individuals or confidential data in the case of data on individuals.

Sec. 2. Minnesota Statutes 1982, section 13.82, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION.] This section shall apply to agencies

which carry on a law enforcement function, including but not limited to municipal police departments, county sheriff departments, fire departments, the bureau of criminal apprehension, the Minnesota state patrol, and the ~~securities and real estate division~~ of the department of commerce.

Sec. 3. Minnesota Statutes 1983 Supplement, section 60A.1701, subdivision 8, is amended to read:

Subd. 8. [MINIMUM EDUCATION REQUIREMENT.] Each person subject to this section shall complete annually a minimum of 20 credit hours of courses accredited by the commissioner. *No person shall be granted more than ten credit hours per year toward the annual requirement as a result of attending accredited courses developed or offered by an insurer employing that person.* Any person teaching or lecturing at an accredited course qualifies for 1-1/2 times the number of credit hours that would be granted to a person completing the accredited course. Credit hours over 20 earned in any one year may be carried forward for the following two years. The commissioner may recognize accredited courses completed in 1983, 1984, or 1985 for the minimum education requirement for 1985.

Sec. 4. Minnesota Statutes 1982, section 80A.14, subdivision 4, is amended to read:

Subd. 4. [BROKER-DEALER.] "Broker-dealer" means any person engaged in the business of effecting transactions in securities for the account of others or for his own account. "Broker-dealer" does not include:

- (1) an agent;
- (2) an issuer;
- (3) a ~~bank, savings institution or trust company~~; or
- (4) a bank, savings institution, savings and loan association

(i) acting for the account of others, provided that such activities are conducted in compliance with such rules and regulations as may be adopted by the commissioner;

(ii) acting for its own account; or

(iii) acting in a fiduciary capacity pursuant to the powers and privileges described by sections 48.36 to 48.49 or United States Code, title 12, section 92(a);

~~(4)~~ (5) a person who has no place of business in this state if he effects transactions in this state exclusively with or through (i) the issuers of the securities involved in the transactions, (ii) other broker-dealers, or (iii) banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit sharing trusts, or other financial institutions or institutional buyers, or to broker-dealers, whether the purchaser is acting for itself or in some fiduciary capacity; or

~~(5)~~ (6) other persons not within the intent of this subsection whom the commissioner by rule or order designates.

Sec. 5. Minnesota Statutes 1982, section 80A.15, subdivision 2, is amended to read:

Subd. 2. The following transactions are exempted from sections 80A.08 and 80A.16:

Any isolated sales, whether or not effected through a broker-dealer, provided that no person shall make more than five sales of securities of the same issuer pursuant to this exemption during any period of 12 consecutive months; provided further, that in the case of sales by an issuer, except sales of securities registered under the Securities Act of 1933 or exempted by section 3(b) of that act, (1) the seller reasonably believes that all buyers are purchasing for investment, and (2) the securities are not advertised for sale to the general public in newspapers or other publications of general circulation or otherwise, or by radio, television, or direct mailing.

(b) Any nonissuer distribution of an outstanding security if (1) either Moody's, Fitch's, or Standard & Poor's Securities Manuals, or other recognized manuals approved by the commissioner contains the names of the issuer's officers and directors, a balance sheet of the issuer as of a date not more than 18 months prior to the date of the sale, and a profit and loss statement for the fiscal year preceding the date of the balance sheet, and (2) the issuer or its predecessor has been in active, continuous business operation for the five-year period next preceding the date of sale, and (3) if the security has a fixed maturity or fixed interest or dividend provision, the issuer has not, within the three preceding fiscal years, defaulted in payment of principal, interest, or dividends on the securities.

(c) The execution of any orders by a licensed broker-dealer for the purchase or sale of any security, pursuant to an unsolicited offer to purchase or sell; provided that the broker-dealer acts as agent for the purchaser or seller, and has no direct material interest in the sale or distribution of the security, receives no commission, profit, or other compensation from any source other than the purchaser and seller and delivers to the purchaser and seller written confirmation of the transaction which clearly itemizes his commission, or other compensation.

(d) Any nonissuer sale of notes or bonds secured by a mortgage lien if the entire mortgage, together with all notes or bonds secured thereby, is sold to a single purchaser at a single sale.

(e) Any judicial sale, exchange, or issuance of securities made pursuant to an order of a court of competent jurisdiction.

(f) The sale, by a pledge holder, of a security pledged with him in good faith as collateral for a bona fide debt.

(g) Any offer or sale to a bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit sharing trust, or other financial institution or institutional buyer, or to a broker-dealer, whether the purchaser is acting for itself or in some fiduciary capacity.

(h) Any sales by an issuer to the number of persons as, when aggregated with the number of persons to whom sales have been made pursuant to ~~clauses~~ clause (a) or (k), shall not exceed 25 persons in this state (other than those designated in clause (g)) during any period of 12 consecutive months, whether or not any of the purchasers is then present in this state, if (1) the issuer reasonably believes that all of the buyers in this state (other than those

designated in clause (g)) are purchasing for investment, and (2) no commission or other remuneration is paid or given directly or indirectly for soliciting any prospective buyer in this state (other than those designated in clause (g)), except reasonable and customary commissions paid by the issuer to a broker-dealer licensed under this chapter, and (3) the issuer has, ten days prior to any sale pursuant to this paragraph, supplied the commissioner with a statement of issuer on forms prescribed by the commissioner, containing the following information: (i) the name and address of the issuer, and the date and state of its organization; (ii) the number of units, price per unit, and a description of the securities to be sold; (iii) the amount of commissions to be paid and the persons to whom they will be paid; (iv) the names of all officers, directors and persons owning five percent or more of the equity of the issuer; (v) a brief description of the intended use of proceeds; (vi) a description of all sales of securities made by the issuer within the 12-month period next preceding the date of filing; and (vii) a copy of the investment letter, if any, intended to be used in connection with any sale. The commissioner may by rule or order as to any security or transaction or any type of security or transaction, withdraw or further condition this exemption, or increase the number of offers and sales permitted, or waive the conditions in ~~clauses clause~~ (1), (2), or (3) with or without the substitution of a limitation or remuneration.

(i) Any offer (but not a sale) of a security for which a registration statement has been filed under sections 80A.01 to 80A.31, if no stop order or refusal order is in effect and no public proceeding or examination looking toward an order is pending; and any offer of a security if the sale of the security is or would be exempt under this section. The commissioner may by rule exempt offers (but not sales) of securities for which a registration statement has been filed as he deems appropriate, consistent with the purposes of sections 80A.01 to 80A.31.

(j) The offer and sale by a cooperative association organized under chapter 308, of its securities when the securities are offered and sold only to its members, or when the purchase of the securities is necessary or incidental to establishing membership in such association, or when such securities are issued as patronage dividends.

(k) Any offer or sale of securities, including offers and sales pursuant to preorganization subscriptions for the securities of an issuer to be formed, by a corporation having its principal office in this state if, after giving effect thereto, the aggregate number of holders of all of the issuer's securities, all of whom shall have purchased for investment, does not exceed ten, exclusive of persons designated in clause (g), provided that no commission or other remuneration has been paid and no advertising has been published or circulated in connection with the sale, and all sales are consummated within 30 days after commencement of business by the issuer. The commissioner may by rule or order increase the number of persons to whom sales may be made under this exemption.

(l) ~~The issuance and delivery of any securities of one corporation to another corporation or its security holders in exchange for the acquisition by the issuer of a subsidiary of the issuer of all or substantially all of the assets of the other corporation, or in connection with a consolidation or merger of the corporation, exchange of shares, or transfer of assets whereby the approval of stockholders of the other corporation is required to be obtained,~~ provided, that the commissioner of securities and real estate has been furnished with a general description of the transaction and with other information as he by rule

prescribes not less than ten days prior to the issuance and delivery.

(m) Any transaction between the issuer or other person on whose behalf the offering is made and an underwriter or among underwriters.

(n) The distribution by a corporation of its or other securities to its own security holders as a stock dividend or as a dividend from earnings or surplus or as a liquidating distribution; or upon conversion of an outstanding convertible security; or pursuant to a stock split or reverse stock split.

(o) Any offer or sale of securities by an affiliate of the issuer thereof if: (1) a registration statement is in effect with respect to securities of the same class of the issuer and (2) the offer or sale has been exempted from registration by rule or order of the commissioner.

Sec. 6. Minnesota Statutes 1982, section 80A.30, subdivision 2, is amended to read:

Subd. 2. This section shall not apply to any isolated sale not made or occurring in the course of repeated or successive sale; nor to any judicial sale or any transaction lawfully ordered, authorized, or approved by a court of competent jurisdiction in this state; nor to any sale to a bank or financial institution under the supervision of any instrumentality or officer of the United States or of the commissioner of ~~banks or of the commissioner of insurance~~ *commerce* of this state, or a licensed broker-dealer; nor to any sale made in compliance with the provisions of section 80A.15, subdivision 2, clause (g) or (h). In any complaint, information or indictment charging a sale in violation of this section, it shall not be necessary to specifically name or identify persons other than the complainant to whom like sales have been made.

Sec. 7. Minnesota Statutes 1982, section 82.17, subdivision 3, is amended to read:

Subd. 3. "Commissioner" means the commissioner of ~~securities and real estate~~ *commerce* or his designee.

Sec. 8. Minnesota Statutes 1982, section 82.20, subdivision 8, is amended to read:

Subd. 8. [RENEWALS.] (a) Persons whose applications have been properly and timely filed who have not received notice of denial of renewal are deemed to have been approved for renewal and may continue to transact business either as a real estate broker or salesperson whether or not the renewed license has been received on or before July 1. Application for renewal of a license shall be deemed to have been timely filed if received by the commissioner ~~on or before by, or mailed with proper postage and postmarked by, June 15~~ in each year. Applications for renewal shall be deemed properly filed if made upon forms duly executed and sworn to, accompanied by fees prescribed by this chapter and contain any information which the commissioner may require. ~~An application mailed shall be deemed proper and timely received if addressed to the commissioner and postmarked prior to 12:01 A.M. on June 14;~~

(b) Persons who have failed to make a timely application for renewal of a license and who have not received the renewal license as of July 1, shall be unlicensed until such time as the license has been issued by the commissioner and is received.



Sec. 9. Minnesota Statutes 1982, section 82.20, subdivision 9, is amended to read:

Subd. 9. [TERMINATIONS; TRANSFERS.] (a) Except as provided in paragraph (b), when a salesperson terminates his activity on behalf of a broker, the salesperson's license shall be ineffective. Within ten days of the termination the broker shall notify the commissioner in writing, and shall return to the commissioner the license of the salesperson. The salesperson may apply for transfer of the license to another broker at any time during the remainder of the license period, on forms provided by the commissioner. If the application for transfer qualifies, the commissioner shall grant the application. Upon receipt of a transfer application and payment of the transfer fee, the commissioner may issue a 45 day temporary license. If an application for transfer is not made within the license period, the commissioner shall require that an application for a new license be filed.

(b) When a salesperson terminates his activity on behalf of a broker in order to begin association immediately with another broker, the commissioner shall permit the automatic transfer of the salesperson's license. The transfer shall be effective either upon the mailing of the required fee and the executed documents by certified mail or upon personal delivery of the fee and documents to the commissioner's office. The commissioner may adopt rules and prescribe forms as necessary to implement this paragraph.

*(c) When a broker terminates his activity in order to begin association with another broker, the commissioner shall permit the automatic transfer of the broker's license to a salesperson's license. If there are licensed salespersons working for the broker he shall certify that a broker will remain in the company he is leaving prior to issuance of the transfer. The transfer shall be effective either upon the mailing of the required fee and the executed documents by certified mail or upon personal delivery of the fee and documents to the commissioner's office.*

Sec. 10. Minnesota Statutes 1982, section 82.21, subdivision 1, is amended to read:

Subdivision 1. [AMOUNTS.] The following fees shall be paid to the commissioner:

(a) A fee of \$50 for each initial individual broker's license, and a fee of \$25 for each annual renewal thereof;

(b) A fee of \$25 for each initial salesperson's license, and a fee of \$10 for each annual renewal thereof;

(c) A fee of \$50 for each initial corporate or partnership license, and a fee of \$25 for each annual renewal thereof;

(d) A fee not to exceed \$40 per year for payment to the education, research and recovery fund in accordance with section 82.34;

(e) A fee of \$10 for each transfer;

(f) A fee of \$25 for a corporation or partnership name change;

(g) A fee of \$5 for an agent name change;

(h) A fee of \$10 for a license history;

(i) A fee of \$15 for a NSF check;

- (j) *A fee of \$50 for an initial course approval;*
- (k) *A fee of \$10 for notices of repeat course offerings;*
- (l) *A fee of \$50 for instructor or coordinator approval; and*
- (m) *A fee of \$5 for a duplicate license.*

Sec. 11. Minnesota Statutes 1982, section 82.22, subdivision 2, is amended to read:

Subd. 2. [BROKER'S EXAMINATION.] (a) The examination for a real estate broker's license shall be more exacting than that for a real estate salesperson, and shall require a higher degree of knowledge of the fundamentals of real estate practice and law.

(b) Every application for a broker's examination shall be accompanied by proof that the applicant has had a minimum of two years of actual experience *within the previous five-year period prior to application* as a licensed real estate salesperson in this or in another state having comparable requirements or is, in the opinion of the commissioner, otherwise or similarly qualified by reason of education or practical experience. *The applicant shall have completed educational requirements in accordance with section 82.22, subdivision 6.* An applicant for a limited broker's license pursuant to section 82.20, subdivision 13, shall not be required to have a minimum of two years of actual experience as a real estate person in order to obtain a limited broker's license to act as principal only.

Sec. 12. Minnesota Statutes 1982, section 82.22, subdivision 5, is amended to read:

Subd. 5. [PERIOD FOR APPLICATION.] An applicant who obtains an acceptable score on a salesperson's examination must file an application ~~for~~ *and obtain* the license within one year of the date of successful completion of the examination or a second examination must be taken to qualify for the license. *If a new examination is required, prelicense education must be completed in accordance with section 82.22, subdivision 6.*

Sec. 13. Minnesota Statutes 1983 Supplement, section 82.22, subdivision 6, is amended to read:

Subd. 6. [INSTRUCTION; NEW LICENSES.] (a) Every salesperson, licensed after July 1, 1973 and before July 1, 1976 shall, within two years of the date his license was first granted be required to successfully complete a course of study in the real estate field consisting of not less than 60 hours of instruction, approved by the commissioner. Upon appropriate showing of hardship by the licensee, or for persons licensed pursuant to section 82.20, subdivision 1, clause (b), the commissioner may waive or modify the requirements of this subdivision. Every salesperson licensed after July 1, 1976 and before July 1, 1978 shall, within three years of the date his license was first issued, be required to successfully complete a course of study in the real estate field consisting of not less than 90 hours of instruction, approved by the commissioner;

(b) After July 1, 1978, and before January 1, 1984, every applicant for a salesperson's license shall be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before taking the examination specified in subdivision 1. Every salesperson licensed after July 1, 1978, and before January 1, 1984,

shall, within one year of the date his license was first issued, be required to successfully complete a course of study in the real estate field consisting of 60 hours of instruction approved by the commissioner.

(c) After December 31, 1983, every applicant for a salesperson's license shall be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before taking the examination specified in subdivision 1. After December 31, 1983, every applicant for a salesperson's license shall be required to successfully complete an additional course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before filing an application for the license. Every salesperson licensed after December 31, 1983, shall, within one year of the date his license was first issued, be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner.

(d) The commissioner may approve courses of study in the real estate field offered in educational institutions of higher learning in this state or courses of study in the real estate field developed by and offered under the auspices of the national association of realtors, its affiliates, or private real estate schools licensed by the state department of education. The commissioner may by rule prescribe the curriculum and qualification of those employed as instructors.

Sec. 14. Minnesota Statutes 1983 Supplement, section 82.22, subdivision 13, is amended to read:

Subd. 13. [CONTINUING EDUCATION.] (a) After July 1, 1978, all real estate salespersons not subject to or who have completed the educational requirements contained in subdivision 6 and all real estate brokers shall be required to successfully complete 45 hours of real estate education, either as a student or a lecturer, in courses of study approved by the commissioner, within three years after their annual renewal date.

(b) For the purposes of administration, the commissioner shall classify by lot, the real estate brokers and salespersons subject to (a) above, in three classifications of substantially equal size. The first class shall complete 15 hours of approved real estate study between July 1, 1978 and June 30, 1979 inclusive. The second class shall complete 30 hours of approved real estate study between the dates of July 1, 1978 and June 30, 1980 inclusive. The third class shall complete 45 hours of approved real estate study between the dates of July 1, 1978 and June 30, 1981. After the first period, each class shall complete the prescribed educational requirements during successive three year periods.

(c) The commissioner shall adopt rules defining the standards for course and instructor approval, and may adopt rules for the proper administration of this subdivision.

(d) Any program approved by Minnesota Continuing Legal Education shall be approved by the commissioner of securities and real estate commerce for continuing education for real estate brokers and salespeople if the program or any part thereof relates to real estate.

Sec. 15. Minnesota Statutes 1983 Supplement, section 82.34, subdivision 7, is amended to read:

Subd. 7. When any aggrieved person obtains a final judgment in any court of competent jurisdiction against ~~any person~~ *an individual* licensed under this chapter, on grounds of fraudulent, deceptive or dishonest practices, or conversion of trust funds arising directly out of any transaction when the judgment debtor was licensed and performed acts for which a license is required under this chapter, or performed acts permitted by section 327.55, subdivision 1a, and which cause of action occurred on or after July 1, 1973, the aggrieved person may, upon the judgment becoming final, and upon termination of all proceedings, including reviews and appeals, file a verified application in the court in which the judgment was entered for an order directing payment out of the recovery portion of the fund of the amount of actual and direct out of pocket loss in the transaction, but excluding any attorney's fees, interest on the loss and on any judgment obtained as a result of the loss, up to the sum of \$20,000 of the amount unpaid upon the judgment, provided that nothing in this chapter shall be construed to obligate the fund for more than \$20,000 per transaction, subject to the limitations set forth in subdivisions 12 and 14, regardless of the number of persons aggrieved or parcels of real estate involved in the transaction. A copy of the verified application shall be served upon the commissioner and upon the judgment debtor, and a certificate or affidavit of service filed with the court. For the purpose of this section "aggrieved person" shall not include a real estate licensee ~~who is seeking to recover a commission~~ *unless (1) the licensee is acting in the capacity of principal in the sale of interests in real property owned by the licensee; or (2) the licensee is acting in the capacity of principal in the purchase of interests in real property to be owned by the licensee. Under no circumstances shall a real estate licensee be entitled to payment under this section for the loss of a commission.*

Sec. 16. [345.25] [BONDS ISSUED BY RELIGIOUS ORGANIZATIONS.]

*Bonds issued by religious organizations are exempt from sections 345.31 to 345.60 and are not otherwise subject to escheat.*

Sec. 17. Minnesota Statutes 1982, section 345.32, is amended to read:

345.32 [PROPERTY HELD BY BANKING OR FINANCIAL ORGANIZATIONS OR BY BUSINESS ASSOCIATIONS.]

The following property held or owing by a banking or financial organization or by a business association is presumed abandoned:

(a) Any demand, savings or matured time deposit made in this state with a banking organization, together with any interest or dividend thereon, excluding contracted service charges which may be deducted for a period not to exceed one year, unless the owner has, within five years:

(1) increased or decreased the amount of the deposit, or presented the passbook or other similar evidence of the deposit for the crediting of interest; or

(2) corresponded in writing with the banking organization concerning the deposit; or

(3) otherwise indicated an interest in the deposit as evidenced by a memorandum on file with the banking organization; or

(4) received tax reports or regular statements of the deposit by mail from the banking or financial organization regarding the deposit. Receipt of the statement by the owner should be presumed if the statement is mailed first class by the banking or financial organization and not returned; or

(5) acted as provided in paragraphs (1), (2), (3) and (4) of this subsection in regard to another demand, savings or time deposit made with the banking or financial organization.

(b) Any funds or dividends deposited or paid in this state toward the purchase of shares or other interest in a business association where the stock certificates or other evidence of interest in the business have not been issued, or in a financial organization, and any interest or dividends thereon, excluding contracted service charges which may be deducted for a period not to exceed one year, unless the owner has within five years:

(1) increased or decreased the amount of the funds or deposit, or presented an appropriate record for the crediting of interest or dividends; or

(2) corresponded in writing with the financial organization concerning the funds or deposit; or

(3) otherwise indicated an interest in the funds or deposit as evidenced by a memorandum on file with the financial organization; or

(4) received tax reports or regular statements of the deposit or accounting by mail from the financial organization or business association regarding the deposit. Receipt of the statement by the owner should be presumed if the statement is mailed first class by the financial organization or business association and not returned.

(c) Any sum, excluding contracted service charges which may be deducted for a period not to exceed one year, payable on checks certified in this state or on written instruments issued in this state, or issued in any other state the law in which for any reason does not apply to the abandonment of sums payable on checks certified in that state or written instruments issued in that state, on which a banking or financial organization or business association is directly liable, including, by way of illustration but not of limitation, drafts, money orders and traveler's checks, that has been outstanding for more than five years from the date it was payable, or from the date of its issuance if payable on demand, or, in the case of traveler's checks, has been outstanding for more than 15 years from the date of its issuance, or, in the case of money orders, has been outstanding for more than seven years from the date of its issuance, unless the owner has within five years, or within 15 years in the case of traveler's checks, or within seven years in the case of money orders, corresponded in writing with the banking or financial organization or business association concerning it, or otherwise indicated an interest as evidenced by a memorandum on file with the banking or financial organization or business association.

(d) Any funds or other personal property, tangible or intangible, removed from a safe deposit box or any other safekeeping repository in this state on which the lease or rental period has expired due to nonpayment of rental charges or other reason, that have been unclaimed by the owner for more than five years from the date on which the lease or rental period expired.

(1) If the amount due for the use or rental of a safe deposit box has remained

unpaid for a period of six months, the bank, savings bank, trust company, savings and loan, or safe deposit company shall, within 60 days of the expiration of that period, send by certified mail, addressed to the renter or lessee of the safe deposit box, directed to the address standing on its books, a written notice that, if the amount due for the use or rental of the safe deposit box is not paid within 60 days after the date of the mailing of the notice, it will cause the safe deposit box to be opened and its contents placed in one of its general safe deposit boxes.

(2) Upon the expiration of 60 days from the date of mailing the notice, and in default of payment within the 60 days of the amount due for the use or rental of the safe deposit box, the bank, savings bank, trust company, savings and loan, or safe deposit company, in the presence of its president, vice-president, secretary, treasurer, assistant secretary, assistant treasurer or superintendent, or such other person as specifically designated by its board of directors, and of a notary public not in its employ, shall cause the safe deposit box to be opened and the contents thereof, to be removed and sealed by the notary public in a package, *in which he shall enclose a detailed description of the contents of the safe deposit box and upon which he shall mark the name of the renter or lessee and also the estimated value of the contents of the safe deposit box* and, in the presence of one of the bank officers listed above, the notary public shall place the package in one of the bank's general safe deposit boxes and set out the proceedings in a certificate under his official seal, which shall be delivered to the bank, savings bank, trust company, savings and loan, or safe deposit company.

(3) The bank, savings bank, trust company, savings and loan, or safe deposit company shall hold the contents of abandoned safe deposit boxes until they are claimed by the owner or the bank turns them over to the state treasurer pursuant to chapter 345.

Sec. 18. Minnesota Statutes 1982, section 345.47, subdivision 1, is amended to read:

Subdivision 1. Except as provided in subdivision 3, all abandoned property other than money delivered to the ~~state treasurer~~ *commissioner* under sections 345.31 to 345.60 shall ~~within one year after the delivery~~ be sold by him to the highest bidder at public sale in whatever city in the state affords in his judgment the most favorable market for the property involved. *The commissioner shall hold the sale whenever he deems necessary but at least once every ten years.* The ~~state treasurer~~ *commissioner* may decline the highest bid and reoffer the property for sale if he considers the price bid insufficient. He need not offer any property for sale if, in his opinion, the probable cost of sale exceeds the value of the property.

Sec. 19. Minnesota Statutes 1982, section 345.48, is amended to read:

#### 345.48 [DEPOSIT OF FUNDS.]

Subdivision 1. All funds received under sections 345.31 to 345.60, including the proceeds from the sale of abandoned property pursuant to section 345.47, shall forthwith be deposited by the state treasurer in the general fund of the state, ~~except that he shall retain in a separate trust fund an amount not exceeding \$25,000 from which he shall make prompt payment of claims duly allowed by him as hereinafter provided.~~ Before making the deposit he shall

record the name and last known address of each person appearing from the holders' reports to be entitled to the abandoned property and of the name and last known address of each policyholder, insured person, or annuitant, and with respect to each policy or contract listed in the report of a life insurance corporation, its number, the name of the corporation, and the amount due. The record shall be available for public inspection at all reasonable business hours.

Sec. 20. Minnesota Statutes 1982, section 345.49, is amended to read:

**345.49 [CLAIM FOR ABANDONED PROPERTY PAID OR DELIVERED.]**

*Subdivision 1. [FILING.]* Any person claiming an interest in any property delivered to the state under sections 345.31 to 345.60 may file a claim thereto or to the proceeds from the sale thereof on the form prescribed by the ~~state treasurer~~ *commissioner*.

*Subd. 2. [APPROPRIATION.]* *There is hereby appropriated to the persons entitled to a refund, from the fund in the state treasury to which the money was credited, an amount sufficient to make the refund and payment.*

Sec. 21. [EFFECTIVE DATE.]

*Section 3 is effective July 1, 1985."*

Delete the title and insert:

"A bill for an act relating to commerce; providing for the classification of crime reports of the department of commerce; providing a certain limitation on insurance agent continuing education requirements; including certain financial institutions within the definition of broker-dealer of securities; broadening the securities transaction exemption for corporate transactions; providing for the receipt of applications for renewal of real estate broker and salesperson licenses; establishing certain fees relating to the regulation of real estate brokers and salespersons; providing for real estate salesperson licensing requirements after examination; clarifying a certain definition relating to recovery from the real estate education, research, and recovery fund; limiting recovery to cases involving judgments against licensed individuals; providing for the depositing of funds under the unclaimed property statutes; regulating sales of unclaimed property; appropriating money; amending Minnesota Statutes 1982, sections 13.81, subdivision 1; 13.82, subdivision 1; 80A.14, subdivision 4; 80A.15, subdivision 2; 80A.30, subdivision 2; 82.17, subdivision 3; 82.20, subdivisions 8 and 9; 82.21, subdivision 1; 82.22, subdivisions 2 and 5; 345.32; 345.47, subdivision 1; 345.48; 345.49; Minnesota Statutes 1983 Supplement, sections 60A.1701, subdivision 8; 82.22, subdivisions 6 and 13; and 82.34, subdivision 7; proposing new law coded in Minnesota Statutes, chapter 345."

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Darril Wegscheid, Michael O. Freeman, Ron Sieloff

House Conferees: (Signed) Gloria Segal, James Metzen, John Sarna

Mr. Wegscheid moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1750 be now adopted, and that the bill

be repassed as amended by the Conference Committee.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 47 and nays 14, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kroening	Peterson, C. C.	Spear
Anderson	Frederick	Kronebusch	Peterson, D. C.	Storm
Belanger	Frederickson	Lantry	Petty	Taylor
Berg	Freeman	Luther	Pogemiller	Ulland
Bernhagen	Hughes	McQuaid	Ramstad	Vega
Brataas	Johnson, D. E.	Mehrkens	Reichgott	Waldorf
Dahl	Johnson, D. J.	Moe, D. M.	Renneke	Wegscheid
Davis	Jude	Moe, R. D.	Schmitz	
Dicklich	Knaak	Novak	Sieloff	
Diessner	Knutson	Olson	Solon	

Those who voted in the negative were:

Benson	Frank	Merriam	Peterson, R. W.	Stumpf
Bertram	Isackson	Pehler	Purfeerst	Willet
DeCramer	Kamrath	Peterson, D. L.	Samuelson	

The motion prevailed. So the recommendations and Conference Committee report were adopted.

S.F. No. 1750 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 52 and nays 11, as follows:

Those who voted in the affirmative were:

Adkins	Frederickson	Laidig	Peterson, D. C.	Spear
Anderson	Freeman	Langseth	Peterson, D. L.	Storm
Belanger	Hughes	Lantry	Petty	Stumpf
Berg	Isackson	Luther	Pogemiller	Taylor
Berglin	Johnson, D. E.	McQuaid	Purfeerst	Ulland
Bernhagen	Johnson, D. J.	Mehrkens	Ramstad	Vega
Brataas	Jude	Moe, D. M.	Reichgott	Waldorf
Dahl	Knaak	Moe, R. D.	Renneke	Wegscheid
Davis	Knutson	Novak	Schmitz	
Diessner	Kroening	Olson	Sieloff	
Frederick	Kronebusch	Peterson, C. C.	Solon	

Those who voted in the negative were:

Benson	Dicklich	Frank	Merriam	Peterson, R. W.
Bertram	Dieterich	Kamrath	Pehler	Samuelson
DeCramer				

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 1349 and the Conference Committee Report thereon were reported to the Senate.

### CONFERENCE COMMITTEE REPORT ON S.F. NO. 1349

A bill for an act relating to liquor; abolishing prohibition on furnishing



liquor to certain persons and exclusion of certain persons from liquor establishments after notice; amending Minnesota Statutes 1982, section 340.601; repealing Minnesota Statutes 1982, sections 340.73, subdivision 2; 340.78; and 340.81.

April 19, 1984

The Honorable Jerome M. Hughes  
President of the Senate

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1349, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 1349 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 182.651, subdivision 18, is amended to read:

Subd. 18. The following substances or mixtures are not hazardous substances if they are:

(a) products intended for personal consumption by employees in the workplace;

(b) consumer products packaged for distribution to, and used by, the general public, including any product used by an employer or the employer's employees in the same form, concentration, and manner as it is sold to consumers, and to the employer's knowledge, employee exposure is not significantly greater than the consumer exposure occurring during principal consumer use of the product;

(c) any article, including but not limited to, an item of equipment or hardware, which contains a hazardous substance, if the substance is present in a solid form which does not create a health hazard as a result of being handled by an employee;

(d) any hazardous substance that is bound and not released under normal conditions of work or in a reasonably foreseeable occurrence resulting from workplace operations;

(e) products sold or used in retail food sale establishments and all other retail trade establishments, exclusive of processing and repair work areas; or

(f) “liquor” as defined in section 340.07, subdivision 2 or “non-intoxicating malt liquor” as defined in section 340.001, subdivision 2;

(g) “food” as defined in the Federal Food, Drug, and Cosmetic Act, United States Code, title 27, section 321, et seq.; or

(h) any waste material regulated pursuant to the federal Resource Conservation and Recovery Act, Public Law 94-580, but only with respect to any employer in a business which provides a service of collection, processing, or disposal of such waste.

The commissioner may, by inclusion in the standards adopted pursuant to

section 182.655, determine whether any of the following may be excluded from the definitions of hazardous substance or harmful physical agent:

(a) waste products labeled pursuant to the Resource Conservation and Recovery Act;

(b) any substance received by an employee in a sealed package and subsequently sold or transferred in that package, if the seal remains intact while the substance is in the employer's workplace; or

(c) any substance, mixture, or product if present in a physical state, volume, or concentration for which there is no valid and substantial evidence that a significant risk to human health may occur from exposure.

Sec. 2. Minnesota Statutes 1982, section 340.07, subdivision 14, is amended to read:

Subd. 14. "Restaurant" means any establishment, other than a hotel, under the control of a single proprietor or manager, having appropriate facilities for the serving of meals, and where, in consideration of payment therefor, meals are regularly served at tables to the general public, and which employs an adequate staff to provide the usual and suitable service to its guests. In cities of the first class such establishment shall have facilities for seating not less than 50 guests at one time; in cities of the second and third class and statutory cities of over 10,000 population, such establishment shall have facilities for seating not less than 30 guests at one time, or such greater number as the municipality may determine; and in cities of the fourth class and statutory cities of 10,000 population or less, in such manner as the municipality shall determine; ~~and~~ in an unincorporated or unorganized area of a county *other than St. Louis, Cook, and Lake counties* such establishment shall have facilities for seating not less than 100 guests at one time or such greater number as the county board may determine; *and in an unincorporated or unorganized area of St. Louis, Cook, and Lake counties the establishment must have facilities for seating not less than 50 guests at one time.*

Sec. 3. Minnesota Statutes 1982, section 340.14, is amended by adding a subdivision to read:

*Subd. 5. This section does not apply to intoxicating liquor which is:*

*(1) further distilled, refined, rectified, or blended within the state; and*

*(2) bottled within the state and labeled with the importer's own labels after importation into the state.*

Sec. 4. Minnesota Statutes 1982, section 340.15, subdivision 1, is amended to read:

Subdivision 1. The unrestricted advertising of intoxicating liquor is hereby declared to be contrary to public policy. Reasonable rules and regulations restricting advertising to prevent it from counteracting temperance education shall be made by the commissioner of public safety. *No regulation shall be construed as prohibiting the advertising of wines by off-sale licensees or municipal liquor stores by means of catalogs distributed by direct mail listing not less than 25 varieties of wine and the price of each.*

Sec. 5. Minnesota Statutes 1982, section 340.601, is amended to read:

340.601 [IMPORT; TAX EVASION, MISDEMEANOR.]

~~Any~~ A person, excluding persons of minor age and other disqualified persons as provided by ~~sections~~ section 340.73 and 340.78, who enters the state of Minnesota from another state may have in his personal possession one quart (32 ounces) of intoxicating liquor or fermented malt beverages or who enters the state of Minnesota from a foreign country may have in his possession one gallon (128 ounces) of intoxicating liquor or ten quarts (320 ounces) of fermented malt beverages without the required payment of the Minnesota excise tax. ~~Any~~ A collector of commemorative bottles as defined in section 340.44, clauses (6) and (7), excluding persons of minor age and other disqualified persons as provided by ~~sections~~ section 340.73 and 340.78, who enters the state of Minnesota from another state may have in his personal possession 12 or fewer commemorative bottles without the required payment of the Minnesota excise tax. ~~Any~~ A person who ~~shall import imports or have~~ has in his possession any ~~such~~ untaxed intoxicating liquor or fermented malt beverages in excess of the quantities provided for in this section is guilty of a misdemeanor. ~~The foregoing~~ These provisions do not apply to the consignments of alcoholic beverages shipped into this state by holders of Minnesota import licenses or Minnesota manufacturers and wholesalers of ~~such~~ alcoholic beverages when duly licensed by the commissioner or to common carriers with licenses to sell intoxicating liquor in more than one state. ~~Any~~ A peace officer, the commissioner, or ~~his~~ the commissioner's authorized agents, may seize such untaxed liquor.

#### Sec. 6. [MORATORIUM ON CERTAIN LICENSES.]

*Notwithstanding the provisions of Minnesota Statutes, section 340.11, subdivision 10b, town boards of towns exercising powers under Minnesota Statutes, section 368.01, subdivision 1, may not issue any new off-sale intoxicating liquor licenses for a period of one year beginning with the effective date of this section. Licenses previously issued under section 340.11, subdivision 10b, may be renewed.*

#### Sec. 7. [ROSEVILLE LICENSES.]

*Notwithstanding any law to the contrary, the city of Roseville may issue six on-sale intoxicating liquor licenses in addition to those authorized by law. The licenses are subject to all other provisions of Minnesota Statutes, chapter 340.*

#### Sec. 8. [WEST ST. PAUL LICENSES.]

*Notwithstanding any law to the contrary, the city of West St. Paul may issue one on-sale intoxicating liquor license in addition to those authorized by law. The license is subject to all other provisions of Minnesota Statutes, chapter 340.*

#### Sec. 9. [ST. PAUL, CITY OF, ORDWAY MUSIC THEATRE; LIQUOR LICENSE.]

*In addition to the licenses now authorized by law and notwithstanding any law or ordinance to the contrary, the city of St. Paul may issue an on-sale liquor license to the governing body of the Ordway Music Theatre for the premises known as the Ordway Music Theatre. The license may, with the prior approval of the governing body of the Ordway Music Theatre, be used any place on the premises of the music theatre by a person, firm, or corporation that has contracted for the use of the premises for an event or by a caterer*

*of the person, firm, or corporation approved by the governing body of the Ordway Music Theatre. The license may be used by the person, firm, corporation, or caterer notwithstanding that the person, firm, corporation, or caterer may hold on-sale licenses in their own right.*

Sec. 10. [ST. PAUL LICENSES.]

*Notwithstanding any law or charter provision to the contrary, the city of Saint Paul may issue retail intoxicating liquor licenses within the territory where sale of intoxicating liquor was prohibited by Special Laws 1885, chapter 281, section 6, in excess of the number authorized by Minnesota Statutes 1982, sections 340.57 to 340.59, subject to the limitations of section 340.11, subdivision 5a.*

Sec. 11. [SALE OF LIQUOR AT ST. LOUIS COUNTY HERITAGE AND ARTS CENTER.]

*Notwithstanding any law to the contrary, the Duluth city council may by ordinance authorize on-sale intoxicating liquor license holders in the city to sell intoxicating liquor at any convention, banquet, conference, meeting, or social affair conducted on the premises of the St. Louis County Heritage and Arts Center when the licensee has been engaged by a person or organization authorized by the board of directors of the center to use said premises for the event. Sales shall be made only to persons attending the event and shall be subject to all laws and ordinances governing the sale of intoxicating liquor not inconsistent with this act. The city council may impose any additional restrictions on sales it deems appropriate and may fix and assess a fee to be paid by the licensee for each event at which sales are made. The authority granted herein shall not be construed to be the granting of an additional on-sale intoxicating liquor license in Duluth.*

Sec. 12. [TOWN OF GREENWOOD; OFF-SALE LICENSE.]

*Notwithstanding any law to the contrary, the town board of the town of Greenwood in St. Louis County may issue one off-sale liquor license to an establishment located within the town, with the approval of the commissioner of public safety. The license shall not be issued to a premises located within three miles of a municipality operating a municipal liquor store. The fee for the license shall be fixed by the town board in an amount not to exceed \$500 per year. A license issued pursuant to this section shall otherwise be governed by Minnesota Statutes, chapter 340.*

Sec. 13. [ST. PAUL, CITY OF; MINNESOTA MUSEUM OF ART.]

*In addition to the licenses now authorized by law, and notwithstanding any law or ordinance to the contrary, the city of St. Paul may issue an on-sale liquor license to the governing body of the Minnesota Museum of Art for the premises known as the Jemne Building. The license may, with the prior approval of the governing body of the Minnesota Museum of Art, be used any place on the premises of the Jemne Building by a person, firm, or corporation that has contracted for the use of the premises for an event or by a caterer of the person, firm, or corporation approved by the governing body of the Minnesota Museum of Art. The license may be used by the person, firm, corporation, or caterer notwithstanding that the person, firm, corporation, or caterer may hold on-sale licenses in their own right.*

Sec. 14. [ST. PAUL LICENSES.]

*The number of on-sale intoxicating liquor licenses which may be issued in the city of St. Paul shall be determined by the St. Paul city council and is not subject to the limitations in Minnesota Statutes, section 340.11, subdivision 5a.*

Sec. 15. [REPEALER.]

*Minnesota Statutes 1982, sections 340.73, subdivision 2; 340.78; and 340.81, are repealed. Minnesota Statutes 1982, sections 340.57; 340.58; and 340.59, and Special Laws 1885, chapter 281, section 6, are repealed effective August 1, 1985, contingent upon the approval of section 10 by the St. Paul city council.*

Sec. 16. [EFFECTIVE DATE.]

*Section 2 is effective the day following final enactment. Sections 7, 8, 9, 11, 13, and 14 are effective on approval by the appropriate governing body and compliance with Minnesota Statutes, section 645.021, subdivision 3. Section 10 is effective August 1, 1985, following approval by the St. Paul city council and compliance with Minnesota Statutes, section 645.021, subdivision 3. Section 12 is effective on approval by the Greenwood town board and compliance with Minnesota Statutes, section 645.021, subdivision 3."*

Delete the title and insert:

*"A bill for an act relating to liquor; adding liquor, nonintoxicating malt liquor and food to the list of substances exempted from classification as hazardous substances; redefining restaurants for purposes of licensing in St. Louis, Lake, and Cook counties; permitting exclusive sale of certain liquors by Minnesota wholesalers, distillers, rectifiers, or bottlers; authorizing the use of wine catalogs by off-sale dealers; imposing a moratorium on new off-sale intoxicating liquor licenses issued by towns; allowing the cities of Roseville, West St. Paul, and St. Paul to issue on-sale intoxicating liquor licenses in excess of the number authorized by law; allowing the city of St. Paul to issue on-sale intoxicating liquor licenses to the Minnesota Museum of Art and the Ordway Music Theatre; authorizing the Duluth city council to permit the on-sale of liquor at the St. Louis County Heritage and Arts Center by on-sale licensees in the city of Duluth; authorizing the town of Greenwood in St. Louis County to issue one off-sale intoxicating liquor license; repealing certain restrictions on territory in the city of St. Paul where licenses may be issued; amending Minnesota Statutes 1982, sections 340.07, subdivision 14; 340.114, by adding a subdivision; 340.15, subdivision 1; and 340.601; Minnesota Statutes 1983 Supplement, section 182.651, subdivision 18; repealing Minnesota Statutes 1982, sections 340.57; 340.58; 340.59; 340.73, subdivision 2; 340.78; and 340.81; and Special Laws 1885, chapter 281, section 6."*

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Allen H. Spear, Marilyn M. Lantry, Steven G. Novak, Donald A. Storm

House Conferees: (Signed) Joel Jacobs, Rich O'Connor, John Sarna, James Metzen, Richard E. Wigley

Mr. Spear moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1349 be now adopted, and that the bill be repassed as amended by the Conference Committee.

Mr. Sieloff moved that the recommendations and Conference Committee Report on S.F. No. 1349 be rejected, the Conference Committee discharged, and that a new Conference Committee be appointed by the Subcommittee on Committees to act with a like Conference Committee appointed on the part of the House.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 36 and nays 25, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kamrath	Olson	Stumpf
Anderson	Frank	Knaak	Peterson, C.C.	Taylor
Belanger	Frederick	Knutson	Peterson, D.L.	Ulland
Bernhagen	Frederickson	Kronebusch	Peterson, R.W.	Waldorf
Brataas	Freeman	Lessard	Ramstad	
Chmielewski	Isackson	McQuaid	Reichgott	
Dahl	Johnson, D.E.	Mehrkens	Renneke	
Diessner	Jude	Merriam	Sieloff	

Those who voted in the negative were:

Berglin	Johnson, D.J.	Moe, D. M.	Peterson, D.C.	Solon
Bertram	Kroening	Moe, R. D.	Petty	Spear
Davis	Langseth	Nelson	Pogemiller	Storm
DeCramer	Lantry	Novak	Purfeerst	Vega
Dicklich	Luther	Pehler	Schmitz	Wegscheid

The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the 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. 229:

H.F. No. 229: A bill for an act relating to health; allowing any interested person to seek enforcement of certain patient rights; requiring disclosure of certain medical data or medical information for purposes of a lawful investigation; amending Minnesota Statutes 1982, sections 13.42, subdivision 2; 144.335; 254A.09; and Minnesota Statutes 1983 Supplement, section 144.651, subdivision 1.

The House respectfully requests that a Conference Committee of three members be appointed thereon.

Clark, K.; Reif and Swanson have been appointed as such committee on the part of the House.

House File No. 229 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

Mr. Spear moved that the Senate accede to the request of the House for a

Conference Committee on H.F. No. 229, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 432, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 432 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 432

A bill for an act relating to soil and water conservation; prohibiting in certain counties practices which cause accelerated erosion or sedimentation; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 40.

April 19, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 432, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H.F. No. 432 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [PURPOSE.]

*It is the purpose of this act to encourage and guide the use of land in accordance with its capabilities, to treat it according to its needs, to prevent the degradation of lands, streams, and rivers, and to protect and promote the health, safety, and general welfare of the people.*

Sec. 2. [40.19] [DEFINITIONS.]

*Subdivision 1. [SCOPE.] For the purposes of sections 3 to 11, the terms defined in this section have the meanings given them.*

*Subd. 2. [EXCESSIVE SOIL LOSS.] “Excessive soil loss” means soil loss resulting from erosion that is more rapid than the gradual erosion of land used by man when all reasonable soil and water conservation practices have been applied. “Excessive soil loss” may be evidenced by sedimentation on adjoining land or in any body of water. Soil loss is excessive if it is greater than the soil loss tolerance for each soil type described in the United States Soil Conservation Service Field Office technical guide.*

*Subd. 3. [ADMINISTRATIVE ORDER.] “Administrative order” means*

*an order issued by the governing body of a statutory or home rule charter city, town, or county to notify an offending landowner of record that soil erosion is occurring in excess of limits specified in local regulations. The order shall contain the precise location of the offending party's property where erosion is taking place, state as nearly as possible the extent to which soil erosion thereon exceeds the limits established by the regulations, and specify time requirements by which measures to control the problem must be initiated and completed.*

*Subd. 4. [ANNUAL PLAN.] "Annual plan" means an annual program of work prepared by the soil and water conservation district according to the guidelines for annual planning published by the state board.*

*Subd. 5. [CONSERVATION PRACTICES, STANDARDS AND SPECIFICATIONS.] "Conservation practices, standards and specifications" means standards containing a definition, purpose, and conditions under which the practice applies including design requirements, and specifications containing a statement of details required for installing a conservation practice, including kinds, quality, and quantity of work and materials needed to meet the standards.*

*Subd. 6. [DEVELOPMENT ACTIVITY.] "Development activity" means any physical disturbance by man of the land associated with development activities which may result in sedimentation of adjacent lands or waters. These activities include, but are not limited to, clearing, grading, excavating, transporting, and filling lands. Federal, state, county, and municipal road construction designed according to department of transportation standard specifications for construction are exempt from this act.*

*Subd. 7. [EROSION.] "Erosion" means the process by which the surface of the land is worn away by the action of water, wind, or gravity.*

*Subd. 8. [GOVERNING BODY.] "Governing body" means the elected governing body of a county, city, or town or their designated officials or agents. Agents may include soil and water conservation districts, water management organizations, joint powers boards, watershed districts, or other governmental entities responsible for resource management within the affected jurisdiction.*

*Subd. 9. [LAND OCCUPIER.] "Land occupier" means a person, firm, corporation, municipality, or other legal entity who holds title to, or is in possession of any lands, whether as owner, lessee, renter, tenant, or otherwise. The term includes both the owner and the occupier of the land when they are not the same.*

*Subd. 10. [LONG-RANGE PLAN.] "Long-range plan" means a multi-year program of work prepared by the soil and water conservation district pursuant to Minnesota Statutes, section 40.07, subdivision 9.*

*Subd. 11. [SEDIMENT.] "Sediment" means solid material, both mineral and organic, that is in suspension, is being transported, or has been moved from its site of origin by air, water, gravity, or ice, and has come to rest on the earth's surface.*

*Subd. 12. [SEDIMENTATION.] "Sedimentation" means the process or action of depositing sediment that, upon inspection, is determined to have been caused by accelerated erosion as provided in section 7.*



*Subd. 13. [SOIL LOSS LIMIT.] "Soil loss limit" means the maximum amount of soil loss from water or wind erosion, expressed in tons per acre per year, that will be permitted by local regulations on a given soil.*

*Subd. 14. [SOIL AND WATER CONSERVATION PRACTICE.] "Soil and water conservation practice" or "practice" means a permanent or temporary vegetative or structural measure that when applied to the land will contribute to the control of wind and water erosion. Permanent practices include but are not limited to grassed waterways, terraces, field windbreaks, water control structures, grade stabilization structures, sediment retention structures, strip-cropping, and other permanent practices approved by the state soil and water conservation board. A permanent practice is deemed to have an effective life in excess of ten years. Temporary practices include conservation tillage, contour farming, grasses and legumes in rotation, emergency tillage, and any other cultural practices approved by the state soil and water conservation board.*

*Subd. 15. [SUPPLEMENTAL ORDER.] "Supplemental order" means an order supplemental to an administrative order and issued by the governing body to notify an offending party that cost sharing for the required soil and water conservation practices has been approved. A supplemental order shall state time requirements by which measures to control the erosion problem must be initiated and completed. These time limits supersede the dates specified in an administrative order.*

*Subd. 16. [TECHNICAL GUIDE.] "Technical guide" means the guide developed by USDA Soil Conservation Service adopted by soil and water conservation districts containing technical information including methods and procedures by which the various types of erosion can be measured, and conservation practice standards and specifications required in the application of soil and water conservation practices.*

**Sec. 3. [40.20] [SOIL LOSS CONTROL.]**

*Each statutory or home rule charter city, town, or county that has planning and zoning authority under sections 366.10 to 366.19, 394.21 to 394.37, or 462.351 to 462.365 is encouraged to adopt a soil loss ordinance as provided in section 4. Ordinances adopted by local units within the metropolitan area defined in section 473.121 must be consistent with local water management plans adopted under section 473.879.*

**Sec. 4. [40.21] [PROMULGATION OF RULES BY THE COMMISSIONER OF AGRICULTURE; PERIODIC REVIEW.]**

*The commissioner of agriculture, in consultation with counties, soil and water conservation districts, and other appropriate agencies, shall promulgate rules which shall serve as a guide to enable local governments to carry out the provisions of this act. The rules developed by the commissioner of agriculture shall include:*

*(a) A model ordinance which specifies the technical and administrative procedures required to implement this act. The model ordinance shall be considered to be the minimum regulation to be adopted.*

*(b) Administrative procedures required of the state soil and water conservation board for carrying out the provisions of this act.*

*At least once every two years the commissioner of agriculture shall review the rules in cooperation with counties, soil and water conservation districts, and appropriate agencies to ensure their continued applicability and relevance. The rules may be revised if deemed necessary by the commissioner of agriculture.*

**Sec. 5. [40.22] [EXCESSIVE SOIL LOSS PROHIBITED.]**

*Subdivision 1. [PROHIBITED ACTIVITIES.] A person may not cause, conduct, contract for, or authorize an activity which causes excessive soil loss.*

*Subd. 2. [AGRICULTURAL LAND.] A land occupier of agricultural land is not violating subdivision 1 if he is using farming methods which do not create excessive soil loss.*

*Subd. 3. [WOODLAND.] A land occupier who uses wooded land for pasture must ensure that proper management is used to prevent excessive soil loss due to overgrazing or cattle paths.*

**Sec. 6. [40.23] [ENFORCEMENT.]**

*Subdivision 1. [COMPLAINT.] A land occupier adversely affected by the effects of excessive soil loss, or an elected local government official, may submit a verbal or written complaint against a land occupier alleging that excessive soil loss has occurred or is occurring. The complaint must be made to the governing body of the local government unit that has adopted an ordinance as provided in section 4. If the complaint is verbal, it must be followed by a written complaint within 72 hours. The complaint shall include the approximate dates and location of the alleged violation and describe the source, nature, and extent of the excessive soil loss alleged to have occurred or which is occurring. The complaint must be made to the governing body of the local government unit that has adopted a soil loss ordinance as provided in section 4.*

**Sec. 7. [40.24] [INSPECTION OF LAND UPON COMPLAINT.]**

*The governing body of the local government unit shall inspect or cause to be inspected any land within its jurisdiction, upon receipt of a complaint that soil loss is occurring there in excess of the limits established by the local unit's soil loss regulations. The burden of proof shall be on the local government unit to prove that an alleged violation exists. The person against whom the complaint is made must be notified of the time of the investigation and will be given the opportunity to be present when the investigation is made. If the governing body of the local unit finds that excessive soil loss is occurring on the land inspected, they shall issue an administrative order to the landowner of record, and to the occupant of the land if possible, describing the land and stating the extent to which soil loss on the land exceeds the limits established by the regulations. The order shall be delivered either by personal service or by certified mail to each of the persons to whom it is directed, and shall state a time, not more than 90 days after service or mailing of the notice of the order, by which work needed to establish specific soil and water conservation practices to stop the excessive soil loss must be commenced, and a time not more than one year after the service or mailing of the notice of the order by which the work must be satisfactorily completed.*

**Sec. 8. [40.25] [EROSION CONTROL PLAN FOR DEVELOPMENT**

## ACTIVITIES.]

*A person engaged in a development activity that will disturb over one acre of land must submit to the governing body a sedimentation control plan that will prevent excessive soil loss before the development activity is to begin.*

## Sec. 9. [40.26] [APPLICATION FOR COST-SHARING FUNDS.]

*Except in the case of a development activity, a land occupier may not be required to establish soil conservation practices unless state cost-sharing funds have been specifically approved for that land and have been made available to the land occupier in an amount equal to at least 75 percent of the cost of the permanent conservation practices on a voluntary basis, and a 50 percent cost share if implementation is not commenced following the issuance of an administrative order as provided in this section. The state soil and water conservation board shall review these requirements at least once each year, and may authorize districts in any particular case to provide a higher percentage of public cost sharing than is required by this section. To aid in this determination, the state board may consider the location of the affected area in relation to the priority areas as established in the district annual and long-range plans. Evidence that an application for state cost-sharing funds has been submitted to the soil and water conservation district shall constitute commencement of the work within the meaning of section 7. When notified of the approval of the application, the local unit shall issue to the same parties who received the original administrative order, or their successors in interest, a supplemental order, to be delivered in the same manner as provided by section 7. The supplemental order shall state a time, not more than 90 days after approval of the application for state cost-sharing funds, by which the work needed to comply with the original administrative order shall actually be commenced, and a time not more than one year thereafter when the work is to be satisfactorily completed.*

## Sec. 10. [40.27] [APPLICABILITY.]

*The provisions of sections 5 to 9 are not applicable without the adoption of an ordinance by the county or local government unit.*

## Sec. 11. [40.28] [PENALTY.]

*A violation of an administrative order issued under section 7 or a supplemental order issued under section 9 is a misdemeanor.*

Sec. 12. Laws 1979, chapter 315, section 2, as amended by Laws 1981, chapter 78, section 1, and Laws 1982, chapter 512, section 10, is amended to read:

## Sec. 2. [JOINT LEGISLATIVE COMMITTEE.]

*A joint legislative committee on agricultural land preservation and conservation shall be established by July 1, 1979, and shall expire by June 30, 1984 1994, unless extended by legislative action. The committee shall be composed of eight members of the house of representatives from the transportation, agriculture, environment and natural resources, local and urban affairs, and tax committees appointed by the speaker and the chairman of the committee on rules and legislative administration; and eight members of the senate from the transportation, agriculture and natural resources, local government, tax, and governmental operations committees appointed by the*

subcommittee on committees. The committee shall elect a chairman from among its members. The expenses of and per diem payments to committee members shall be paid from the legislative expense fund of their respective body upon approval of the chairman of the joint committee. Other expenses of the committee shall be evenly divided between the house of representatives and the senate.

Sec. 13. [APPROPRIATION.]

*The sum of \$10,000 is appropriated from the general fund to the commissioner of agriculture to adopt rules under section 4."*

Delete the title and insert:

"A bill for an act relating to soil and water conservation; prohibiting in certain counties practices which cause accelerated erosion or sedimentation; extending the joint legislative committee on agricultural land preservation and conservation; prescribing penalties; appropriating money; amending Laws 1979, chapter 315, section 2, as amended; proposing new law coded in Minnesota Statutes, chapter 40."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Elton R. Redalen, William Schreiber, Daniel J. Knuth

Senate Conferees: (Signed) Charles R. Davis, Gary M. DeCramer, Charles A. Berg

Mr. Davis moved that the foregoing recommendations and Conference Committee Report on H.F. No. 432 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. 432 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 55 and nays 4, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Moe, R. D.	Reichgott
Anderson	Diessner	Kroening	Nelson	Schmitz
Belanger	Dieterich	Laidig	Novak	Sieloff
Berglin	Frank	Langseth	Olson	Solon
Bernhagen	Freeman	Lantry	Pehler	Spear
Bertram	Hughes	Lessard	Peterson, C.C.	Storm
Brataas	Isackson	Luther	Peterson, D.C.	Stumpf
Chmielewski	Johnson, D.E.	McQuaid	Peterson, R.W.	Taylor
Dahl	Johnson, D.J.	Mehrkens	Pogemiller	Waldorf
Davis	Jude	Merriam	Purfeerst	Wegscheid
DeCramer	Knaak	Moe, D. M.	Ramstad	Willet

Mr. Kamrath, Mrs. Kronebusch, Messrs. Peterson, D.L. and Renneke voted in the negative.

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

**MESSAGES FROM THE HOUSE - CONTINUED**

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1655, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1655 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

**CONFERENCE COMMITTEE REPORT ON H.F. NO. 1655**

A bill for an act relating to financial institutions; providing an expedited procedure for certain bank applications; providing a uniform examination cycle for all supervised institutions; extending the temporary removal of mortgage usury limits; providing a time period within which notices of the filing of applications for detached facilities must be published; providing prior notice to the commissioner of a change in the ownership of a state bank; bringing state law into conformity with federal law regarding limitations on loans to bank directors, officers, or employees; providing prior notification to the commissioner of the termination or cancellation of a fidelity bond to a bank; authorizing the commissioner, after notification, to order the bank to take action; clarifying the exclusion of bankers' acceptances from the restrictions upon total liabilities to a bank; extending the time period imposed on a bank for the filing of proof of publication of its quarterly report; modifying the definition of "demand deposits" in light of federal deregulation of interest rates; removing the photo identification requirement from the provisions regulating the opening of checking accounts; clarifying service charges on dishonored checks; making various technical changes; amending Minnesota Statutes 1982, sections 45.071, by adding a subdivision; 46.04, subdivision 1; 47.204, subdivision 1; 48.03, subdivision 4; 48.08; 48.13; 48.14; 48.24, subdivision 6; 48.48, subdivisions 1 and 2; 48.51; 51A.50; 52.06, subdivision 1; 53.03, subdivision 4; 53.09, subdivision 1; and 56.12; Minnesota Statutes 1983 Supplement, sections 45.04; 47.54, subdivision 1; 48.512, subdivision 2; 52.203; 53.01; 53.03, subdivisions 1 and 5; 53.04, subdivision 3a; 168.67; and 332.50, subdivision 2; repealing Minnesota Statutes 1982, sections 47.75, subdivision 2; and 51A.44, subdivision 3.

April 19, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 1655, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments.

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Bernard J. Brinkman, Tom Osthoff, O.J.

Heinitz

Senate Conferees: (Signed) Sam. G. Solon, Ronald R. Dicklich, Patricia Louise Kronebusch

Mr. Solon moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1655 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. 1655 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kroening	Nelson	Renneke
Anderson	Diessner	Kronebusch	Novak	Schmitz
Belanger	Dieterich	Laidig	Olson	Solon
Benson	Frank	Langseth	Pehler	Spear
Berglin	Freeman	Lantry	Peterson, C. C.	Storm
Bernhagen	Hughes	Lessard	Peterson, D. C.	Stumpf
Bertram	Isackson	Luther	Peterson, D. L.	Taylor
Brataas	Johnson, D. E.	McQuaid	Peterson, R. W.	Ulland
Chmielewski	Johnson, D. J.	Mehrkens	Petty	Waldorf
Dahl	Jude	Merriam	Pogemiller	Wegscheid
Davis	Kamrath	Moe, D. M.	Ramstad	
DeCramer	Knaak	Moe, R. D.	Reichgott	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

## MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1279, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1279 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

## CONFERENCE COMMITTEE REPORT ON H.F. NO. 1279

A bill for an act relating to crimes; clarifying the crime of contributing to the delinquency of a minor; providing for the admissibility of certain statements as evidence; expanding the definitions of sexual contact and coercion; increasing the age limit of minor victims protected under criminal sexual conduct offenses; clarifying certain terms; amending Minnesota Statutes 1982, sections 595.02; 609.341, subdivisions 11 and 14; 609.346; 609.347, subdivision 3; 609.364, subdivision 9; and 626.556, subdivision 8; Minne-

sota Statutes 1983 Supplement, sections 260.315; 609.342; and 609.343; proposing new law coded in Minnesota Statutes, chapter 260.

April 19, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 1279, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H.F. No. 1279 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 147.01, subdivision 4, is amended to read:

Subd. 4. [DISCLOSURE.] All communications or information received by or disclosed to the board relating to any person or matter subject to its regulatory jurisdiction, and all records of any action or proceedings thereon, except only a final decision of the board, which shall state the specific reason therefor shall be confidential and privileged within the meaning of section 595.02, ~~clause 5 subdivision 1, paragraph (e)~~, and shall not be public records within the meaning of section 15.17, subdivision 4; provided that upon application of a party in a proceeding before the board pursuant to section 147.021, the board shall produce and permit the inspection and copying, by or on behalf of the moving party, of any designated documents or papers relevant to the proceedings, in accordance with the provisions of rule 34, Minnesota rules of civil procedure.

Sec. 2. [260.156] [CERTAIN OUT-OF-COURT STATEMENTS ADMISSIBLE.]

*An out-of-court statement made by a child under the age of ten years alleging, explaining, denying, or describing any act of sexual contact or penetration performed with or on the child by another, not otherwise admissible by statute or rule of evidence, is admissible in evidence in any dependency or neglect proceeding or any proceeding for termination of parental rights if:*

*(a) The court finds that the time, content, and circumstances of the statement and the reliability of the person to whom the statement is made provide sufficient indicia of reliability; and*

*(b) The proponent of the statement notifies other parties of his intention to offer the statement and the particulars of the statement sufficiently in advance of the proceeding at which he intends to offer the statement into evidence, to provide the parties with a fair opportunity to meet the statement.*

Sec. 3. Minnesota Statutes 1983 Supplement, section 260.315, is amended to read:

260.315 [CONTRIBUTING TO NEGLECT OR DELINQUENCY.]

Any person who by act, word or omission encourages, causes or contrib-

utes to the neglect or delinquency of a child, or to a child's status as a habitual truant, runaway, juvenile petty offender, juvenile alcohol offender, or juvenile controlled substance offender, is guilty of a misdemeanor.

Sec. 4. Minnesota Statutes 1982, section 595.02, is amended to read:

595.02 [TESTIMONY OF WITNESSES.]

Subdivision 1. [COMPETENCY OF WITNESSES.]

Every person of sufficient understanding, including a party, may testify in any action or proceeding, civil or criminal, in court or before any person who has authority to receive evidence, except as follows provided in this subdivision:

(1) (a) A husband cannot be examined for or against his wife without her consent, nor a wife for or against her husband without his consent, nor can either, during the marriage or afterwards, without the consent of the other, be examined as to any communication made by one to the other during the marriage. This exception does not apply to a civil action or proceeding by one against the other, nor to a criminal action or proceeding for a crime committed by one against the other or against a child of either, nor to a criminal action or proceeding in which one is charged with homicide or an attempt to commit homicide and the date of the marriage of the defendant is subsequent to the date of the offense, nor to an action or proceeding for non-support, neglect, dependency, or termination of parental rights.

(2) (b) An attorney cannot, without the consent of his client, be examined as to any communication made by the client to him or his advice given thereon in the course of professional duty; nor can any employee of the attorney be examined as to the communication or advice, without the client's consent.

(3) (c) A clergyman or other minister of any religion shall not, without the consent of the party making the confession, be allowed to disclose a confession made to him in his professional character, in the course of discipline enjoined by the rules or practice of the religious body to which he belongs; nor shall a clergyman or other minister of any religion be examined as to any communication made to him by any person seeking religious or spiritual advice, aid, or comfort or his advice given thereon in the course of his professional character, without the consent of the person.

(4) (d) A licensed physician or surgeon, dentist, or chiropractor shall not, without the consent of his patient, be allowed to disclose any information or any opinion based thereon which he acquired in attending the patient in a professional capacity, and which was necessary to enable him to act in that capacity; after the decease of the patient, in an action to recover insurance benefits, where the insurance has been in existence two years or more, the beneficiaries shall be deemed to be the personal representatives of the deceased person for the purpose of waiving this privilege, and no oral or written waiver of the privilege shall have any binding force or effect except when made upon the trial or examination where the evidence is offered or received.

(5) (e) A public officer shall not be allowed to disclose communications made to him in official confidence when the public interest would suffer by



the disclosure:

(6) (f) Persons of unsound mind; persons intoxicated at the time of their production for examination, and children under ten years of age, who appear incapable of receiving just impressions of the if any of them lack capacity to remember or to relate truthfully facts respecting which they are examined, or of relating them truly; are not competent witnesses. This exception does not apply to A child under ten years of age, in a criminal proceeding for intrafamilial sexual abuse as defined in section 609.364, subdivision 10, or in a criminal proceeding under sections 609.342 clause (a), 609.343 clause (a), 609.344 clause (a), or 609.345 clause (a), who is able to describe or relate in describing any act of sexual contact or penetration performed on or with the child by another may use language appropriate for a child of that age the events or facts respecting which the child is examined;

(7) (g) A registered nurse, psychologist or consulting psychologist shall not, without the consent of his client, be allowed to disclose any information or opinion based thereon which he acquired in attending the client in a professional capacity, and which was necessary to enable him to act in that capacity;

(8) (h) An interpreter for a person handicapped in communication shall not, without the consent of the person, be allowed to disclose any communication if the communication would, if the interpreter were not present, be privileged. For purposes of this section, a "person handicapped in communication" means a person who, because of a hearing, speech or other communication disorder, or because of the inability to speak or comprehend the English language, is unable to understand the proceedings in which he is required to participate. The presence of an interpreter as an aid to communication does not destroy an otherwise existing privilege;

(9) (i) A parent or his minor child may not be examined as to any communication made in confidence by the minor to his parent. A communication is confidential if made out of the presence of persons not members of the child's immediate family living in the same household. This exception may be waived by express consent to disclosure by a parent entitled to claim the privilege or by the child who made the communication, or by failure of the child or parent to object when the contents of a communication are demanded. This exception does not apply to a civil action or proceeding by one spouse against the other or by a parent or child against the other, nor to a proceeding to commit either the child or parent to whom the communication was made or to place the person or property or either under the control of another because of his alleged mental or physical condition, nor to a criminal action or proceeding in which the parent is charged with a crime committed against the person or property of the communicating child, the parent's spouse, or a child of either the parent or the parent's spouse, or in which a child is charged with a crime or act of delinquency committed against the person or property of a parent or a child of a parent, nor to an action or proceeding for termination of parental rights, nor any other action or proceeding on a petition alleging child abuse, child neglect, abandonment or nonsupport by a parent;

(10) (j) Sexual assault counselors may not be compelled to testify about any opinion or information received from or about the victim without the consent

of the victim. However, a counselor may be compelled to identify or disclose information in investigations or proceedings related to neglect or termination of parental rights if the court determines good cause exists. In determining whether to compel disclosure, the court shall weigh the public interest and need for disclosure against the effect on the victim, the treatment relationship, and the treatment services if disclosure occurs. Nothing in this clause exempts sexual assault counselors from compliance with the provisions of sections 626.556 and 626.557.

“Sexual assault counselor” for the purpose of this section means a person who has undergone at least 40 hours of crisis counseling training and works under the direction of a supervisor in a crisis center, whose primary purpose is to render advice, counseling or assistance to victims of sexual assault.

*Subd. 2. [EXCEPTIONS.] (a) The exception provided by paragraphs (d) and (g) of subdivision 1 shall not apply to any testimony, records, or other evidence relating to the abuse or neglect of a minor in any proceeding under chapter 260 or any proceeding under section 245.801, to revoke a day care or foster care license, arising out of the neglect or physical or sexual abuse of a minor, as defined in section 626.556, subdivision 2.*

*(b) The exception provided by paragraphs (d) and (g) of subdivision 1 shall not apply to criminal proceedings arising out of the neglect or physical or sexual abuse of a minor, as defined in section 626.556, subdivision 2, if the court finds that:*

*(1) there is a reasonable likelihood that the records in question will disclose material information or evidence of substantial value in connection with the investigation or prosecution; and*

*(2) there is no other practicable way of obtaining the information or evidence. This clause shall not be construed to prohibit disclosure of the patient record when it supports the otherwise uncorroborated statements of any material fact by a minor alleged to have been abused or neglected by the patient; and*

*(3) the actual or potential injury to the patient-health professional relationship in the treatment program affected, and the actual or potential harm to the ability of the program to attract and retain patients, is outweighed by the public interest in authorizing the disclosure sought.*

*No records may be disclosed under this paragraph other than the records of the specific patient suspected of the neglect or abuse of a minor. Disclosure and dissemination of any information from a patient record shall be limited under the terms of the order to assure that no information will be disclosed unnecessarily and that dissemination will be no wider than necessary for purposes of the investigation or prosecution.*

*Subd. 3. [CERTAIN OUT-OF-COURT STATEMENTS ADMISSIBLE.] An out-of-court statement made by a child under the age of ten years alleging, explaining, denying, or describing any act of sexual contact or penetration performed with or on the child by another, not otherwise admissible by statute or rule of evidence, is admissible in evidence if:*

*(a) the court or person authorized to receive evidence finds, in a hearing conducted outside of the presence of the jury, that the time, content, and*

*circumstances of the statement and the reliability of the person to whom the statement is made provide sufficient indicia of reliability; and*

*(b) the child either:*

*(i) testifies at the proceedings; or*

*(ii) is unavailable as a witness and there is corroborative evidence of the act; and*

*(c) the proponent of the statement notifies the adverse party of his intention to offer the statement and the particulars of the statement sufficiently in advance of the proceeding at which he intends to offer the statement into evidence to provide the adverse party with a fair opportunity to prepare to meet the statement.*

Sec. 5. Minnesota Statutes 1982, section 609.341, subdivision 11, is amended to read:

Subd. 11. "Sexual contact" includes any of the following acts committed without the complainant's consent, if the acts can reasonably be construed as being for the purpose of satisfying the actor's sexual or aggressive impulses, except in those cases where consent is not a defense:

(i) The intentional touching by the actor of the complainant's intimate parts, or

(ii) The touching by the complainant of the actor's, the complainant's, or another's intimate parts effected by coercion or the use of a position of authority, or by inducement if the complainant is under 13 years of age or mentally defective, or

(iii) The touching by another of the complainant's intimate parts effected by coercion or the use of a position of authority, or

(iv) In any of the cases above, of the clothing covering the immediate area of the intimate parts.

Sec. 6. Minnesota Statutes 1982, section 609.341, subdivision 14, is amended to read:

Subd. 14. "Coercion" means a ~~threat to unlawfully~~ words or circumstances that cause the complainant reasonably to fear that the actor will inflict bodily harm upon, or hold in confinement, the ~~person threatened~~ complainant or another.

Sec. 7. Minnesota Statutes 1983 Supplement, section 609.344, is amended to read:

**609.344 [CRIMINAL SEXUAL CONDUCT IN THE THIRD DEGREE.]**

A person is guilty of criminal sexual conduct in the third degree and may be sentenced to imprisonment for not more than ten years, or to payment of a fine of not more than \$10,000, or both, if he engages in sexual penetration with another person and any of the following circumstances exists:

(a) The complainant is under 13 years of age and the actor is no more than 36 months older than the complainant. Neither mistake as to the complainant's age nor consent to the act by the complainant shall be a defense; or

(b) The complainant is at least 13 but less than 16 years of age and the actor

is more than 24 months older than the complainant. In any such case it shall be an affirmative defense, which must be proved by a preponderance of the evidence, that the actor believes the complainant to be 16 years of age or older. If the actor in such a case is no more than 48 months but more than 24 months older than the complainant, he may be sentenced to imprisonment for not more than five years. Consent by the complainant is not a defense; or

(c) The actor uses force or coercion to accomplish the penetration; or

(d) The actor knows or has reason to know that the complainant is mentally defective, mentally incapacitated, or physically helpless; or

*(e) The complainant is at least 16 but less than 18 years of age and the actor is more than 48 months older than the complainant and in a position of authority over the complainant, and uses this authority to cause the complainant to submit. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense.*

Sec. 8. Minnesota Statutes 1983 Supplement, section 609.345, is amended to read:

609.345 [CRIMINAL SEXUAL CONDUCT IN THE FOURTH DEGREE.]

A person is guilty of criminal sexual conduct in the fourth degree and may be sentenced to imprisonment for not more than five years, or to payment of a fine of not more than \$5,000, or both, if he engages in sexual contact with another person and if any of the following circumstances exists:

(a) The complainant is under 13 years of age and the actor is no more than 36 months older than the complainant. Neither mistake as to the complainant's age or consent to the act by the complainant is a defense. In a prosecution under this clause, the state is not required to prove that the sexual contact was coerced; or

(b) The complainant is at least 13 but less than 16 years of age and the actor is more than 48 months older than the complainant or in a position of authority over the complainant and uses this authority to cause the complainant to submit. In any such case, it shall be an affirmative defense which must be proved by a preponderance of the evidence that the actor believes the complainant to be 16 years of age or older; or

(c) The actor uses force or coercion to accomplish the sexual contact; or

(d) The actor knows or has reason to know that the complainant is mentally defective, mentally incapacitated, or physically helpless; or

*(e) The complainant is at least 16 but less than 18 years of age and the actor is more than 48 months older than the complainant and in a position of authority over the complainant, and uses this authority to cause the complainant to submit. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense.*

Sec. 9. Minnesota Statutes 1982, section 609.346, is amended to read:

609.346 [SUBSEQUENT OFFENSES.]

Subdivision 1. [DEFINITION; CONVICTION OF OFFENSE.] *For purposes of this section, the term "offense" means a completed offense or an*

*attempt to commit an offense.*

**Subd. 2. [SUBSEQUENT OFFENSE; PENALTY.]** If a person is convicted of a second or subsequent offense under sections 609.342 to 609.345 or sections 609.364 to 609.3644 within 15 years of the prior conviction, the court shall commit the defendant to the commissioner of corrections for imprisonment for a term of not less than three years, nor more than the maximum sentence provided by law for the offense for which convicted, notwithstanding the provisions of sections 242.19, 243.05, 609.11, 609.12 and 609.135.

**Subd. 3. [PRIOR CONVICTIONS UNDER SIMILAR STATUTES.]** For the purposes of this section, an offense is considered a second or subsequent offense if, prior to conviction of the second or subsequent offense, the actor has been at any time convicted under sections 609.342 to 609.346 or sections 609.364 to 609.3644 or under any similar statute of the United States, or this or any other state.

Sec. 10. Minnesota Statutes 1982, section 609.347, subdivision 3, is amended to read:

**Subd. 3.** In a prosecution under sections 609.342 to 609.346 or 609.3641 to 609.365, evidence of the complainant's previous sexual conduct shall not be admitted nor shall any reference to such conduct be made in the presence of the jury, except by court order under the procedure provided in subdivision 4, and only to the extent that the court finds that any of the following proposed evidence is material to the fact at issue in the case and that its inflammatory or prejudicial nature does not outweigh its probative value:

(a) When consent or fabrication by the complainant is the defense in the case, evidence of such conduct tending to establish a common scheme or plan of similar sexual conduct under circumstances similar to the case at issue on the part of the complainant, relevant and material to the issue of consent or fabrication. Evidence of such conduct engaged in more than one year prior to the date of alleged offense is inadmissible;

(b) Evidence of specific instances of sexual activity showing the source of semen, pregnancy, or disease at the time of the incident or, in the case of pregnancy, between the time of the incident and trial;

(c) Evidence of the complainant's past sexual conduct with the defendant;

(d) For purposes of impeachment, when such evidence is offered to rebut specific testimony of the complainant.

Sec. 11. Minnesota Statutes 1982, section 609.364, subdivision 9, is amended to read:

**Subd. 9. [FAMILIAL RELATIONSHIP.]** "Familial relationship" means a situation in which the actor is:

(a) The complainant's parent, stepparent, or guardian;

(b) Nearer of kin to the complainant than first cousin, computed by rules of the civil law, whether of the half or the whole blood;

(c) Any of the following persons related to the complainant by blood, marriage, or adoption: brother, sister, stepbrother, stepsister, first cousin, aunt,

uncle, nephew, niece, grandparent, great-grandparent, great-uncle, great-aunt; or

(d) (c) An adult who jointly resides intermittently or regularly in the same dwelling as the complainant and who is not the complainant's spouse.

Sec. 12. Minnesota Statutes 1982, section 626.556, subdivision 8, is amended to read:

Subd. 8. [EVIDENCE NOT PRIVILEGED.] No evidence ~~regarding the child's injuries~~ relating to the neglect or abuse of a child or to any prior incidents of neglect or abuse involving any of the same persons accused of neglect or abuse shall be excluded in any proceeding arising out of the alleged neglect or physical or sexual abuse on the grounds of ~~either a physician-patient or husband-wife~~ privilege set forth in section 595.02, subdivision 1, paragraphs (a), (d), or (g).

Sec. 13. [EFFECTIVE DATE.]

*Sections 3, 7, and 8 are effective August 1, 1984, and apply to crimes committed on or after that date. Sections 2, 4, and 12 are effective the day following final enactment.*

Delete the title and insert:

"A bill for an act relating to crimes; clarifying the crime of contributing to the delinquency of a minor; providing for the admissibility of certain statements as evidence; expanding the definitions of sexual contact and coercion; increasing the age limit of minor victims protected under criminal sexual conduct offenses; clarifying certain terms; amending Minnesota Statutes 1982, sections 147.01, subdivision 4; 595.02; 609.341, subdivisions 11 and 14; 609.346; 609.347, subdivision 3; 609.364, subdivision 9; 626.556, subdivision 8; Minnesota Statutes 1983 Supplement, sections 260.315; 609.344; and 609.345; proposing new law coded in Minnesota Statutes, chapter 260."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Connie Levi, Robert E. Vanasek, Janet Clark

Senate Conferees: (Signed) Eric D. Petty, Gene Merriam, Ron Sieloff

Mr. Petty moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1279 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. 1279 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kroening	Nelson	Renneke
Anderson	Frank	Kronebusch	Novak	Schmitz
Belanger	Frederick	Laidig	Olson	Sieloff
Benson	Freeman	Langseth	Pehler	Solon
Berglin	Hughes	Lantry	Peterson, D.C.	Spear
Bernhagen	Isackson	Lessard	Peterson, D.L.	Storm
Bertram	Johnson, D.E.	Luther	Peterson, R.W.	Stumpf
Brataas	Johnson, D.J.	McQuaid	Petty	Taylor
Chmielewski	Jude	Mehrkens	Pogemiller	Ulland
Dahl	Kamrath	Merriam	Purfeerst	Waldorf
DeCramer	Knaak	Moe, D. M.	Ramstad	Wegscheid
Diessner	Knutson	Moe, R. D.	Reichgott	Willet

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1427 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1427 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 1427

A bill for an act relating to retirement; altering the investment authority for police and firefighter's relief associations; making various changes in the benefits for various retirement funds and plans; making conforming changes in benefit calculations; amending Minnesota Statutes 1982, sections 3.082; 69.775; 352.113, subdivision 3; 352.95, subdivision 1a; 353.34, by adding a subdivision; 354.62, subdivision 2; 422A.18, subdivision 3; 424.24, subdivision 2; and 490.129; Minnesota Statutes 1983 Supplement, sections 69.77, subdivision 2; 352.113, subdivision 2; 352.115, subdivision 8; and 356.61; Laws 1947, chapter 43, section 23, as amended; Laws 1963, chapter 643, section 20; Laws 1973, chapters 359, section 5, subdivision 2; and 432, section 4; Laws 1977, chapter 275, section 1; and Laws 1981, chapter 68, section 43; proposing new law coded in Minnesota Statutes, chapter 423A; repealing Laws 1971, chapter 184; Laws 1973, chapter 283; Laws 1978, chapter 617; Laws 1981, chapter 224, sections 255 and 256; Laws 1982, chapter 578, article II, section 1, subdivision 7, and section 3.

April 19, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 1427, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 1427 be

further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 3.082, is amended to read:

3.082 [MEMBERS' EMPLOYMENT; CONTINUATION.]

Any member of the legislature of the state of Minnesota who held a position, other than a temporary position, in the employ of any private employer in Minnesota at the commencement of his service in any legislative session, who makes application for reemployment not later than 30 days after the last legislative day in each calendar year, shall be continued in or restored to such position, or to a position of like seniority, status and pay. *Retirement benefits under an employer-sponsored pension or retirement plan shall not be reduced by reason of time spent in legislative service.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 69.77, subdivision 2, is amended to read:

Subd. 2. The penalty provided for in subdivision 1 shall not apply to a relief association enumerated in subdivision 1a if the following requirements are met:

(1) Each member of the relief association pays into the special fund of the association during a year of covered service, a contribution for retirement coverage including survivorship benefits of not less than eight percent of the maximum rate of salary upon which retirement coverage is credited and service pension and retirement benefit amounts are determined. The member contributions shall be made by payroll deduction from the salary of the member by the municipality, and shall be transmitted by the municipality to the relief association as soon as practical. The relief association shall deposit the member contribution to the credit of the special fund of the relief association. The member contribution requirement specified in this clause shall not apply to any members who are volunteer firefighters.

(2) The officers of the relief association determine the financial requirements of the relief association and minimum obligation of the municipality for the following calendar year in accordance with the requirements of this clause. The financial requirements of the relief association and the minimum obligation of the municipality shall be determined on or before the submission date established by the municipality pursuant to clause (3).

The financial requirements of the relief association for the following calendar year shall be based on the most recent actuarial valuation or survey prepared in accordance with sections 356.215, subdivision 4 and 356.216, as required pursuant to clause (8). In the event that an actuarial estimate is prepared by the actuary of the relief association as part of obtaining a modification of the benefit plan of the relief association and the modification is implemented, the actuarial estimate shall be used in calculating the financial requirements of the relief association.

If the relief association has an unfunded accrued liability as reported in the most recent actuarial valuation or survey, the total of the amounts calculated pursuant to clauses (a) and (b) shall constitute the financial requirements of the relief association for the following year. If the relief association does not have an unfunded accrued liability as reported in the most recent actuarial



valuation or survey the amount calculated pursuant to subclause (a) shall constitute the financial requirements of the relief association for the following year.

(a) The normal level cost requirement for the following year, expressed as a dollar amount, which shall be determined by applying the normal level cost of the relief association as reported in the actuarial valuation or survey and expressed as a percentage of covered payroll to the estimated covered payroll of the active membership of the relief association, including any projected increase in the active membership, for the following year.

(b) To the dollar amount of normal cost thus determined shall be added an amount equal to the level annual dollar amount which is sufficient to amortize the unfunded accrued liability by December 31, 2010, as determined from the actuarial valuation or survey of the fund, using an interest assumption set at the rate specified in section 356.215, subdivision 4, clause (4). The amortization date specified in this subclause shall apply to all local police or salaried firefighters relief associations and shall supersede any amortization date specified in any applicable special law.

The minimum obligation of the municipality shall be an amount equal to the financial requirements of the relief association reduced by the estimated amount of member contributions from covered salary anticipated for the following calendar year and the estimated amounts from the applicable state aid program established pursuant to sections 69.011 to 69.051 anticipated as receivable by the relief association after any allocation pursuant to section 69.031, subdivision 5, clause (2), subclause (c) or 423A.01, subdivision 2, clause (6), and from the local police and salaried firefighters' relief association amortization aid program established pursuant to section 423A.02 anticipated for the following calendar year.

(3) The officers of the relief association shall submit determination of the financial requirements of the relief association and of the minimum obligation of the municipality to the governing body on or before the date established by the municipality which shall not be earlier than August 1 and shall not be later than September 1 of each year. The governing body of the municipality shall ascertain whether or not the determinations were prepared in accordance with law.

(4) The municipality shall provide for and shall pay each year at least the amount of the minimum obligation of the municipality to the relief association. If there is any deficiency in the municipal payment to meet the minimum obligation of the municipality as of the end of any calendar year, the amount of the deficiency shall be added to the minimum obligation of the municipality for the following year calculated pursuant to clause (2) and shall include interest at the rate of six percent per annum compounded from the date that the municipality was required to make payment pursuant to this clause until the date that the municipality actually makes the required payment.

(5) The municipality shall provide in the annual municipal budget for at least the minimum obligation of the municipality calculated pursuant to clause (2). The municipality may levy taxes for the payment of the minimum obligation of the municipality without any limitation as to rate or amount and irrespective of limitations imposed by other provisions of law upon the rate or amount of taxation when the balance of the special fund or any fund of the

relief association has attained a specified minimum asset level. In addition, any taxes levied pursuant to this section shall not cause the amount or rate of other taxes levied in that year or to be levied in a subsequent year by the municipality which are subject to a limitation as to rate or amount to be reduced. If the municipality does not include the full amount of the minimum obligation of the municipality in the levy that the municipality certified to the county auditor in any year, the officers of the relief association shall certify the amount of any deficiency to the county auditor. Upon verifying the existence of any deficiency in the levy certified by the municipality, the county auditor shall spread a levy over the taxable property of the municipality in the amount of the deficiency certified to by the officers of the relief association.

(6) Any sums of money paid by the municipality to the relief association in excess of the minimum obligation of the municipality in any year shall be used to amortize any unfunded liabilities of the relief association.

(7) The funds of the association shall be invested in securities which are proper investments pursuant to section 11A.24, except that up to \$10,000 may be invested in the stock of any one corporation in any account of such small size that the ~~three~~ *five* percent stock limitation specified in section 11A.24, subdivision 5 would necessitate a lesser investment. *Notwithstanding the foregoing, up to 75 percent of the market value of the assets of the fund may be invested in open-end investment companies registered under the federal Investment Company Act of 1940, if the portfolio investments of the investment companies comply with the type of securities authorized for investment by section 11A.24, subdivisions 2 to 5.* The association may also invest funds in Minnesota situs nonfarm real estate ownership interests or loans secured by mortgages or deeds of trust, provided that the amount of all investments in real property shall not exceed ten percent of the market value of the association's fund. Securities held by the association before July 1, 1971, which do not meet the requirements of this paragraph may be retained after that date if they were proper investments for the association on April 28, 1969. The governing board of the association may select and appoint investment agencies to act for and in its behalf or may certify funds for investment by the state board under the provisions of section 11A.17, provided that there be no limit to the amount which may be invested in the income share account, in the bond account, or in the fixed-return account, and that up to 20 percent of that portion of the assets of the association invested in the Minnesota supplemental investment fund may be invested in the growth share account.

(8) The association shall procure an actuarial valuation showing the condition of the special fund of the relief association pursuant to sections 356.215 and 356.216 as of December 31 of every year. A copy of the actuarial survey shall be filed with the director of the legislative reference library, the governing body of the municipality in which the association is organized, the executive secretary of the legislative commission on pensions and retirement, and the commissioner of insurance, not later than June 1 of the following year.

Sec. 3. Minnesota Statutes 1982, section 69.775, is amended to read:

69.775 [INVESTMENTS.]

The special fund assets of the relief associations governed by sections 69.771 to 69.776 shall be invested in securities which are proper investments

pursuant to section 11A.24, except that up to five percent of the special fund assets, or a minimum of \$10,000, may be invested in the stock of any one corporation. *Notwithstanding the foregoing, up to 75 percent of the market value of the assets of the fund may be invested in open-end investment companies registered under the federal Investment Company Act of 1940, if the portfolio investments of the investment companies comply with the type of securities authorized for investment by section 11A.24, subdivisions 2 to 5.* Securities held by the associations before January 1, 1972, which do not meet the requirements of this section may be retained after that date if they were proper investments for the association on May 14, 1971. The governing board of the association may select and appoint investment agencies to act for and in its behalf or may certify funds for investment by the state board under the provisions of section 11A.17, provided that there be no limit to the amount which may be invested in the income share account, in the bond account, or in the fixed-return account, and that up to 20 percent of that portion of the assets of the association invested in the Minnesota supplemental investment fund may be invested in the growth share account.

Sec. 4. Minnesota Statutes 1982, section 136.82, subdivision 1, is amended to read:

Subdivision 1. The executive director of the teachers retirement fund shall redeem shares in the accounts of the Minnesota supplemental retirement investment fund standing in an employee's share account record under the following circumstances, but always in accordance with the laws and regulations governing the Minnesota supplemental retirement investment fund:

(1) When requested to do so in writing on forms provided by the executive director of the teachers retirement fund by a person having shares to the credit of the employee's share account record, if the person is ~~65~~ 60 years of age or older and is no longer employed by the state university board or state board for community colleges. In such case the person shall receive the cash realized on the redemption of the shares. The person may direct the redemption of not more than 20 percent of the person's shares in the employee's share account record in any one year and may not direct more than one redemption in any one calendar month; provided, however, that the state university board in the case of a person employed by the state university board, and the state board for community colleges in the case of a person employed by the state board for community colleges, may, upon application, in their sole discretion, permit greater withdrawals in any one year.

(2) When requested to do so in writing on forms provided by the executive director of the teachers retirement fund by a person having shares to the credit of the employee's share account record, if the person has left employment by the state university board or state board for community colleges because of a total and permanent disability as defined in section 354.05, subdivision 14, and if the executive director of the teachers retirement fund finds that the person is totally and permanently disabled and will as a result be unable to return to similar employment, the person shall receive the cash realized on the redemption of the shares. The person may direct the redemption of not more than 20 percent of the shares in the employee's share account record in any one year and may not direct more than one redemption in any one calendar month; provided, however, that the state university board in the case of a person employed by the state university board, and the state board for com-

munity colleges in the case of a person employed by the state board for community colleges, may, upon application, in their sole discretion, permit greater withdrawals in any one year. If the person returns to good health, the person shall owe no restitution to the state or any fund created by its laws for a redemption directed pursuant to this paragraph.

(3) In the event of the death of a person having shares to the credit of the employee's share account record and leaving a surviving spouse, then when requested to do so in writing on forms provided by the executive director of the teachers retirement fund by the surviving spouse. The surviving spouse shall receive the cash realized on the redemption of the shares. The surviving spouse may direct the redemption of not more than 20 percent of the shares in the deceased spouse's employee's share account record in any one year and may not direct more than one redemption in any one calendar month; provided, however, that the state university board in the case of a person employed by the state university board, and the state board for community colleges in the case of a person employed by the state board for community colleges, may, upon application, in their sole discretion, permit greater withdrawals in any one year. In that case the surviving spouse shall receive the cash realized from the redemption of the shares. Upon the death of the surviving spouse any shares remaining in the employee's share account record shall be redeemed by the executive director of the teachers retirement fund and the cash realized therefrom distributed to the estate of the surviving spouse.

(4) In the event of the death of a person having shares to the credit of the employee's share account record and leaving no surviving spouse, then the executive director of the teachers retirement fund shall redeem all shares to the credit of the employee's share account record and pay the cash realized therefrom to the estate of the deceased person.

(5) When requested to do so in writing on forms provided by the executive director of the teachers retirement fund by a person having shares to the credit of the employee's share account record, if the person is no longer employed by the state university board or state board for community colleges, but does not qualify under the provisions of paragraphs (1) to (4). In that case one-half of the cash realized on the redemption of shares shall be received by the person and one-half shall become the property of the supplemental retirement plan account of the teachers retirement fund. Annually on July 1 the cancellations of the previous 12 months shall be prorated among the employees share accounts in proportion to the value which each account bears to the total value of all share accounts.

Sec. 5. Minnesota Statutes 1983 Supplement, section 352.113, subdivision 2, is amended to read:

Subd. 2. [APPLICATION; ACCRUAL OF BENEFITS.] An employee making claim for a total and permanent disability benefit shall file a written application therefor in the office of the system in a form and manner prescribed by the executive director. The benefit shall begin to accrue ~~90 days~~ *the day* following the commencement of disability or the day following the last day paid whichever is later but in no event earlier than 60 days prior to the date the application is filed with the director.

Sec. 6. Minnesota Statutes 1982, section 352.113, subdivision 3, is

amended to read:

Subd. 3. [COMPUTATION OF BENEFITS.] The total and permanent disability benefit shall be computed in the manner provided in section 352.115. The disability benefit shall be the normal annuity without reduction for each month the employee is under age 65 at the time of becoming disabled. A disabled employee may elect to receive the normal disability benefit or an optional annuity as provided in section 352.116, subdivision 3. The election of an optional annuity shall be made prior to the commencement of payment of the disability benefit and shall be effective 30 days after receipt of the election or the date on which the disability begins to accrue as provided in subdivision 2, whichever occurs later. ~~Upon becoming effective, the optional annuity shall begin to accrue on the same date as provided for the disability benefit.~~

Sec. 7. Minnesota Statutes 1983 Supplement, section 352.115, subdivision 8, is amended to read:

Subd. 8. [ACCRUAL OF ANNUITY.] State employees shall make application for an annuity but such application shall not be made more than 60 days prior to the time the employee is eligible to retire by reason of both age and service requirements. If the director determines an applicant for annuity has fulfilled all the requirements of the law to entitle him to an annuity, he shall authorize payment thereof in accordance with the provisions of this chapter and payment shall be made pursuant to this authorization. An annuity shall begin to accrue no earlier than 60 days prior to the date the application is filed with the director ~~except that if an optional annuity as provided in section 352.116, subdivision 3 is selected the annuity shall begin to accrue 30 days after the application is filed with the director,~~ but in no event prior to the day following the termination of state service or prior to the day the employee is eligible to retire by reason of both age and service requirements. The retirement annuity shall cease with the last payment which had accrued to the retired employee during his lifetime unless he elected an optional annuity provided in section 352.116, subdivision 3, and he had become entitled to payment thereof. The joint and last survivor annuity shall cease with the last payment received by the survivor in his or her lifetime. If a retired employee had not selected an optional annuity, or a survivor annuity is not payable under the option, and a spouse survives, such spouse shall be entitled only to the annuity for the calendar month in which the retired employee died. If an optional annuity is payable after the death of the retired employee, the survivor shall be entitled to the annuity for the calendar month in which the retired employee died.

Sec. 8. Minnesota Statutes 1982, section 352D.02, is amended by adding a subdivision to read:

*Subd. 1b. An employee covered by the regular plan who is subsequently employed as a permanent, full-time unclassified employee of the legislature or any commission or agency of the legislature may elect to transfer accumulated employer contributions, as provided in section 352D.03.*

Sec. 9. Minnesota Statutes 1982, section 352.95, subdivision 1a, is amended to read:

Subd. 1a. [OPTIONAL ANNUITY ELECTION.] A disabled correctional

employee may elect the normal disability benefit or an optional annuity as provided in section 352.116, subdivision 3. The election of an optional annuity shall be made prior to commencement of payment of the disability benefit and shall be effective 30 days after receipt of the election or the date on which the disability benefit begins to accrue as provided in subdivision 3, ~~whichever occurs later~~. Upon becoming effective, the optional annuity shall begin to accrue on the same date as provided for the disability benefit.

Sec. 10. Minnesota Statutes 1982, section 353.34, is amended by adding a subdivision to read:

*Subd. 3a. [DEFERRED ANNUITY; CERTAIN HOSPITAL EMPLOYEES.] Any member employed by a public hospital, as defined in section 355.71, subdivision 3, who has at least five years of allowable service credit on the date the public hospital is taken over by a private corporation or organization, may elect to receive a deferred annuity pursuant to subdivision 3 notwithstanding the length of service requirement contained therein.*

Sec. 11. Minnesota Statutes 1982, section 354.62, subdivision 2, is amended to read:

*Subd. 2. [INDIVIDUAL ELECTION.] Each member of the teachers retirement association may elect to participate in the variable annuity division by filing a written notice with the board of trustees on forms provided by the board.*

(1) Employee variable annuity contributions to the variable annuity division shall be pursuant to the option available in section 354.44, subdivision 7, the employee variable annuity contributions shall be an amount equal to ~~two percent of the salary of every coordinated member and four percent of the salary of every basic member one-half of the employee rates specified in section 354.42, subdivision 2.~~

(2) Employer variable annuity contributions shall be an amount equal to the employee variable annuity contributions provided in clause (1). The deficiency in equal employer variable annuity contributions which shall exist prior to July 1, 1975 shall be recovered from the additional employer contributions made prior to July 1, 1975 pursuant to section 354.42, subdivision 5.

(3) There shall be provided for members participating in the variable annuity division a separate account for each member which will show his variable account accumulations as defined in section 354.05, subdivision 23. The board shall establish such other accounts in the variable annuity division as it deems necessary for the operation of this provision.

(4) After June 30, 1974 there shall be no new participants in this program.

(5) Effective July 1, 1978, no future employee and employer contributions shall be credited to any accounts in the variable annuity division unless the member elects continued participation in the variable annuity division pursuant to section 354.621.

Sec. 12. Minnesota Statutes 1983 Supplement, section 356.61, is amended to read:

356.61 [LIMITATION ON PUBLIC EMPLOYEE RETIREMENT AN-

## NUITIES.]

Notwithstanding any provision of law, bylaws, articles of incorporation, retirement and disability allowance plan agreements or retirement plan contracts to the contrary, no person who has pension or retirement coverage by a public pension plan shall be entitled to receive a monthly retirement annuity or disability benefit which, at the time of commencement of the retirement annuity or disability benefit, exceeds the lesser of:

(a) the amount of the final monthly salary of the person; or

(b) one-twelfth of the amount of the annual benefit permitted by the terms of section 415 of the Internal Revenue Code with respect to a participant in a plan qualified under section 401(a) of the Internal Revenue Code, as amended through December 31, 1982.

*The benefit limitation of clause (b) is to be determined on the date the benefit is initially payable or on the date the employee terminated employment, if earlier. The benefit limitation on any date is the benefit limitation for the limitation year in which the date occurs. The limitations apply only to the annual benefit which is derived from employer contributions. Mandatory and voluntary employee contributions, if any, are treated as a separate defined contribution plan maintained by the employer which is subject to the limitations placed on annual additions to defined contribution plans.*

*The maximum annual benefit of clause (b) for any limitation year is the lesser of (1) or (2) below:*

*(1) A dollar limitation of \$90,000, adjusted as of January 1 of each calendar year to the dollar limitation as determined for that year by the commissioner of Internal Revenue. The amount determined for any year will apply to limitation years ending with or within that calendar year.*

*(2) A compensation limitation of 100 percent of the average of compensation paid or made available to the participant by the employer during those three consecutive calendar years of employment, or actual number of consecutive calendar years of employment if employed less than three consecutive years, which give the highest average. Compensation means any compensation which is includable in the employee's gross income.*

*A benefit shall be deemed not to exceed the maximum benefit limitation of clause (b) if:*

*(1) the retirement benefits payable under the plan and under any other defined benefit plans of the employer do not exceed the \$10,000 limit set in section 415(b)(4) of the Internal Revenue Code for the plan year, or for any prior plan year, and*

*(2) the employer has not at any time maintained a defined contribution plan in which the employee participated.*

A public pension plan is any Minnesota public pension plan or fund which provides pension or retirement coverage for public employees other than volunteer firefighters, including any plan or fund enumerated in sections 356.20, subdivision 2, or 356.30, subdivision 3, any local police or firefighter's relief association to which section 69.77 applies, or any retirement or pension plan or fund, including a supplemental retirement plan or fund.

established, maintained or supported by any governmental subdivision or public body whose revenues are derived from taxation, fees, assessments or from other public sources. Final monthly salary is the hourly rate of compensation received by the person on account of the most recent public employment for the final pay period occurring prior to retirement multiplied by 174.

The figure for the monthly retirement annuity or disability benefit to be used for the calculation of this limitation shall not include any reduction or adjustment required for retirement prior to the normal retirement age or required for the election of an optional annuity.

If the figure for the monthly retirement annuity or disability benefit exceeds the limit contained in this section, the annuity or benefit payable shall be reduced appropriately.

The managing board of each public pension plan from which a retirement annuity or disability benefit is payable shall, at the time that the retirement annuity or disability benefit commences, contact all other public pension plans to determine whether or not the recipient of the retirement annuity or disability benefit is also receiving or is entitled to receive a retirement annuity or disability benefit from any other public pension plan. If a person is entitled to receive or is receiving a retirement annuity or disability benefit from more than one public pension plan, all retirement annuities or disability benefits from all public pension plans shall be totalled in determining whether or not the limitation shall apply; provided however, that the limitation shall be based on the highest final monthly salary received by the individual from any plan. Any reduction in the amount of the retirement annuity or disability benefit required pursuant to this section shall be made by the public pension plan which provided retirement coverage for the most recent period of service.

Sec. 13. Minnesota Statutes 1982, section 422A.18, subdivision 3, is amended to read:

Subd. 3. Payment of any disability allowance authorized by sections 422A.01 to 422A.25, shall commence ~~five~~ *three* months after date of application provided that the applicant has not been restored to duty. Such payment shall be retroactive to date of application and shall continue throughout the full period of the disability subject to the same optional selections as are provided for service allowances; provided that when a disability beneficiary shall have attained the minimum age for retirement on a service allowance the disability allowance shall be discontinued only as provided by the terms of the option selected. Any employee eligible for a disability allowance who is also entitled to an allowance under a workers' compensation act and/or resumes a gainful occupation shall be entitled to receive during the period of such compensation only that portion of the retirement allowance provided by this act which when added to such additional compensation does not exceed the salary of the employee at the time of disability.

Sec. 14. [423A.20] [VESTING UPON LAYOFF.]

*Notwithstanding any general or special law to the contrary, if a member of a salaried firefighters relief association with ten or more years of service is laid off and replaced with a volunteer firefighter, the member shall be entitled*



to receive a pro rata monthly benefit. For purposes of this section, "laid off" means terminated from employment with the fire department because of a shortage of funds or curtailment of service or for any other reason not reflecting discredit on the member beyond the member's control.

The retirement benefit is to commence at the later of either the minimum age for retirement or the date at which the member would have accumulated the minimum number of years of service for retirement if the member had remained on duty.

The pro rata benefit shall be calculated by multiplying the amount of the benefit payable to a member who met the minimum age and years of service requirements for a normal pension by the ratio of the laid off member's actual years of service to the minimum years of service required for retirement. The initial benefit payable shall be subject to the same post retirement adjustments as other benefits payable from the relief association.

Sec. 15. Minnesota Statutes 1982, section 424.24, subdivision 2, is amended to read:

Subd. 2. (a) "Surviving spouse" means a person who became the member's legally married spouse during or prior to the time the member was on the payroll of any such fire department as a firefighter, and remained such continuously after their marriage until the member's death, without having been granted a marriage dissolution or legal separation, and who, in case the deceased member was a service or deferred pensioner, was legally married to the member for at least ~~three years~~ one year prior to the member's retirement from the fire department; and who, in any case, was residing with the member at the time of the member's death. No temporary absence for purposes of business, health or pleasure shall constitute a change of residence for purposes of this clause.

(b) "Surviving child" means any child of the member living while the deceased member was on the payroll of the fire department, or who were born within nine months after the deceased member was withdrawn from the payroll of the fire department.

Sec. 16. Minnesota Statutes 1982, section 490.124, subdivision 3, is amended to read:

Subd. 3. [EARLY RETIREMENT.] The retirement annuity provided by subdivision 1 of any judge electing to retire at an early retirement date shall be reduced by ~~415th for each full year or fraction thereof~~ one-half of one percent per month from his retirement date to normal retirement date.

Sec. 17. Minnesota Statutes 1982, section 490.129, is amended to read:

490.129 [BENEFITS OFFSET.]

Upon any event of maturity of benefits for any judge referred to in section 355.392, subdivision 1, clause (b), ~~or for the judge's surviving spouse or dependent children,~~ the amount payable from the judges' retirement fund shall be reduced by 75 percent of the amount of the judge's primary benefit payable upon the event of maturity of benefits under the social security act.

*Upon any event of maturity of benefits for the judge's surviving spouse or dependent children under section 490.124, subdivision 9, the amount pay-*

able from the judges' retirement fund shall be based (a) on the judge's normal retirement annuity or (b) upon the event of maturity of benefits under the social security act, on the judge's normal retirement annuity after reduction by 75 percent of the amount of the judge's primary benefit under the social security act; provided that the surviving spouse or dependent children shall receive an annuity of not less than 25 percent of the judge's final average compensation.

Sec. 18. [BUHL POLICE RETIREMENT BENEFITS.]

*Notwithstanding the limitation contained in Minnesota Statutes, section 423.55 or any other law, the bylaws of the Buhl police relief association may be amended to provide for the payment of a service pension equal to 65 percent of the monthly base pay of a member at the time of retirement from the police department. All other provisions of section 423.55 shall apply to the extent not inconsistent with this section.*

Sec. 19. Laws 1980, chapter 600, section 17, is amended to read:

Sec. 17. [RETIREMENT COVERAGE FOR CERTAIN ST. LOUIS PARK POLICE OFFICERS.] Notwithstanding any provision of Minnesota Statutes, Section 353.64, Subdivision 1, or any other general or special law or rule to the contrary, a person who was employed by the city of St. Louis Park as a police officer during the period from September of 1967 through July of 1977 shall upon (1) ~~reemployment as a St. Louis Park police officer and~~ (2) repayment of employee contributions previously refunded to him plus interest on the refund amount at the rate of six percent per annum compounded annually from the date the refund was taken until the date the refund was repaid and (3) (2) the completion of additional service sufficient to total ten years or more, *or upon completion of at least six years of additional service to the city in a capacity other than that of police officer*, be entitled to ~~transfer all allowable service credit in a service pension from the St. Louis Park police relief association to the public employees police and fire fund based upon ten years of service.~~ Upon fulfillment of the above conditions and application by the individual, but not later than December 31, 1986, the St. Louis Park police relief association shall pay to the public employees police and fire fund an amount equal to the combined employer and employee contributions made by or on behalf of the individual plus compound interest thereon at the rate of six percent per annum from the date originally received. In calculating the amount of employer contributions made on behalf of the individual, the amounts which represent the annual pro rata share of all amounts received by the St. Louis Park police relief association, excluding interest on the accumulated assets of the relief association and member contributions, determined on basis of the number of active members each year, shall be utilized. If the amount thus paid is greater than the total of contributions which would have been required had the individual been a member of the public employees police and fire fund during the periods when the service was rendered, the amount of the excess shall be refunded to the St. Louis Park police relief association. If the amount paid is less than the required amount, the individual shall pay this amount, unless the governing body of the city of St. Louis Park elects to make the payment the individual shall pay to the St. Louis Park police relief association an amount equal to the employee contributions which would have been required had employment continued until the employee attained ten years of allowable service credit, plus compound interest thereon at the rate of six percent per annum from the date originally due. The city shall make the employer contribution. No service credit in the public employees police and fire fund St. Louis Park police relief association

shall be granted until all conditions of this section have been fulfilled and all required payments have been made.

Sec. 20. Laws 1981, chapter 68, section 43, is amended to read:

**Sec. 43. [BUHL POLICE SURVIVOR BENEFITS.]**

Notwithstanding any provision of any general or special law to the contrary, the Buhl police relief association may provide in its bylaws or articles of incorporation for the payment of survivor benefits to the surviving spouse of a deceased member, or the surviving dependent children equally if there be no surviving spouse, in an amount equal to ~~50~~ 65 percent of the pension the deceased member was receiving on the date of death. The service pension is to be based on one-half of the total pay of the previous 12 month period. Payment shall continue until the surviving spouse remarries or until the dependent children reach the age of 18 years, or 22 years if a full-time student. In the event of the death of a member prior to retirement, dependent children shall receive survivor benefits in the amount of \$125 per month per child, payable until age 18 or age 22 if a full-time student.

**Sec. 21. [EVELETH POLICE AND FIREFIGHTERS; BENEFIT INCREASE.]**

*Notwithstanding any general or special law to the contrary, in addition to other benefits payable, retirement benefits payable to retired police officers and firefighters and the surviving spouses thereof by the Eveleth police and fire trust fund may be increased by \$10 per month. Increases may be made retroactive to January 1, 1984.*

Sec. 22. Laws 1947, chapter 43, section 23, as amended by Laws 1949, chapter 154, section 5, Laws 1951, chapter 43, section 4, Laws 1967, chapter 807, section 2, and Laws 1975, chapter 389, section 1, is amended to read:

**Sec. 23. [FARIBAULT, CITY OF; FIREMEN'S RELIEF; RETIREMENT AND PENSIONS; PAYMENTS UPON DEATH OF MEMBER.]** When a service pensioner, disability pensioner, or deferred pensioner, or an active member of such relief association dies, leaving:

(a) A widow who became his legally married wife while or prior to the time he was on the payroll of the fire department and remained such continuously after such marriage until his death without having applied for any divorce or legal separation, and who, in case the deceased member was a service or deferred pensioner, was legally married to such member at least ~~three~~ *one* year before his retirement from said fire department; and who, in any case, was residing with him at the time of his death. No temporary absence for purposes of business, health, or pleasure shall constitute a change of residence for the purposes of this section.

(b) A child or children, who were living while the deceased was on the payroll of the fire department, or who were born within nine months after said decedent was withdrawn from the payroll of said fire department, such widow and said child or children shall be entitled to a pension as follows:

(1) To such widow a monthly pension equal to 30 percent of the current monthly salary of a firefighter per month for her natural life, and a pension equal to ten percent of the current monthly salary of a firefighter per month

for each child under eighteen years of age, or under the age of 21 years if unmarried and a full-time student. If such widow shall remarry, then her pension shall cease and terminate as of the date of her said marriage.

(2) To such child or children of a deceased member, after the death of the widow of such member, a monthly pension, or pensions, in such amount as the board of trustees of such association shall deem necessary to properly support such child or children until they reach the age of eighteen years or, if unmarried and a full-time student, the age of 21 years.

(3) In no event shall the survivor's pension or pensions exceed 50 percent of the current monthly salary of a firefighter per month.

(c) The amendments to subsection (b) adopted by the 1975 session of the legislature shall not apply to widows and children who began drawing pensions before July 1, 1975, although such widows and children shall continue to draw the pensions to which they are entitled under the law as it existed before the adoption of said amendments.

Sec. 23. Laws 1963, chapter 643, section 20, is amended to read:

Sec. 20. When a service pensioner, disability pensioner, or deferred pensioner, or an active member of the firemen's relief association in Albert Lea dies leaving:

(a) A widow who became his legally married wife while or prior to the time he was on the payroll of the fire department and remained such continuously after such marriage until his death without having applied for any divorce or legal separation, and who, in case the deceased member was a service or deferred pensioner, was legally married to such member at least ~~three years~~ *one year* before his retirement from said fire department; and who, in any case, was residing with him at the time of his death. No temporary absence for purposes of business, health, or pleasure shall constitute a change of residence for purposes of this section.

(b) A child or children, who were living while the deceased was on the payroll of the fire department, or who were born within nine months after said decedent was withdrawn from the payroll of said fire department, such widow and such child or children shall be entitled to a pension as follows:

(1) To such widow a monthly pension equal to 30 percent of the monthly wages or salary of the deceased member as of the date of death for her natural life and an additional monthly pension equal to ten percent of said monthly wages or salary for each child of such member under 18 years of age, all thereafter adjusted according to wage increases or decreases granted to active firemen. However, the total amount of the pension payable per month to the widow and children shall not exceed fifty percent of the monthly wages or salary of such member at the time of death. If the widow shall remarry, then her pension, excluding the amounts paid for children, shall cease and terminate as of the date of her remarriage. Such amounts paid for a child or children may be increased after remarriage of the widow providing such increased amounts shall be based upon need of the children upon written findings signed by the board of trustees, and shall not in any event exceed for the total amount paid for the children a sum equal to 50 percent of the monthly wages or salary of such member at the time of death, all thereafter adjusted to wage increases or decreases granted to active firemen.

(2) To such child or children of a deceased member, after the death of the widow of such member, a monthly pension or pensions equal to, but not to exceed for the children of any one deceased member, the sum of 50 percent of the monthly wages or salary of such member at the time of death, all thereafter adjusted to wage increases or decreases granted to active firemen.

Sec. 24. Laws 1973, chapter 359, section 5, subdivision 2, is amended to read:

Subd. 2. A widow must have been the fireman's legally married wife living with him at the time of his death and must have been married to him for a period of at least one year while or prior to the time he was an active member of the fire department. In the case the deceased fireman is retired, the widow must have been married to him at least ~~three years~~ *one year* before his retirement.

Sec. 25. Laws 1973, chapter 432, section 4, is amended to read:

Sec. 4. [USES OF PENSION FUND.] The policemen's pension fund shall be used only for the payment of:

- (a) service, disability, or dependency pensions; *and*
- (b) ~~salaries; in an amount not in excess of \$1,000 per year;~~
- (c) ~~expenses of officers and employees of the association in connection with the protection of the fund; and~~
- (d) ~~all expenses of operating and maintaining the association administrative expenses authorized by Minnesota Statutes, section 69.80.~~

Sec. 26. Laws 1977, chapter 275, section 1, is amended by adding a subdivision to read:

*Subd. 1a. [POSTRETIREMENT ADJUSTMENT.] A member who retires or who has retired from the Crookston police department and who receives or will receive a service pension from the relief association shall receive an annual automatic postretirement adjustment upon attaining the age of 55 years or on January 1 following the effective date of this subdivision, whichever occurs later. The adjustment shall be determined by the board of trustees on or before December 1 annually and shall accrue each year as of the January 1 following determination. The adjustment shall be first payable with the service pension payment made for January. Each adjustment shall be based on the percentage increase in the salary payable to a top grade patrol officer during the prior year. The percentage increase in the salary shall be applied to the amount of service pension payable to the member for the month immediately prior to the month in which the determination is made. The percentage increase shall not exceed 3.5 percent in any year and any increase in the salary of a top grade patrol officer in excess of 3.5 percent shall not carry over to or be used to calculate the increase for a retired member in any succeeding year.*

Sec. 27. [RAMSEY COUNTY; PUBLIC EMPLOYEES' RETIREMENT BENEFITS FOR SHERIFF'S PERSONNEL.]

*An employee of the Ramsey County sheriff's department in the position of radio dispatcher, who is a member of the public employees police and fire fund and who was employed by the department before January 1, 1970 in a*

position that becomes covered by the police and fire fund membership after December 31, 1969 may receive allowable service credit in the police and fire fund for prior service by paying into the fund before December 31, 1984, the difference between the employee, employer and employer additional contributions actually paid, and the employee, employer and employer additional contributions that would have been paid under applicable law if the employee had been in the police and fire fund before January 1, 1970, together with six percent compound interest from the time the deductions would have been made to time of payment. If an employee makes payment in accord with this section, allowable service credit in the general fund with respect to this prior service is eliminated and the executive director shall transfer the employee's account with respect to this service from the general to the police and fire fund. Ramsey County may assume the obligation for additional payments, with interest, with respect to each employee who elects to pay the employee contributions and interest authorized by this section.

Sec. 28. [PURCHASE OF SERVICE CREDIT.]

Notwithstanding any law to the contrary, a former employee of the senate, who was also employed by the city of Saint Paul, may purchase prior service credit from the Minnesota state retirement system for the periods of employment by the senate between January 1, 1971, and December 31, 1974.

The provisions of Laws 1982, chapter 578, article II, section 2, shall govern the amounts and manner of payment for the purchase of service credit.

Sec. 29. [DISABILITY OPTION BENEFIT.]

Notwithstanding the requirements of Minnesota Statutes, chapter 352, the surviving spouse of a deceased member of the Minnesota state retirement system who filed an application for a survivor's disability option benefit, but who died before the date the disability benefit became payable and who has not taken a refund of the retirement contributions shall be paid the joint and survivor's disability option benefit selected, computed according to Minnesota Statutes, section 352.113, subdivision 3, commencing within 60 days of the effective date of this act and retroactive to the date of death.

Sec. 30. [PURCHASE OF PRIOR SERVICE CREDIT.]

Subdivision 1. Notwithstanding any law to the contrary, a person who was employed by the St. Paul bureau of health from October 1948 to June 1955, including time spent on leave of absence for military service, and who contributed to the bureau of health retirement plan from April 1949 to April 1953, and who was reemployed by the city of St. Paul in the department of community services, division of public health on October 18, 1971, may purchase service credit for the period from October 1948 to June 1955 from the public employees retirement association for which that person has not previously received service credit.

Subd. 2. The provisions of Laws 1982, chapter 578, article II, section 2, shall govern the amount and manner of payment for the purchase of service credit authorized by subdivision 1, except that the authority to make a lump sum payment or to make an agreement to make installments expires July 1, 1984.

Sec. 31. [OWATONNA CITY HOSPITAL EMPLOYEES.]

*Subdivision 1. [REFUND OF CONTRIBUTIONS.] A member of the public employees retirement association who was employed by the Owatonna city hospital on the date the hospital was taken over by a private corporation or organization shall be paid a refund of accumulated employee and employer contributions made by or on behalf of the employee to the association, plus interest thereon at the rate of six percent per annum. If an employee has previously received a refund of employee contributions, only the employer contributions plus the total interest shall be refunded.*

*Subd. 2. [DEFERRED ANNUITY.] If an employee described in subdivision 1 had at least five years of allowable service credit, the employee may elect to receive, in lieu of the refund, a deferred annuity pursuant to Minnesota Statutes, section 353.34, subdivision 3, notwithstanding the length of service requirements contained therein. An employee eligible for a deferred annuity who has previously received a refund of employee contributions may reinstate his or her eligibility for a deferred annuity by repaying the amount refunded, including any interest received, to the association.*

**Sec. 32. [ST. PAUL BUREAU OF HEALTH PERSONNEL.]**

*An employee of the St. Paul bureau of health who exercised the option to retire with benefits calculated pursuant to the law governing bureau of health pensions as authorized by Laws 1973, chapter 767, section 4, may, within 60 days after the effective date of this section, revoke the option by giving notice of revocation to the executive director of the public employees retirement association. Effective upon the giving of notice, the employee shall receive service credit in the basic plan of the public employees retirement association as if the employee had been a member of the association during the employee's entire period of service with the bureau of health.*

**Sec. 33. [WEST ST. PAUL FIREFIGHTER'S BYLAW AMENDMENT.]**

*The West St. Paul firefighter's relief association may amend article XIX of their bylaws to reduce from three years to one year the period of marriage required in order to qualify a surviving spouse for survivor benefits.*

**Sec. 34. [AMENDMENT OF ARTICLES.]**

*In accordance with the provisions of Minnesota Statutes, section 354A.12, subdivision 4, approval is hereby granted for an amendment to the articles of incorporation of the Minneapolis teachers' retirement fund association with respect to lump sum postretirement adjustments payable to retirees or beneficiaries. The amendment may reduce from five to three years the minimum period during which a recipient must have been receiving an annuity or benefits in order to be eligible for an adjustment, increase from one-half of one percent to one percent the percentage of the asset value of the fund available for distribution, and to give the board of trustees discretion to reduce or eliminate the postretirement adjustment in any fiscal year or set an eligibility period longer than three years as a prerequisite to eligibility for an adjustment.*

**Sec. 35. [TRANSFER OF FUNDS.]**

*An amount equal to one-fourth of one percent of the salary of each member electing to participate in the variable annuity division pursuant to Minnesota Statutes, section 354.62, subdivision 2, which salary was paid during the*

*period from July 1, 1979, through June 30, 1984, plus interest which would have been earned if the contributions would have been credited to the member's variable account, shall be transferred to the variable annuity division and credited to the appropriate participating member's account on June 30, 1984.*

Sec. 36. [REPEALER.]

*Laws 1971, chapter 184; Laws 1973, chapter 283; Laws 1978, chapter 617; Laws 1981, chapter 224, sections 255 and 256; Laws 1982, chapter 578, article II, section 1, subdivision 7, and section 3, are repealed.*

Sec. 37. [EFFECTIVE DATE.]

*Section 1 is effective the day following final enactment and applies to benefits that accrue or would have accrued prior or subsequent to that date. Section 14 is effective retroactively to July 1, 1981. Section 29 is effective for deaths occurring after July 1, 1982. Section 10 is effective retroactively to June 30, 1983. Sections 11 and 35 are effective July 1, 1984. Sections 18 to 27, and 33 are effective upon approval by the appropriate governing body and compliance with Minnesota Statutes, section 645.021. In the case of section 24, the appropriate governing body is the Red Wing city council. The remaining sections are effective the day following final enactment. Refunds shall be paid or options exercised and repayments of refunds made pursuant to section 32 prior to July 1, 1984. The repeal of Laws 1982, chapter 578, article II, section 1, subdivision 1, and section 3, is effective July 1, 1984. The change in calculations of survivors' benefits under the judges retirement and survivors' annuities law is retroactive to January 1, 1983."*

Delete the title and insert:

"A bill for an act relating to retirement; altering the investment authority for police and firefighter's relief associations; making various changes in the benefits for various retirement funds and plans; making conforming changes in benefit calculations; amending Minnesota Statutes 1982, sections 3.082; 69.775; 136.82, subdivision 1; 352.113, subdivision 3; 352.95, subdivision 1a; 352D.02, by adding a subdivision; 353.34, by adding a subdivision; 354.62, subdivision 2; 422A.18, subdivision 3; 424.24, subdivision 2; 490.124, subdivision 3; and 490.129; Minnesota Statutes 1983 Supplement, sections 69.77, subdivision 2; 352.113, subdivision 2; 352.115, subdivision 8; and 356.61; Laws 1947, chapter 43, section 23, as amended; Laws 1963, chapter 643, section 20; Laws 1973, chapters 359, section 5, subdivision 2; and 432, section 4; Laws 1977, chapter 275, section 1; Laws 1980, chapter 600, section 17; and Laws 1981, chapter 68, section 43; proposing new law coded in Minnesota Statutes, chapter 423A; repealing Laws 1971, chapter 184; Laws 1973, chapter 283; Laws 1978, chapter 617; Laws 1981, chapter 224, sections 255 and 256; Laws 1982, chapter 578, article II, section 1, subdivision 7, and section 3."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) John Sarna, James Metzen, Richard E. (Dick) Wigley

Senate Conferees: (Signed) Don Frank, Donald M. Moe, Earl W. Renneke

Mr. Frank moved that the foregoing recommendations and Conference



Committee Report on H.F. No. 1427 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. 1427 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kroening	Nelson	Reichgott
Anderson	Frank	Kronebusch	Novak	Renneke
Belanger	Frederick	Laidig	Olson	Schmitz
Benson	Freeman	Langseth	Pehler	Sieloff
Berglin	Hughes	Lantry	Peterson, C. C.	Solon
Bertram	Isackson	Lessard	Peterson, D. C.	Spear
Brataas	Johnson, D. E.	Luther	Peterson, D. L.	Storm
Chmielewski	Johnson, D. J.	McQuaid	Peterson, R. W.	Stumpf
Dahl	Jude	Mehrrens	Petty	Taylor
DeCramer	Kamrath	Merriam	Pogemiller	Ulland
Dicklich	Knaak	Moe, D. M.	Purfeerst	Waldorf
Diessner	Knutson	Moe, R. D.	Ramstad	Wegscheid

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1347, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1347 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 1347

A bill for an act relating to crimes; prohibiting the concealing, obtaining, or retaining of a child in violation of the parental, custodial, or visitation rights of another; imposing penalties; providing for notification in custody or visitation orders of the child abduction laws; requiring violations of the child abduction law to be reported under the child abuse reporting law; amending Minnesota Statutes 1982, section 609.26; proposing new law coded in Minnesota Statutes, chapter 518.

April 19, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 1347, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H.F. No. 1347 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [518.177] [NOTIFICATION REGARDING DEPRIVATION OF PARENTAL RIGHTS LAW.]

*Every court order and judgment and decree concerning custody of or visitation with a minor child shall restate the provisions of section 609.26.*

Sec. 2. Minnesota Statutes 1982, section 609.26, is amended to read:

**609.26 [OBTAINING OR RETAINING A CHILD DEPRIVING ANOTHER OF CUSTODIAL OR PARENTAL RIGHTS.]**

Subdivision 1. ~~Whoever intentionally takes, detains or fails to return~~ *does any of the following acts may be charged with a felony and, upon conviction, may be sentenced as provided in subdivision 6:*

~~(1) conceals his own a minor child under the age of 18 years in violation of an existing court order which grants another person rights of custody may be sentenced as provided in subdivision 5 from the child's parent or other person having the right to visitation or custody, where the action manifests an intent substantially to deprive that parent or other person of his rights to visitation or custody;~~

~~(2) takes, obtains, retains, or fails to return a minor child in violation of a court order which has transferred legal custody under chapter 260 to the commissioner of public welfare, a child placing agency, or the county welfare board;~~

~~(3) takes, obtains, retains, or fails to return a minor child from or to the parent or other person having the right to visitation or custody under a court order, where the action manifests an intent substantially to deprive that parent or other person having the right to visitation or custody of his rights to visitation or custody; or~~

~~(4) takes, obtains, retains, or fails to return a minor child from or to a parent or other person having the right to visitation or custody after commencement of an action relating to child visitation or custody but prior to the issuance of an order determining custody or visitation rights, where the action manifests an intent substantially to deprive that parent or other person having the right to visitation or custody of his rights to visitation or custody.~~

Subd. 2. [DEFENSES.] ~~Whoever detains or fails to return a child under the age of 18 years knowing that the physical custody of the child has been obtained or retained by another in violation of subdivision 1 may be sentenced as provided in subdivision 5. No person violates subdivision 1 if the action:~~

~~(1) is taken to protect the child or the person taking the action from physical or emotional harm or sexual assault;~~

~~(2) is consented to by the parent, stepparent, or legal custodian seeking prosecution; or~~

~~(3) is otherwise authorized by a court order.~~

*The defenses provided in this subdivision are in addition to and do not limit other defenses available under this chapter or chapter 611.*

Subd. 3. [VENUE.] A person who violates this section may be prosecuted and tried either in the county in which the child was taken, concealed, or detained or in the county of lawful residence of the child.

Subd. 4. [RETURN OF CHILD; COSTS.] A child who has been *concealed*, obtained, or retained in violation of this section shall be returned to the person having lawful custody of the child or *shall be taken into custody pursuant to section 260.165, subdivision 1, paragraph (c), clause (2)*. In addition to any sentence imposed, the court may assess any expense incurred in returning the child against any person convicted of violating this section. *The court may direct the appropriate county welfare agency to provide counseling services to a child who has been returned pursuant to this subdivision.*

Subd. 5. [DISMISSAL OF CHARGE.] *A felony charge brought under this section shall be dismissed if:*

*(a) the person voluntarily returns the child within 14 days after he takes, detains, or fails to return the child in violation of this section; or*

*(b)(1) the person taking the action and the child have not left the state of Minnesota; and (2) within a period of 14 days after taking the action, (i) a motion or proceeding under chapters 518, 518A, 518B, or 518C is commenced by the person taking the action, or (ii) the attorney representing the person taking the action has consented to service of process by the party whose rights are being deprived, for any motion or action pursuant to chapters 518, 518A, 518B, or 518C.*

Subd. 5 6. [PENALTY.] *Except as otherwise provided in subdivision 5, whoever violates this section may be sentenced as follows:*

~~(1) To imprisonment for not more than 90 days or to payment of a fine of not more than \$500, or both, if he voluntarily returns the child within 14 days after he takes, detains, or fails to return the child in violation of this section; or~~

~~(2) Otherwise to imprisonment for not more than one year and one day or to payment of a fine of \$1,000 \$3,000, or both.~~

Subd. 7. [REPORTING OF DEPRIVATION OF PARENTAL RIGHTS.] *Any violation of this section shall be reported pursuant to section 3.*

Sec. 3. Minnesota Statutes 1982, section 626.556, is amended by adding a subdivision to read:

Subd. 3a. [REPORT OF DEPRIVATION OF PARENTAL RIGHTS.] *A person mandated to report under subdivision 3, who knows or has reason to know of a violation of section 609.26, shall report the information to the local police department or the county sheriff. Receipt by a local welfare agency of a report or notification of a report of a violation of section 609.26 shall not be construed to invoke the duties of subdivisions 10, 10a, or 10b of this section.*

Sec. 4. [EFFECTIVE DATE.]

*Sections 1 and 3 are effective August 1, 1984. Section 2 is effective August 1, 1984, and applies to crimes committed on or after that date.*

Delete the title and insert:

“A bill for an act relating to crimes; prohibiting a person from depriving another of parental, custodial, or visitation rights; imposing penalties; providing for notification in custody or visitation orders of the deprivation of parental rights laws; requiring violations of the parental rights law to be reported under the child abuse reporting law; imposing a penalty; amending Minnesota Statutes 1982, sections 609.26; and 626.556, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 518.”

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Gloria Segal, Janet Clark, David T. Bishop

Senate Conferees: (Signed) Lawrence J. Pogemiller, Ember D. Reichgott, Ron Sieloff

Mr. Pogemiller moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1347 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. 1347 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Novak	Renneke
Anderson	Diessner	Knutson	Olson	Schmitz
Belanger	Dieterich	Kroening	Pehler	Sieloff
Benson	Frank	Kronebusch	Peterson, C.C.	Solon
Berglin	Frederick	Laidig	Peterson, D.C.	Spear
Bernhagen	Freeman	Langseth	Peterson, D.L.	Storm
Bertram	Hughes	Lantry	Peterson, R.W.	Stumpf
Brataas	Isackson	Lessard	Petty	Taylor
Chmielewski	Johnson, D.E.	Luther	Pogemiller	Ulland
Dahl	Johnson, D.J.	McQuaid	Purfeerst	Waldorf
Davis	Jude	Mehrkens	Ramstad	Wegscheid
DeCramer	Kamrath	Merriam	Reichgott	Willet

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

## MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1743, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1743 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

**CONFERENCE COMMITTEE REPORT ON H.F. NO. 1743**

A bill for an act relating to occupations and professions; removing an auctioneer's exemption from real estate brokers and salespersons licensing; amending Minnesota Statutes 1983 Supplement, section 82.18.

April 18, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 1743, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 1743 be further amended as follows:

Page 2, line 12, delete everything after "when" and insert "*the transaction is conducted by either a licensed practicing attorney or by*"

Amend the title as follows:

Page 1, line 2, delete "removing" and insert "modifying"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Wally Sparby, John Sarna, O. J. Heinitz

Senate Conferees: (Signed) Gene Merriam, Dean E. Johnson

Mr. Merriam moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1743 be now adopted, and that the bill be repassed as amended by the Conference Committee.

Mr. Stumpf moved that the recommendations and Conference Committee Report on H.F. No. 1743 be rejected, the Conference Committee discharged, and that a new Conference Committee be appointed by the Subcommittee on Committees to act with a like Conference Committee appointed on the part of the House. The 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. 1425: Messrs. Wegscheid, Bernhagen and Stumpf.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, without

objection, the Senate reverted to the Order of Business of Messages From the House.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of three members of the House, on the amendments adopted by the House to the following Senate file.

S.F. No. 1880: A bill for an act relating to local government; providing for financing of county and county regional jails; providing for a special allocation of mortgage revenue bonds for calendar year 1985; authorizing the levy of special assessments or service charges for fire protection and pedestrian skyway systems; allowing the town of Blue Hill to exercise certain powers; letting municipal housing contracts; increasing the amount of expenditures for construction and other work that requires an award by contract; amending Minnesota Statutes 1982, sections 429.021, subdivision 1; 429.031, subdivision 3; 429.091, subdivision 2; 429.101, subdivision 1; 462.461, subdivisions 1, 2, and 3; 462C.09, by adding a subdivision; 641.24; and 641.264, subdivision 1.

There has been appointed as such committee on the part of the House: Ellingson; Rodriguez, C. and Schreiber.

Senate File 1880 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Bertram moved that the following members be excused for a Conference Committee on H.F. No. 2182 from 8:12 to 11:45 p.m.

Messrs. Bertram, Davis and DeCramer. The motion prevailed.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Renneke moved that S.F. No. 1343, No. 8 on Special Orders, be stricken and returned to its author. The motion prevailed.

Mr. Wegscheid moved that S.F. No. 1918, No. 54 on Special Orders, be stricken and returned to its author. The motion prevailed.

Mr. Jude moved that H.F. No. 404, No. 44 on Special Orders, be stricken and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Ms. Berglin moved that S.F. No. 1686, No. 46 on Special Orders, be stricken and returned to its author. The motion prevailed.

Mr. Dicklich moved that S.F. No. 1743, No. 3 on Special Orders, be stricken and returned to its author. The motion prevailed.

Mr. Merriam moved that S.F. No. 1514, No. 59 on Special Orders, be stricken and laid on the table. The motion prevailed.

### MEMBERS EXCUSED

Mrs. Lantry, Mr. Benson and Ms. Berglin were excused from the Session of today from 10:00 to 10:30 a.m. Mr. Lessard was excused from the Session of today from 10:00 to 10:15 a.m. and 11:00 to 11:30 a.m. Mr. Knaak was excused from the Session of today from 10:00 to 10:45 a.m. Mr. Pogemiller was excused from the Session of today from 10:00 to 11:00 a.m. Ms. Berglin, Messrs. Spear and Knutson were excused from the Session of today from 10:30 to 11:40 a.m. Mr. Stumpf was excused from the Session of today from 11:00 a.m. to 12:00 noon. Mr. Bertram was excused from the Session of today from 11:15 to 11:35 a.m. Mr. Novak was excused from the Session of today at 12:00 noon. Mr. Dahl was excused from the Session of today from 2:00 to 2:15 p.m. and 8:20 to 8:30 p.m. Ms. Reichgott was excused from the Session of today from 3:15 to 5:00 p.m. and 8:00 to 8:30 p.m. Mr. Willet was excused from the Session of today from 4:10 to 6:00 p.m. Mrs. Adkins was excused from the Session of today from 5:00 to 5:45 p.m. Mr. Hughes was excused from the Session of today from 6:50 to 7:30 p.m.

### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Friday, April 20, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## EIGHTY-THIRD DAY

St. Paul, Minnesota, Friday, April 20, 1984

The Senate met at 10:00 a.m. and was called to order by the President.

### CALL OF THE SENATE

Mr. Luther 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:

Adkins	Diessner	Kroening	Olson	Sieloff
Anderson	Dieterich	Kronebusch	Pehler	Solon
Belanger	Frank	Laidig	Peterson, C.C.	Spear
Benson	Frederick	Langseth	Peterson, D.C.	Storm
Berg	Frederickson	Lantry	Peterson, D.L.	Stumpf
Berglin	Freeman	Lessard	Peterson, R.W.	Taylor
Bernhagen	Hughes	Luther	Petty	Ulland
Bertram	Isackson	McQuaid	Pogemiller	Vega
Brataas	Johnson, D.E.	Mehrkens	Purfeerst	Waldorf
Chmielewski	Johnson, D.J.	Merriam	Ramstad	Wegscheid
Dahl	Jude	Moe, D.M.	Reichgott	Willet
Davis	Kamrath	Moe, R.D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	
Dicklich	Knutson	Novak	Schmitz	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

Without objection, the Senate proceeded to the Order of Business of Motions and Resolutions.

### MOTIONS AND RESOLUTIONS

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

H.F. No. 1949: A bill for an act relating to insurance; automobile; requiring a premium reduction for certain persons who complete an accident prevention course; proposing new law coded in Minnesota Statutes, chapter 65B.



Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Frederick	Laidig	Peterson, C. C.	Schmitz
Belanger	Frederickson	Langseth	Peterson, D. C.	Solon
Benson	Hughes	Lantry	Peterson, D. L.	Spear
Berg	Isackson	Lessard	Peterson, R. W.	Storm
Bernhagen	Johnson, D. E.	McQuaid	Petty	Stumpf
Bertram	Johnson, D. J.	Mehrkens	Pogemiller	Ulland
Brataas	Jude	Moe, R. D.	Purfeerst	Waldorf
DeCramer	Kamrath	Nelson	Ramstad	Wegscheid
Dicklich	Knaak	Novak	Reichgott	Willet
Diessner	Kroening	Olson	Renneke	
Frank	Kronebusch	Pehler	Samuelson	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S.F. No. 2017: A bill for an act relating to the metropolitan waste control commission; establishing positions in the unclassified civil service; amending Minnesota Statutes 1982, section 473.503.

Mr. Wegscheid moved to amend S. F. No. 2017 as follows:

Page 1, line 15, before "*The*" insert "*Upon approval of*" and after "*commission*" insert "*, the chair*" and delete "*establish in*" and insert "*appoint persons to*" and delete "*service the*"

Page 1, line 21, delete "*board*" and insert "*commission*"

Page 1, line 25, delete everything after the period

Page 2, delete lines 1 to 3 and insert "*Persons serving in classified positions subordinate to these unclassified positions shall be supervised by, and report directly to, the internal auditor, general counsel, or policy analyst, as appropriate.*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 36 and nays 24, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Moe, D. M.	Petty	Stumpf
Berglin	Hughes	Moe, R. D.	Pogemiller	Waldorf
Bertram	Johnson, D. J.	Nelson	Purfeerst	Wegscheid
Chmielewski	Jude	Novak	Reichgott	Willet
Davis	Langseth	Pehler	Samuelson	
DeCramer	Lantry	Peterson, C. C.	Schmitz	
Dicklich	Lessard	Peterson, D. C.	Solon	
Diessner	Luther	Peterson, R. W.	Spear	

Those who voted in the negative were:

Anderson	Brataas	Isackson	Laidig	Ramstad
Belanger	Dahl	Johnson, D. E.	McQuaid	Renneke
Benson	Frank	Kamrath	Mehrkens	Storm
Berg	Frederick	Knaak	Olson	Ulland
Bernhagen	Frederickson	Kronebusch	Peterson, D. L.	

The motion prevailed. So the amendment was adopted.

Mr. Moe, D.M. moved to amend S.F. No. 2017 as follows:

Page 1, line 22, delete "The"

Page 1, delete lines 23 and 24

Page 1, line 25, delete everything before "The"

The motion prevailed. So the amendment was adopted.

Mr. Laidig moved to amend S.F. No. 2017 as follows:

Page 1, line 16, delete "positions" and insert "position" and delete everything after "auditor"

Page 1, line 17, delete "analyst" and delete everything after the period

Page 1, line 18, delete everything before "Decisions" and insert "The person appointed to this position shall be accountable to the governor."

Page 1, line 20, delete "these positions" and insert "the position" and delete "chair" and insert "commission"

Page 1, line 21, delete "upon approval of the commission" and insert "and approved by the chair"

Page 1, line 25, delete everything after the period

Page 2, delete lines 1 to 3 and insert "Notwithstanding any law to the contrary, the chair of the commission shall be a full-time position."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "providing that the chair is a full-time position;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 39, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Kamrath	Olson	Storm
Belanger	Frank	Knaak	Peterson, D.L.	Taylor
Benson	Frederick	Kronebusch	Purfeerst	Ulland
Berg	Frederickson	Laidig	Ramstad	
Berglin	Isackson	McQuaid	Renneke	
Bernhagen	Johnson, D.E.	Mehrkens	Sieloff	

Those who voted in the negative were:

Adkins	Dieterich	Lantry	Pehler	Schmitz
Bertram	Freeman	Lessard	Peterson, C.C.	Spear
Chmielewski	Hughes	Luther	Peterson, D.C.	Stumpf
Dahl	Johnson, D.J.	Merriam	Peterson, R.W.	Vega
Davis	Jude	Moe, D. M.	Petty	Waldorf
DeCramer	Knutson	Moe, R. D.	Pogemiller	Wegscheid
Dicklich	Kroening	Nelson	Reichgott	Willet
Diessner	Langseth	Novak	Samuelson	

The motion did not prevail. So the amendment was not adopted.

Mr. Ulland moved to amend S.F. No. 2017 as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1982, section 168.33, subdivision 2, is

amended to read:

Subd. 2. [POWERS.] The registrar shall have the power to appoint, hire and discharge and fix the compensation of the necessary employees, in the manner provided by law, as may be required to enable him to properly carry out the duties imposed upon him by the provisions of this chapter. As of April 14, 1976, the registrar may appoint, and for cause discontinue, a deputy registrar for any city as the public interest and convenience may require, without regard to whether the county auditor of the county in which the city is situated has been appointed as the deputy registrar for the county or has been discontinued as the deputy registrar for the county, and without regard to whether the county in which the city is situated has established a county license bureau which issues motor vehicle licenses as provided in section 373.32.

Effective August 1, 1976, the registrar may appoint, and for cause discontinue, a deputy registrar for any city as the public interest and convenience may require, if the auditor for the county in which the city is situated chooses not to accept appointment as the deputy registrar for the county or is discontinued as a deputy registrar, or if the county in which the city is situated has not established a county license bureau which issues motor vehicle license as provided in section 373.32. Any person appointed by the registrar as a deputy registrar for any city shall be a resident of the county in which the city is situated.

The registrar may appoint, and for cause discontinue, the county auditor of each county as a deputy registrar. The auditor, with the approval of the director of motor vehicles, may appoint, and for cause discontinue, the clerk or equivalent officer of each city or any other person as a deputy registrar as public interest and convenience may require, regardless of his county of residence. Notwithstanding any other provision, a person other than a county auditor or a director of a county license bureau, who was appointed by the registrar before August 1, 1976, as a deputy registrar for any city, may continue to serve as deputy registrar and may be discontinued for cause only by the registrar. The county auditor shall be responsible for the acts of deputy registrars appointed by him. Each such deputy, before entering upon the discharge of his duties, shall take and subscribe an oath to faithfully discharge his duties and to uphold the laws of the state. If a deputy registrar appointed hereunder is not an officer or employee of a county or city, such deputy shall in addition give bond to the state in the sum of \$10,000, or such larger sum as may be required by the registrar, conditioned upon the faithful discharge of his duties as deputy registrar. *Notwithstanding any law to the contrary, including a provision in a bill styled as H.F. No. 2317, a corporation organized under chapter 302A may not be appointed a deputy registrar.* Each deputy registrar appointed hereunder shall keep and maintain, in a convenient public place within the place for which he is appointed, a registration and motor vehicle tax collection bureau, to be approved by the registrar, for the registration of motor vehicles and the collection of motor vehicle taxes thereon. He shall keep such records and make such reports to the registrar as that officer, from time to time, may require. Such records shall be maintained at the facility of the deputy registrar. The records and facilities of the deputy registrar shall at all times be open to the inspection of the registrar or his agents. He shall report daily to the registrar all registrations made and taxes and fees collected by him. The filing fee imposed pursuant to subdivision 7 shall be deposited in the treasury of the place for which he is ap-

pointed, or if such deputy is not a public official, he shall retain the filing fee, but the registration tax and any additional fees for delayed registration he has collected he shall deposit each day in an approved state depository to the credit of the state through the state treasurer. The place for which the deputy registrar is appointed through its governing body shall provide the deputy registrar with facilities and personnel to carry out the duties imposed by this subdivision if such deputy is a public official. In all other cases, the deputy shall maintain a suitable facility for serving the public."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "metropolitan waste control commission" and insert "public employees"

Page 1, line 4, delete "section" and insert "sections 168.33, subdivision 2, and"

Mr. Wegscheid questioned whether the amendment was germane.

The President ruled the amendment was germane.

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Knaak	Olson	Storm
Belanger	Frank	Knutson	Peterson, D. L.	Taylor
Benson	Frederick	Kronebusch	Peterson, R. W.	Ulland
Berg	Frederickson	Laidig	Ramstad	
Berglin	Isackson	McQuaid	Renneke	
Bernhagen	Johnson, D. E.	Mehrkens	Sieloff	
Brataas	Kamrath	Merriam	Spear	

Those who voted in the negative were:

Adkins	Diessner	Lantry	Peterson, C. C.	Schmitz
Bertram	Freeman	Luther	Peterson, D. C.	Stumpf
Chmielewski	Hughes	Moe, D. M.	Petty	Vega
Dahl	Johnson, D. J.	Moe, R. D.	Pogemiller	Waldorf
Davis	Jude	Nelson	Purfeerst	Wegscheid
DeCramer	Kroening	Novak	Reichgott	Willet
Dicklich	Langseth	Pehler	Samuelson	

The motion did not prevail. So the amendment was not adopted.

S.F. No. 2017 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 37 and nays 29, as follows:

Those who voted in the affirmative were:

Adkins	Freeman	Luther	Peterson, D. C.	Stumpf
Berglin	Hughes	Merriam	Peterson, R. W.	Vega
Bertram	Johnson, D. J.	Moe, D. M.	Petty	Waldorf
Davis	Jude	Moe, R. D.	Pogemiller	Wegscheid
DeCramer	Kroening	Nelson	Purfeerst	Willet
Dicklich	Langseth	Novak	Reichgott	
Diessner	Lantry	Pehler	Schmitz	
Dieterich	Lessard	Peterson, C. C.	Spear	

Those who voted in the negative were:

Anderson	Chmielewski	Johnson, D.E.	McQuaid	Samuelson
Belanger	Dahl	Kamrath	Mehrkens	Sieloff
Benson	Frank	Knaak	Olson	Storm
Berg	Frederick	Knutson	Peterson, D.L.	Taylor
Bernhagen	Frederickson	Kronebusch	Ramstad	Ulland
Brataas	Isackson	Laidig	Renneke	

So the bill, as amended, passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 994: A bill for an act relating to mediation; providing for mediation of disputes; amending Minnesota Statutes 1982, section 595.02; proposing new law coded in Minnesota Statutes, chapter 572.

Mr. Luther moved to amend H.F. No. 994, as amended pursuant to Rule 49, adopted by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 966.)

Page 1, line 13, delete "6" and insert "7"

Page 1, after line 18, insert:

*"Subd. 3. [AGREEMENT TO MEDIATE.] "Agreement to mediate" means a written agreement which identifies a controversy between the parties to the agreement, states that the parties will seek to resolve the controversy through mediation, provides for termination of mediation upon written notice from either party or the mediator delivered by certified mail or personally to the other people who signed the agreement, is signed by the parties and mediator and is dated."*

Renumber the subdivisions in sequence

Page 2, line 4, delete "to the contrary" and insert "stating that it is binding" and after "and" insert "a provision stating substantially that"

Page 2, line 11, after "ASIDE" insert "OR REFORMING"

Page 2, line 13, delete "the" and insert "a" and after "court" insert "of competent jurisdiction" and after "aside" insert "or reform"

Page 2, line 15, delete "setting aside a contract" and insert "contracts"

Page 2, line 17, delete "The fact"

Page 2, line 18, delete "was such that it"

Page 2, line 19, after "aside" insert "or reforming"

Page 2, line 24, delete "termination of the mediation" and insert "20 days after notice of termination of mediation is delivered by certified mail or personally delivered as provided in the agreement to mediate"

Page 2, delete lines 30 to 36

Page 6, line 16, delete "No one can" and insert "A person cannot"

Page 6, line 19, delete "restriction"

Page 6, line 20, after "settlement" insert "agreement"

Page 6, line 22, delete "used in the" and insert "of this paragraph"

Page 6, delete line 23

Page 6, line 24, delete everything before the period, and delete "in addition"

Page 6, line 25, delete "to and" and delete "in limitation of" and insert "intended to limit"

Renumber the sections in sequence

The motion prevailed. So the amendment was adopted.

Mr. Luther then moved to amend H.F. No. 994, as amended pursuant to Rule 49, adopted by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 966.)

Page 2, line 2, delete "a"

Page 2, line 3, delete "However,"

Page 2, line 7, after "may" insert "adversely"

Page 2, line 8, delete "consider"

Page 2, line 9, delete "consulting with a lawyer" and insert "consult an attorney"

Page 2, line 10, before the period, insert "if they are uncertain of their rights"

Page 2, line 13, delete "Upon application of a party" and insert "In any action"

The motion prevailed. So the amendment was adopted.

Mr. Sieloff moved to amend H.F. No. 994, as amended pursuant to Rule 49, adopted by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 966.)

Page 1, lines 10 and 13, delete "6" and insert "7"

Page 2, after line 20, insert:

"Sec. 5. [527.37] [PRESENTATION OF MEDIATOR TO PUBLIC.]

*No individual may act as a mediator pursuant to the Minnesota Civil Mediation Act for compensation without providing the individuals to the conflict with a written statement of his qualifications prior to beginning mediation. The statement shall describe his educational background and relevant training and experience in the field.*

*Nothing in this section shall limit the pursuits of professionals consistent with their training and code of ethics; nor shall this section apply to service provided through a governmental agency. The requirement of this section may be satisfied by a nonprofit corporation on behalf of its service providers by providing a statement of the education, training, and experience requirements for eligibility on its mediation panel.*

*A person who violates this section is guilty of a petty misdemeanor."*

Page 2, line 31, delete "6" and insert "7"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "providing penalties;"

The motion prevailed. So the amendment was adopted.

H.F. No. 994 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kroening	Pehler	Sieloff
Anderson	Diessner	Kronebusch	Peterson, D.C.	Solon
Belanger	Frank	Laidig	Peterson, D.L.	Spear
Benson	Frederick	Langseth	Peterson, R.W.	Storm
Berg	Freeman	Lantry	Petty	Stumpf
Bernhagen	Hughes	Lessard	Pogemiller	Taylor
Bertram	Isackson	Luther	Purfeerst	Ulland
Brataas	Johnson, D.E.	McQuaid	Ramstad	Waldorf
Chmielewski	Jude	Merriam	Reichgott	
Dahl	Kamrath	Moe, D. M.	Renneke	
Davis	Knaak	Nelson	Samuelson	
DeCramer	Knutson	Olson	Schmitz	

So the bill, as amended, passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1961: A bill for an act relating to state departments and agencies; changing the composition and powers of the board of private detective and protective agent services; changing requirements for obtaining a license; amending Minnesota Statutes 1982, sections 326.33; 326.331; 326.332, subdivision 1; and 326.333; repealing Minnesota Statutes 1982, section 299C.01, subdivision 3.

Was read the third time 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:

Adkins	Dicklich	Kroening	Pehler	Sieloff
Anderson	Diessner	Kronebusch	Peterson, D.C.	Spear
Belanger	Frank	Laidig	Peterson, D.L.	Storm
Benson	Frederick	Langseth	Peterson, R.W.	Stumpf
Berg	Freeman	Lantry	Petty	Taylor
Bernhagen	Hughes	Lessard	Pogemiller	Ulland
Bertram	Isackson	Luther	Purfeerst	Waldorf
Brataas	Johnson, D.E.	McQuaid	Ramstad	Willet
Chmielewski	Jude	Merriam	Reichgott	
Dahl	Kamrath	Moe, D. M.	Renneke	
Davis	Knaak	Nelson	Samuelson	
DeCramer	Knutson	Olson	Schmitz	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 1991: A bill for an act relating to government operations; regu-

lating public employee leave of absences; providing for task force member's compensation; providing for civil service exams for handicapped persons; authorizing the commissioner of employee relations to negotiate insurance premium rates; providing for appeals of disciplinary actions; providing for unclassified positions; changing the definition of registered combined charitable organization; amending Minnesota Statutes 1982, sections 15.014, subdivision 2; 15.0593; 15.62, subdivision 2; 43A.08, subdivision 1; 43A.33, subdivisions 1 and 3; Minnesota Statutes 1983 Supplement, sections 43A.08, subdivision 1a; 43A.10, subdivision 8; 43A.23, subdivision 1; 116L.03, subdivision 6; and 309.501, subdivision 1.

Mr. Jude moved to amend H.F. No. 1991, as amended pursuant to Rule 49, adopted by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2084.)

Pages 1 to 5, delete sections 1 to 4

Pages 7 and 8, delete sections 7 and 8

Pages 9 and 10, delete section 10

Renumber the sections in sequence.

Amend the title as follows:

Page 1, line 3, delete everything after the semicolon

Page 1, line 4, delete everything before "providing"

Page 1, line 7, delete everything after the semicolon

Page 1, line 8, delete "disciplinary actions;"

Page 1, line 9, delete everything after the semicolon

Page 1, line 10, delete everything before "amending"

Page 1, line 11, delete everything after "1982," and insert "section"

Page 1, line 12, delete "15.0593;" and delete "43A.08, subdivision 1;"

Page 1, line 13, delete "43A.33, subdivisions 1 and 3;"

Page 1, line 14, delete "43A.08, subdivision 1a;"

Page 1, line 15, after the second semicolon, insert "and"

Page 1, line 16, delete "; and 309.501, subdivision 1"

The motion prevailed. So the amendment was adopted.

Mr. Jude then moved to amend H.F. No. 1991, as amended pursuant to Rule 49, adopted by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2084.)

Page 9, after line 34, insert:

"Sec. 4. Minnesota Statutes 1982, section 192A.325, is amended to read:  
192A.325 [GENERAL COURT-MARTIAL RECORDS.]

The convening authority shall refer the record of each general court-martial to the ~~staff~~ state judge advocate, who shall submit his written opinion thereon



to the convening authority. If the final action of the court has resulted in an acquittal of all charges and specifications, the opinion shall be limited to questions of jurisdiction.

Sec. 5. Minnesota Statutes 1982, section 192A.345, subdivision 2, is amended to read:

Subd. 2. ~~In all other cases not covered by subdivision 1, if the sentence of a special court-martial as approved by the convening authority includes a bad-conduct discharge, whether or not suspended, The entire record of all court-martial proceedings shall be sent to the appropriate staff judge advocate of the state force concerned to be reviewed as may be prescribed under regulations prescribed by the governor in the same manner as a record of trial by general court-martial. The record and the opinion of the staff judge advocate shall then be sent to the state judge advocate for review.~~

Sec. 6. Minnesota Statutes 1982, section 192A.345, subdivision 8, is amended to read:

Subd. 8. The state judge advocate may, *and if requested by the accused, shall order one or more boards courts of military review each composed of not less than three commissioned officers of the state military forces, active or retired, each of whom must be a member of the bar of the highest court of the state and shall have served not less than three years as a judge advocate. Each board court of military review shall review the record of any trial by special court-martial, including a sentence to a bad conduct discharge, referred to it by the state judge advocate which referral shall be made if requested by the accused. Boards Courts of military review have the same authority on review as the state judge advocate has under this section.*

Sec. 7. Minnesota Statutes 1982, section 192A.612, is amended to read:

#### 192A.612 [SEARCH WARRANTS.]

During ~~annual field training~~ *any period of active service under Minnesota Statutes, section 190.05, subdivision 5a or 5b, a military judge, designated as the summary court officer during such duty service, is authorized to issue search warrants, directed to a member of the military police of the state military forces, to search any person, place, or vehicle within the confines of the property or premises being used for such field training active service or any person or vehicle pursued therefrom. No search warrant shall be issued except upon probable cause, supported by affidavit or sworn testimony naming and describing the person and particularly describing the property or thing to be seized and particularly describing the place to be searched."*

Page 10, after line 20, insert:

"Sec. 9. [REPEALER.]

*Minnesota Statutes 1982, section 192A.345, subdivisions 1 and 3, are repealed."*

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 9, after the semicolon, insert "modifying the appeal of court-martial proceedings for employees in the state military forces;"

Page 1, line 12, after the semicolon, insert "192A.325; 192A.345, subdivisions 2 and 8; 192A.612;"

Page 1, line 16, before the period, insert "; repealing Minnesota Statutes 1982, section 192A.345, subdivisions 1 and 3"

The motion prevailed. So the amendment was adopted.

Ms. Berglin moved to amend H.F. No. 1991, as amended pursuant to Rule 49, adopted by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 2084.)

Page 9, after line 4, insert:

"Sec. 10. Minnesota Statutes 1982, section 126.10, is amended to read:  
126.10 [SPECIAL DAYS.]

The following days or the school days nearest to them are designated for special observance in the public schools of the state: September 28 as Frances Willard Day, October 9 as Leif Ericson Day, ~~January 15 as Martin Luther King, Jr. Day,~~ and February 15 as Susan B. Anthony Day. On these days schools may offer instruction and programs in commemoration of the life and history of the respective persons and the principles and ideals they fostered.

Sec. 11. Minnesota Statutes 1982, section 126.13, is amended to read:

126.13 [CONDUCT OF SCHOOL ON CERTAIN HOLIDAYS.]

The governing body of any district may contract with any of the teachers thereof for the conduct of schools, and may conduct schools, on either, or any, of the following holidays, provided that a clause to this effect is inserted in the teacher's contract: *Martin Luther King's birthday*, Lincoln's and Washington's birthdays, Columbus Day and Veterans' Day, provided that on *Martin Luther King's birthday*, Washington's birthday, Lincoln's birthday, and Veterans' Day at least one hour of the school program be devoted to a patriotic observance of the day.

Sec. 12. Minnesota Statutes 1982, section 136.22, is amended to read:

136.22 [CLASSES ON HOLIDAYS.]

The state university board is hereby authorized to conduct classes in the several state colleges on either or any of the following holidays: *Martin Luther King's Birthday*, Lincoln's Birthday, Washington's Birthday, Columbus Day, and Veterans Day, provided that when classes are held on *Martin Luther King's Birthday*, Washington's Birthday, Lincoln's Birthday, or Veterans Day, that at least one hour of the school day be devoted to a patriotic observance of that day."

Page 10, after line 7, insert:

"Sec. 14. Minnesota Statutes 1982, section 645.44, subdivision 5, is amended to read:

Subd. 5. [HOLIDAYS.] "Holiday" includes New Year's Day, January 1; *Martin Luther King's birthday*, the third Monday in January; Washington's and Lincoln's Birthday, the third Monday in February; Memorial Day, the

last Monday in May; Independence Day, July 4; Labor Day, the first Monday in September; Christopher Columbus Day, the second Monday in October; Veterans Day, November 11; Thanksgiving Day, the fourth Thursday in November; and Christmas Day, December 25; provided, when New Year's Day, January 1; or Independence Day, July 4; or Veterans Day, November 11; or Christmas Day, December 25; falls on Sunday, the following day shall be a holiday and, provided, when New Year's Day, January 1; or Independence Day, July 4; or Veterans Day, November 11; or Christmas Day, December 25; falls on Saturday, the preceding day shall be a holiday. No public business shall be transacted on any holiday, except in cases of necessity and except in cases of public business transacted by the legislature, nor shall any civil process be served thereon. However, for the executive branch of the state of Minnesota, "holiday" also includes the Friday after Thanksgiving but does not include Christopher Columbus Day. Other branches of state government and political subdivisions shall have the option of determining whether Christopher Columbus Day and the Friday after Thanksgiving shall be holidays. Where it is determined that Columbus Day or the Friday after Thanksgiving is not a holiday, public business may be conducted thereon.

Any agreement between a public employer and an employee organization citing Veterans Day as the fourth Monday in October shall be amended to cite Veterans Day as November 11."

Page 10, after line 20, insert:

"Sec. 16. [EFFECTIVE DATE.]

*Sections 10, 11, 12, and 14, establishing a Martin Luther King holiday, are effective January 1, 1986."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, after the semicolon, insert "establishing Martin Luther King's birthday as a holiday; allowing school districts and state colleges to conduct classes on Martin Luther King's birthday provided there is a patriotic observance of the day;"

Page 1, line 13, after "3;" insert "126.10; 126.13; 136.22; 645.44, subdivision 5;"

Mr. Willet questioned whether the amendment was germane.

The President ruled the amendment was not germane.

Mr. Moe, D.M. appealed the ruling of the President.

The question was taken on "Shall the decision of the President be the judgment of the Senate?"

The roll was called, and there were yeas 45 and nays 10, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	Nelson	Samuelson
Anderson	Davis	Knutson	Pehler	Schmitz
Belanger	DeCramer	Langseth	Peterson, C.C.	Sieloff
Benson	Diessner	Lantry	Peterson, D.L.	Solon
Berg	Frank	Luther	Peterson, R.W.	Storm
Bernhagen	Frederick	McQuaid	Petty	Stumpf
Bertram	Freeman	Mehrkens	Purfeerst	Waldorf
Brataas	Hughes	Merriam	Ramstad	Wegscheid
Chmielewski	Isackson	Moe, R. D.	Renneke	Willet

Those who voted in the negative were:

Berglin  
Dicklich

Jude  
Knaak

Kroening  
Laidig

Moe, D. M.  
Pogemiller

Spear  
Ulland

The decision of the President was sustained.

H.F. No. 1991 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 66 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Olson	Sieloff
Anderson	Dieterich	Kronebusch	Pehler	Solon
Belanger	Frank	Laidig	Peterson, C. C.	Spear
Benson	Frederick	Langseth	Peterson, D. C.	Storm
Berg	Frederickson	Lantry	Peterson, D. L.	Stumpf
Berglin	Freeman	Lessard	Peterson, R. W.	Taylor
Bernhagen	Hughes	Luther	Petty	Ulland
Bertram	Isackson	McQuaid	Pogemiller	Waldorf
Brataas	Johnson, D. E.	Mehrkens	Purfeerst	Wegscheid
Chmielewski	Johnson, D. J.	Merriam	Ramstad	Willet
Dahl	Jude	Moe, D. M.	Reichgott	
Davis	Kamrath	Moe, R. D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	
Dicklich	Knutson	Novak	Schmitz	

So the bill, as amended, passed and its title was agreed to.

### RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

### APPOINTMENTS

Mr. Moe, R.D. from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

H.F. No. 229: Messrs. Spear, Merriam and Sieloff.

S.F. No. 1349: Messrs. Spear, Dieterich, Storm, Novak and Waldorf.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Messages from the House, First Reading of House Bills, Reports of Committees and Second Reading of Senate Bills.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of

three members of the House, on the amendments adopted by the House to the following Senate File:

S.F. No. 1843: A bill for an act relating to courts; providing for the appointment of chief judge and assistant chief judge for each judicial district; clarifying the administrative authority of the chief judge; amending Minnesota Statutes 1982, section 484.69, subdivisions 1 and 3.

There has been appointed as such committee on the part of the House:

Clawson, Cohen and Halberg.

Senate File No. 1843 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

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. 1628: A bill for an act relating to public welfare; setting licensing, planning and zoning provisions with respect to licensed residential and day care facilities; providing that certain facilities are permitted multi-family uses; allowing municipalities to require conditional use permits for certain other facilities; requiring counties to engage in planning to promote dispersal of residential facilities; providing that certain facilities are permitted single family uses; amending Minnesota Statutes 1982, sections 245.783, by adding a subdivision; 245.812, subdivisions 3, 4 and 7, and by adding a subdivision; and 462.357, subdivisions 7, 8, and by adding a subdivision.

There has been appointed as such committee on the part of the House:

Greenfield, Elioff and Boo.

Senate File No. 1628 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 147, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 147: A bill for an act relating to retirement; employee and employer contributions to the Minnesota state retirement system; amending Minnesota Statutes 1982, section 352.92, subdivisions 1 and 2.

Senate File No. 147 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 311, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 311: A bill for an act relating to public welfare; requiring licensure for adult day care facilities; amending Minnesota Statutes 1982, sections 245.782, subdivisions 2, 5, and by adding a subdivision; 245.783, by adding a subdivision; 245.791; 245.802, by adding a subdivision.

Senate File No. 311 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 20, 1984

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1760, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 1760: A bill for an act relating to governmental operations; requesting the regents of the University of Minnesota to conduct a job evaluation study and report to the legislature.

Senate File No. 1760 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 20, 1984

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1750, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 1750: A bill for an act relating to commerce; providing for the classification of crime reports of the department of commerce; including certain financial institutions within the definition of broker-dealer of securities; broadening the securities transaction exemption for corporate transactions; providing for the receipt of applications for renewal of real estate broker and salesperson licenses; establishing certain fees relating to the regulation of real estate brokers and salespersons; providing for real estate salesperson licensing requirements after examination; clarifying a certain definition relating to recovery from the real estate education, research, and recovery fund; limiting recovery to cases involving judgments against licensed individuals; providing for the depositing of funds under the unclaimed property statutes; regulating sales of unclaimed property; appropriating money; amending Minnesota Statutes 1982, sections 13.81, subdivision 1; 13.82, subdivision 1; 80A.14, subdivision 4; 80A.15, subdivision 2; 80A.30, subdivision 2; 82.17, subdivision 3; 82.20, subdivisions 8 and 9; 82.21, subdivision 1; 82.22, subdivisions 2 and 5; 345.32; 345.47, subdivision 1; 345.48; 345.49; Minnesota Statutes 1983 Supplement, sections 82.22, subdivisions 6 and 13; and 82.34, subdivision 7; proposing new law

coded in Minnesota Statutes, chapter 345.

Senate File No. 1750 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 20, 1984

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 751, 1815, 1973, 1849 and 1913.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 18, 1984

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 1469, 1821, 1826, 2072, 887, 1776, 1978, 1879, 2164, 2165, 1435, 1451, 1492, 1662, 1903, 1974, 1842, 1862, 1575, 1813, 1365, 1466, 1883, 1337, 1498, 1683, 1790 and 1789.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 531, 1243, 2109 and 2083.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 20, 1984

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 1994.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 19, 1984

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 2134 and 2289.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 20, 1984

### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committee indicated.

H.F. No. 1994: A bill for an act relating to judges; providing for the manner of filling vacancies in the office of judge; proposing new law coded as Minnesota Statutes, chapter 480B.

Mr. Pogemiller moved that H.F. No. 1994 be laid on the table. The motion

prevailed.

H.F. No. 2134: A resolution memorializing the governments of the United States and the Federal Republic of Germany that the State of Minnesota adopts the Land of Bayern as a sister state.

Mr. Wegscheid moved that H.F. No. 2134 be laid on the table. The motion prevailed.

H.F. No. 2289: A resolution memorializing the President and Congress of the United States to adopt on an emergency basis a public policy of preserving the family farm as an invaluable natural resource.

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. Moe, R.D. from the Committee on Rules and Administration, to which was re-referred

S.F. No. 1643: A resolution memorializing the governments of the United States and the Federal Republic of Germany that the State of Minnesota adopts the Land of Bayern as a sister state.

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. 17: A Senate concurrent resolution proclaiming Bud Grant Day in Minnesota and encouraging public recognition of Bud Grant's contribution to Minnesota.

Reports the same back with the recommendation that the Senate concurrent resolution do pass. Report adopted.

### SECOND READING OF SENATE BILLS

S.F. No. 1643 was read the second time.

### MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 1762 and the Conference Committee Report thereon were reported to the Senate.

### CONFERENCE COMMITTEE REPORT ON S.F. NO. 1762

A bill for an act relating to the human rights department; prohibiting waiver of legal rights; changing the statute of limitations; providing sanctions for intentional delays; permitting award of attorney fees in administrative hearings; changing damage awards; amending Minnesota Statutes 1982, sections 363.06, subdivision 3; 363.071, by adding a subdivision; 363.116; 363.14,



subdivisions 1 and 2; Minnesota Statutes 1983 Supplement, sections 363.06, subdivision 4; 363.071, subdivision 2; and 363.072, subdivision 1; proposing new law coded in chapter 363.

April 19, 1984

The Honorable Jerome M. Hughes  
President of the Senate

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1762, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate concur in the House amendment and that S.F. No. 1762 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [363.031] [WAIVER PROHIBITED.]

*Any provision, whether oral or written, of a lease, contract, or other agreement or instrument, which purports to be a waiver by an individual of any right or remedy provided in chapter 363 is contrary to public policy and void. Nothing in this section shall be construed to prevent a waiver given in full and final written settlement of an existing, identified claim, whether by grievance, mediation, arbitration, or other settlement agreement.*

Sec. 2. Minnesota Statutes 1982, section 363.06, subdivision 3, is amended to read:

Subd. 3. [TIME FOR FILING CLAIM.] A claim of an unfair discriminatory practice must be brought as a civil action pursuant to section 363.14, subdivision 1, clause (a), *filed in a charge with a local commission pursuant to section 363.116, or filed in a charge with the commissioner within ~~six months~~ 300 days after the occurrence of the practice. The running of the 300 day limitation period is suspended during the time a potential charging party and respondent are voluntarily engaged in a dispute resolution process involving a claim of unlawful discrimination under chapter 363, including arbitration, conciliation, mediation or grievance procedures pursuant to a collective bargaining agreement or statutory, charter, or ordinance provisions for a civil service or other employment system. A potential respondent who participates in such a process with a potential charging party before a charge is filed or a civil action is brought shall notify the department and the charging party in writing of his or her participation in the process and the date the process commenced, and shall also notify the department and the charging party of the ending date of the process. A respondent who fails to provide this notification is barred from raising the defense that the statute of limitations has run unless the 300 days plus a period of time equal to the suspension period has passed.*

Sec. 3. Minnesota Statutes 1983 Supplement, section 363.06, subdivision 4, is amended to read:

Subd. 4. [INQUIRY INTO CHARGE.] (1) Consistent with clause (7), the commissioner shall promptly inquire into the truth of the allegations of the charge. The commissioner shall make an immediate inquiry when necessary

to prevent a charging party from suffering irreparable loss in the absence of immediate action a charge alleges actual or threatened physical violence. The commissioner shall also make an immediate inquiry when it appears that a charge is frivolous or without merit and shall dismiss those charges.

*The commissioner shall then give priority to investigating and processing those charges which the commissioner determines have one or more of the following characteristics:*

*(a) there is evidence that the respondent has intentionally engaged in a reprisal;*

*(b) there is evidence of irreparable harm if immediate action is not taken;*

*(c) there is potential for broadly promoting the policies of this chapter;*

*(d) a significant number of recent charges have been filed against the respondent;*

*(e) the respondent is a government entity;*

*(f) the charge is supported by substantial documentation, witnesses, or other evidence.*

*The commissioner shall inform charging parties of these priorities and shall tell each party if their charge is a priority case or not.*

On other charges the commissioner shall make a determination within 12 months after the charge was filed as to whether or not there is probable cause to credit the allegation of unfair discriminatory practices, and

(2) If the commissioner determines after investigation that no probable cause exists to credit the allegations of the unfair discriminatory practice, the commissioner shall, within ten days of the determination, serve upon the charging party and respondent written notice of the determination. Within ten days after receipt of notice, the charging party may request in writing on forms prepared by the department that the commissioner reconsider his determination. The request shall contain a brief statement of the reasons for and new evidence in support of the request for reconsideration. At the time of submission of the request to the commissioner, the charging party shall deliver or mail to the respondent a copy of the request for reconsideration. The commissioner shall either reaffirm or reverse his determination of no probable cause within 20 days after receipt of the request for reconsideration, and he shall within ten days notify in writing the charging party and respondent of his decision to reaffirm or reverse.

A decision by the commissioner that no probable cause exists to credit the allegations of an unfair discriminatory practice shall not be appealed to the court of appeals pursuant to section 363.072 or sections 14.63 to 14.68.

(3) If the commissioner determines after investigation that probable cause exists to credit the allegations of unfair discriminatory practices, the commissioner shall serve on the respondent and his attorney if he is represented by counsel, by first class mail, a notice setting forth a short plain written statement of the alleged facts which support the finding of probable cause and an enumeration of the provisions of law allegedly violated. If the commissioner determines that attempts to eliminate the alleged unfair practices through conciliation pursuant to subdivision 5 have been or would be unsuccess-

cessful or unproductive, the commissioner shall issue a complaint and serve on the respondent, by registered or certified mail, a written notice of hearing together with a copy of the complaint, requiring the respondent to answer the allegations of the complaint at a hearing before a hearing examiner at a time and place specified in the notice, not less than ten days after service of said complaint. A copy of the notice shall be furnished to the charging party and the attorney general.

(4) If, at any time after the filing of a charge, the commissioner has reason to believe that a respondent has engaged in any unfair discriminatory practice, the commissioner may file a petition in the district court in a county in which the subject of the complaint occurs, or in a county in which a respondent resides or transacts business, seeking appropriate temporary relief against the respondent, pending final determination of proceedings under this chapter, including an order or decree restraining him from doing or procuring an act tending to render ineffectual an order the commissioner may enter with respect to the complaint. The court shall have power to grant temporary relief or a restraining order as it deems just and proper, but no relief or order extending beyond ten days shall be granted except by consent of the respondent or after hearing upon notice to the respondent and a finding by the court that there is reasonable cause to believe that the respondent has engaged in a discriminatory practice. Except as modified by this section, the Minnesota rules of civil procedure shall apply to an application, and the district court shall have authority to grant or deny the relief sought on conditions as it deems just and equitable. All hearings under this section shall be given precedence as nearly as practicable over all other pending civil actions.

(5) If a lessor, after he has engaged in a discriminatory practice defined in section 363.03, subdivision 2, clause (1), (a), leases or rents a dwelling unit to a person who has no knowledge of the practice or of the existence of a charge with respect to the practice, the lessor shall be liable for actual damages sustained by a person by reason of a final order as provided in this section requiring the person to be evicted from the dwelling unit.

(6) In any complaint issued under this section, the commissioner may seek relief for a class of individuals affected by an unfair discriminatory practice occurring on or after a date ~~six months~~ 300 days prior to the filing of the charge from which the complaint originates.

(7) The commissioner may adopt policies to determine which charges are processed and the order in which charges are processed based on their particular social or legal significance, administrative convenience, difficulty of resolution, or other standard consistent with the provisions of this chapter.

*(8) The hearing examiner shall adopt policies to provide sanctions for intentional and frivolous delay caused by any charging party or respondent in an investigation, hearing, or any other aspect of proceedings before the department under this chapter.*

Sec. 4. Minnesota Statutes 1982, section 363.071, is amended by adding a subdivision to read:

*Subd. 1a. [HEARINGS 180 DAYS AFTER CHARGE.] At any time after 180 days from the filing of a charge, if there has been neither a finding of*

*probable cause nor of no probable cause, the charging party may file a request with the commissioner to appear at a hearing on his own behalf or through a private attorney. Upon receipt of the request, the commissioner shall review the documents and information held in the department's files concerning the charge and shall release to the charging party and respondent all documents and information that is accessible to the charging party and respondent under sections 13.01 to 13.87. The commissioner shall forward the request for hearing to the office of administrative hearings, which shall promptly set the matter for hearing. If the charging party prevails at this hearing, the hearing examiner may require the respondent to reimburse the charging party for reasonable attorney's fees.*

Sec. 5. Minnesota Statutes 1983 Supplement, section 363.071, subdivision 2, is amended to read:

Subd. 2. [DETERMINATION OF DISCRIMINATORY PRACTICE.] The hearing examiner shall make findings of fact and conclusions of law, and if the hearing examiner finds that the respondent has engaged in an unfair discriminatory practice, the hearing examiner shall issue an order directing the respondent to cease and desist from the unfair discriminatory practice found to exist and to take such affirmative action as in the judgment of the examiner will effectuate the purposes of this chapter. Such order shall be a final decision of the department. The examiner shall order any respondent found to be in violation of any provision of section 363.03 to pay a civil penalty to the state. This penalty is in addition to compensatory and punitive damages to be paid to an aggrieved party. The hearing examiner shall determine the amount of the civil penalty to be paid, taking into account the seriousness and extent of the violation, the public harm occasioned by the violation, whether the violation was intentional, and the financial resources of the respondent. Any penalties imposed under this provision shall be paid into the general fund of the state. In all cases *where the examiner may finds that the respondent has engaged in an unfair discriminatory practice the examiner shall order the respondent to pay an aggrieved party, who has suffered discrimination, compensatory damages, including damages for mental anguish or suffering, and, in an amount up to three times the actual damages sustained.* In all cases, *the examiner may also order the respondent to pay an aggrieved party, who has suffered discrimination, damages for mental anguish or suffering and reasonable attorney's fees, in addition to punitive damages in an amount not more than \$6,000. Punitive damages shall be awarded pursuant to section 549.20. In any case where a political subdivision is a respondent the total of punitive damages awarded an aggrieved party may not exceed \$6,000 and in that case if there are two or more respondents the punitive damages may be apportioned among them. Punitive damages may only be assessed against a political subdivision in its capacity as a corporate entity and no regular or ex officio member of a governing body of a political subdivision shall be personally liable for payment of punitive damages pursuant to this subdivision. In addition to the aforesaid remedies, in a case involving discrimination in*

(a) employment, the examiner may order the hiring, reinstatement or upgrading of an aggrieved party, who has suffered discrimination, with or without back pay, admission or restoration to membership in a labor organization, or his admission to or participation in an apprenticeship training pro-

gram, on-the-job-training program, or other retraining program, or any other relief the examiner deems just and equitable.

(b) housing, the examiner may order the sale, lease, or rental of the housing accommodation or other real property to an aggrieved party, who has suffered discrimination, or the sale, lease or rental of a like accommodation or other real property owned by or under the control of the person against whom the complaint was filed, according to terms as listed with a real estate broker, or if no such listing has been made, as otherwise advertised or offered by the vendor or lessor, or any other relief the examiner deems just and equitable.

The examiner shall cause the findings of fact, conclusions of law, and order to be served on the respondent personally, the charging party by registered or certified mail, and shall furnish copies to the attorney general and the commissioner.

Sec. 6. Minnesota Statutes 1983 Supplement, section 363.072, subdivision 1, is amended to read:

Subdivision 1. [APPEAL.] The commissioner or a person aggrieved by a final decision of the department reached after a hearing held pursuant to section 363.071 may seek judicial review in accordance with chapter 14. *The attorney general shall represent on appeal, a charging party who prevailed at a hearing authorized by section 4, if the charging party requests representation within ten days after receipt of the petition for appeal.*

Sec. 7. Minnesota Statutes 1982, section 363.116, is amended to read:

363.116 [TRANSFER TO COMMISSIONER.]

A local commission may refer a matter under its jurisdiction to the commissioner.

The charging party has the option of filing a charge either with a local commission or the department. *Notwithstanding the provisions of any ordinance to the contrary, a charge may be filed with a local commission within 300 days after the occurrence of the practice.* The exercise of such choice in filing a charge with one agency shall preclude the option of filing the same charge with the other agency. At the time a charge comes to the attention of a local agency, the agency or its representative shall inform the charging party of this option, and of his rights under Laws 1967, Chapter 897.

The term "local commission" as used in this section has the meaning given the term in section 363.115.

Sec. 8. Minnesota Statutes 1982, section 363.14, subdivision 1, is amended to read:

Subdivision 1. [COURT ACTIONS, SUITS BY PRIVATE PARTIES, INTERVENTION.] A person may bring a civil action seeking redress for an unfair discriminatory practice:

(a) Directly to district court; or

(b) Notwithstanding the provisions of any law to the contrary, (1) within 45 days after the commissioner has dismissed a charge because it is frivolous or without merit, because the charging party has failed to provide required information, *because the commissioner has determined that further use of de-*

*partment resources is not warranted, or because the commissioner has determined that there is no probable cause to credit the allegations contained in a charge filed with the commissioner; (2) within 45 days after the commissioner has reaffirmed his determination of no probable cause if the charging party requested a reconsideration of the probable cause determination; or (2) (3) after 45 days from the filing of a charge pursuant to section 363.06, subdivision 1 if a hearing has not been held pursuant to section 363.071 or if the commissioner has not entered into a conciliation agreement to which the charging party is a signator. The charging party shall notify the commissioner of his intention to bring a civil action, which shall be commenced within 90 days of giving the notice;*

(c) The commissioner may dismiss, without prejudice to the charging party, any case filed with the department on or before June 30, 1978. The commissioner shall notify a charging party by regular mail sent before August 1, 1981, that he has a right to bring a civil action pursuant to this section. Upon giving this notice the commissioner shall end all proceedings in the department relating to the charge. Notwithstanding any statutory period of limitation to the contrary, an individual notified pursuant to this clause may bring a civil action relating to his charge; provided that the action is filed on or before February 1, 1982.

A charging party bringing a civil action shall mail by registered or certified mail a copy of the summons and complaint to the commissioner, and upon their receipt the commissioner shall terminate all proceedings in the department relating to the charge. No charge shall be filed or reinstated with the commissioner after a civil action relating to the same unfair discriminatory practice has been brought unless the civil action has been dismissed without prejudice.

Upon application by the complaining party to the district court at a special term and under circumstances the court deems just, the court may appoint an attorney for the person and may authorize the commencement of the action without payment of fees, costs, or security.

Upon timely application, the court may permit the department to intervene in a civil action brought pursuant to this section upon certification that the case is of general public importance.

Sec. 9. Minnesota Statutes 1982, section 363.14, subdivision 2, is amended to read:

Subd. 2. [DISTRICT COURT JURISDICTION.] Any action brought pursuant to this section shall be filed in the district court of the county wherein the unlawful discriminatory practice is alleged to have been committed or where the respondent resides or has his principal place of business.

Any action brought pursuant to this chapter shall be heard and determined by a judge sitting without a jury.

If the court finds that the respondent has engaged in an unfair discriminatory practice, it shall issue an order directing *such appropriate relief as it deems appropriate and which effectuates the purpose of this chapter. Such relief shall be limited to that permitted as provided by section 363.071, subdivision 2.*

Sec. 10. [EFFECTIVE DATE; APPLICATION.]

*Sections 1 to 9 are effective August 1, 1984. Section 4 applies only to causes of action arising after the effective date of this act."*

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Ember D. Reichgott, Michael O. Freeman, Donald A. Storm

House Conferees: (Signed) Karen Clark, Terry Dempsey, Richard J. Cohen

Ms. Reichgott moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1762 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. 1762 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 60 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Nelson	Reichgott
Anderson	Dicklich	Knutson	Novak	Renneke
Belanger	Diessner	Kroening	Olson	Schmitz
Benson	Frank	Kronebusch	Pehler	Sieloff
Berg	Frederick	Langseth	Peterson, C.C.	Spear
Berglin	Frederickson	Lantry	Peterson, D.C.	Storm
Bernhagen	Freeman	Luther	Peterson, D.L.	Stumpf
Bertram	Hughes	McQuaid	Peterson, R.W.	Taylor
Brataas	Isackson	Mehrkens	Petty	Ulland
Chmielewski	Johnson, D.E.	Merriam	Pogemiller	Waldorf
Dahl	Jude	Moe, D. M.	Purfeerst	Wegscheid
Davis	Kamrath	Moe, R. D.	Ramstad	Willet

Messrs. Lessard and Samuelson voted in the negative.

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

## MOTIONS AND RESOLUTIONS - CONTINUED

### SPECIAL ORDER

S.F. No. 1906: A bill for an act relating to collection and dissemination of data; classifying government data as public, private, and nonpublic; clarifying issues relating to classifications of data, access to data, the effect of death of individuals on classifications, and the temporary classification of data; refining provisions of the Data Practices Act; clarifying issues relating to patient access to medical records; amending Minnesota Statutes 1982, sections 13.02, subdivision 8, and by adding a subdivision; 13.03, subdivisions 3 and 4, and by adding subdivisions; 13.04, subdivision 2; 13.05, subdivisions 3, 7, 9, and 10; 13.06, subdivisions 1 and 6; 13.31, subdivisions 2 and 3; 13.32, subdivision 3; 13.41, by adding a subdivision; 13.42, by adding a subdivision; 13.43, subdivision 2; 13.44; 13.65, subdivision 1; 13.67; 13.69,

by adding a subdivision; 13.72, by adding a subdivision; and 144.335, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 13.

Mr. Peterson, R. W. moved to amend S. F. No. 1906 as follows:

Pages 2 to 3, delete sections 2 to 4

Pages 4 to 8, delete sections 7 to 18

Pages 8 to 10, delete sections 20 to 23

Pages 10 to 11, delete sections 25 and 26

Page 12, delete section 28

Page 13, delete section 31

Page 14, delete lines 33 and 34 and insert:

*“Sections 1 to 10 are effective the day following final enactment. Section 4 is repealed August 1, 1985.”*

Renumber the sections in sequence

Delete the title and insert:

“A bill for an act relating to collection and dissemination of data; classifying government data as public, private, and nonpublic; clarifying issues relating to classifications of data, access to data, the effect of death of individuals on classifications, and patient access to medical data; amending Minnesota Statutes 1982, section 13.02, subdivision 8; 13.03, by adding subdivisions; 13.42, by adding a subdivision; 13.65, subdivision 1; 13.69, by adding a subdivision; 13.72, by adding a subdivision; and 144.335, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 13.”

The motion prevailed. So the amendment was adopted.

S.F. No. 1906 was then progressed.

### SPECIAL ORDER

H.F. No. 1761: A bill for an act relating to taxation; releasing certain counties from the requirement to impose an aggregate removal tax; amending Minnesota Statutes 1983 Supplement, section 298.75, subdivision 1.

Mr. Peterson, C.C. moved to amend the amendment placed on H. F. No. 1761 by the Committee on Taxes and Tax Laws, adopted by the Senate April 14, 1984, as follows:

Delete the amendment to page 2, line 12

The motion prevailed. So the amendment to the amendment was adopted.

H.F. No. 1761 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:



Adkins	DeCramer	Jude	Nelson	Renneke
Anderson	Dicklich	Kamrath	Novak	Samuelson
Belanger	Diessner	Knaak	Olson	Schmitz
Benson	Dieterich	Knutson	Pehler	Sieloff
Berg	Frank	Kronebusch	Peterson, C.C.	Solon
Berglin	Frederick	Laidig	Peterson, D.C.	Spear
Bernhagen	Frederickson	Langseth	Peterson, R.W.	Storm
Bertram	Freeman	Lantry	Petty	Stumpf
Brataas	Hughes	Lessard	Pogemiller	Taylor
Chmielewski	Isackson	Luther	Purferst	Vega
Dahl	Johnson, D.E.	McQuaid	Ramstad	Willet
Davis	Johnson, D.J.	Merriam	Reichgott	

So the bill, as amended, passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 820: A bill for an act relating to recreational vehicles; requiring a three-year registration fee for three-wheel off-road vehicles; requiring safety certificates of youthful operators; prescribing penalties; creating a three-wheel off-road vehicle safety account in the state treasury; appropriating funds; appropriating money; amending Minnesota Statutes 1982, section 84.87; proposing new law coded in Minnesota Statutes, chapter 84.

Mr. Merriam moved to amend H.F. No. 820, as amended pursuant to Rule 49, adopted by the Senate April 18, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 991.)

Page 8, line 36, after the comma, insert "*after notice and public hearing,*"

The motion prevailed. So the amendment was adopted.

Mr. Merriam then moved to amend H.F. No. 820, as amended pursuant to Rule 49, adopted by the Senate April 18, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 991.)

Page 10, line 1, delete "\$135,000" and insert "\$185,000"

Page 10, line 4, after the period, insert "*The approved complement of the department of natural resources is increased by one position.*"

Page 10, delete lines 5 to 8

Renumber the subdivisions in sequence

The motion prevailed. So the amendment was adopted.

Mr. Merriam then moved to amend H.F. No. 820, as amended pursuant to Rule 49, adopted by the Senate April 18, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 991.)

Pages 1 to 4, delete section 1

Page 9, after line 16, insert:

"Sec. 7. [OPERATION ON STREETS AND HIGHWAYS.]

*Except as provided in chapter 168 or in this section, a three-wheel off-road vehicle may not be driven or operated on a highway. A vehicle may make a direct crossing of a street or highway provided:*

(1) *The crossing is made at an angle of approximately 90 degrees to the direction of the highway and at a place where no obstruction prevents a quick and safe crossing;*

(2) *The vehicle is brought to a complete stop before crossing the shoulder or main traveled way of the highway;*

(3) *The driver yields the right of way to all oncoming traffic that constitutes an immediate hazard;*

(4) *In crossing a divided highway, the crossing is made only at an intersection of the highway with another public street or highway; and*

(5) *If the crossing is made between the hours of one-half hour after sunset to one-half hour before sunrise or in conditions of reduced visibility, only if both front and rear lights are on."*

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 820 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:

Adkins	Diessner	Laidig	Peterson, C.C.	Spear
Belanger	Dieterich	Langseth	Peterson, D.C.	Stumpf
Berglin	Frank	Lessard	Peterson, R.W.	Ulland
Bernhagen	Frederickson	Luther	Petty	Vega
Bertram	Freeman	McQuaid	Pogemiller	Waldorf
Brataas	Johnson, D.E.	Merriam	Reichgott	Wegscheid
Chmielewski	Johnson, D.J.	Moe, R. D.	Renneke	Willet
Dahl	Jude	Nelson	Samuelson	
Davis	Knutson	Novak	Schmitz	
DeCramer	Kroening	Olson	Sieloff	
Dicklich	Kronebusch	Pehler	Solon	

Those who voted in the negative were:

Anderson	Berg	Isackson	Lantry	Ramstad
Benson	Frederick	Kamrath	Peterson, D.L.	

So the bill, as amended, passed and its title was agreed to.

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Freeman moved that the following members be excused for a Conference Committee on S.F. No. 1843 at 10:00 a.m.:

Messrs. Freeman, Luther and Sieloff. The motion prevailed.

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. DeCramer moved that the following members be excused for a Conference Committee on H.F. No. 2182 at 1:00 p.m.:

Messrs. DeCramer, Davis, Frederickson, Bertram and Merriam. The motion prevailed.

### SPECIAL ORDER

The question recurred on S.F. No. 1906:

S.F. No. 1906: A bill for an act relating to collection and dissemination of data; classifying government data as public, private, and nonpublic; clarifying issues relating to classifications of data, access to data, the effect of death of individuals on classifications, and the temporary classification of data; refining provisions of the Data Practices Act; clarifying issues relating to patient access to medical records; amending Minnesota Statutes 1982, sections 13.02, subdivision 8, and by adding a subdivision; 13.03, subdivisions 3 and 4, and by adding subdivisions; 13.04, subdivision 2; 13.05, subdivisions 3, 7, 9, and 10; 13.06, subdivisions 1 and 6; 13.31, subdivisions 2 and 3; 13.32, subdivision 3; 13.41, by adding a subdivision; 13.42, by adding a subdivision; 13.43, subdivision 2; 13.44; 13.65, subdivision 1; 13.67; 13.69, by adding a subdivision; 13.72, by adding a subdivision; and 144.335, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 13.

Mr. Renneke moved to amend the Peterson, R.W. amendment to S.F. No. 1906, adopted by the Senate April 20, 1984, as follows:

Delete the amendment to pages 2 and 3 and insert:

Pages 2 to 3, delete sections 2 to 4 and insert:

“Sec. 2. Minnesota Statutes 1982, section 13.03, subdivision 3, is amended to read:

Subd. 3. [REQUEST FOR ACCESS TO DATA.] Upon request to a responsible authority or designee, a person shall be permitted to inspect and copy government data at reasonable times and places, and if the person requests, he shall be informed of the data's meaning. The responsible authority or designee shall provide copies of government data upon request. The responsible authority may require the requesting person to pay the actual costs of making, certifying, *researching*, and compiling the copies. If the responsible authority or designee is not able to provide copies at the time a request is made he shall supply copies as soon as reasonably possible.

If the responsible authority or designee determines that the requested data is classified so as to deny the requesting person access, the responsible authority or designee shall so inform the requesting person orally at the time of the request, and in writing as soon thereafter as possible, and shall cite the statute, temporary classification, or federal law on which the determination is based.”

Page 1, line 10 of the Peterson, R.W. amendment, delete “Section 4” and insert “Section 5”

Amend the title as follows:

Page 1, line 20, of the Peterson, R. W. amendment, after “13.03,” insert “subd. 3, and”

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Diessner moved to amend S.F. No. 1906 as follows:

Pages 13 and 14, delete section 33

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 27, as follows:

Those who voted in the affirmative were:

Anderson	Diessner	Kroening	Olson	Solon
Belanger	Frederick	Kronebusch	Peterson, D.L.	Storm
Benson	Freeman	Laidig	Ramstad	Taylor
Berg	Isackson	Lantry	Reichgott	Ulland
Bernhagen	Johnson, D.E.	Lessard	Renneke	
Brataas	Kamrath	McQuaid	Samuelson	
Chmielewski	Knaak	Mehrkens	Sieloff	

Those who voted in the negative were:

Adkins	Dicklich	Luther	Pehler	Vega
Berglin	Dieterich	Merriam	Peterson, D.C.	Wegscheid
Bertram	Frank	Moe, D. M.	Peterson, R.W.	Willet
Dahl	Hughes	Moe, R. D.	Petty	
Davis	Jude	Nelson	Pogemiller	
DeCramer	Langseth	Novak	Stumpf	

The motion prevailed. So the amendment was adopted.

S.F. No. 1906 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 58 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kamrath	Moe, R. D.	Samuelson
Anderson	Dicklich	Knaak	Nelson	Sieloff
Belanger	Diessner	Kroening	Novak	Solon
Benson	Dieterich	Kronebusch	Olson	Storm
Berg	Frank	Laidig	Pehler	Stumpf
Berglin	Frederick	Langseth	Peterson, D.L.	Taylor
Bernhagen	Frederickson	Lantry	Peterson, R.W.	Ulland
Bertram	Hughes	Lessard	Petty	Vega
Brataas	Isackson	Luther	Pogemiller	Wegscheid
Chmielewski	Johnson, D.E.	McQuaid	Ramstad	Willet
Dahl	Johnson, D.J.	Merriam	Reichgott	
Davis	Jude	Moe, D. M.	Renneke	

Messrs. Freeman and Spear voted in the negative.

So the bill, as amended, passed and its title was agreed to.

## MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Ramstad moved that H.F. No. 1800 be taken from the table. The motion prevailed.

H.F. No. 1800: A resolution memorializing Congress and the President to continue their efforts to halt the persecution of the Baha'i minority in Iran.

### SUSPENSION OF RULES

Mr. Ramstad 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. 1800 and that the rules of the Senate be so far suspended as to give H.F. No. 1800 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 1800 was read the second time.

H.F. No. 1800 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 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kamrath	Novak	Samuelson
Anderson	Diessner	Knaak	Olson	Schmitz
Belanger	Dieterich	Kroening	Pehler	Sieloff
Berg	Frank	Kronebusch	Peterson,C.C.	Solon
Berglin	Frederick	Langseth	Peterson,D.C.	Spear
Bernhagen	Frederickson	Lantry	Peterson,D.L.	Storm
Bertram	Freeman	Lessard	Peterson,R.W.	Stumpf
Brataas	Hughes	Luther	Petty	Taylor
Chmielewski	Isackson	Merriam	Pogemiller	Ulland
Dahl	Johnson, D.E.	Moe, D. M.	Ramstad	Vega
Davis	Johnson, D.J.	Moe, R. D.	Reichgott	Wegscheid
DeCramer	Jude	Nelson	Renneke	Willet

So the resolution passed and its title was agreed to.

Mr. Ramstad moved that S.F. No. 1739, No. 61 on Special Orders, be stricken and laid on the table. The motion prevailed.

Mr. Wegscheid moved that H.F. No. 2134 be taken from the table. The motion prevailed.

H.F. No. 2134: A resolution memorializing the governments of the United States and the Federal Republic of Germany that the State of Minnesota adopts the Land of Bayern as a sister state.

### SUSPENSION OF RULES

Mr. Wegscheid 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. 2134 and that the rules of the Senate be so far suspended as to give H.F. No. 2134 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 2134 was read the second time.

H.F. No. 2134 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 1, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kronebusch	Olson	Schmitz
Anderson	Dieterich	Laidig	Pehler	Siefoff
Belanger	Frank	Langseth	Peterson, C. C.	Solon
Berg	Frederick	Lantry	Peterson, D. C.	Spear
Berglin	Frederickson	Lessard	Peterson, D. L.	Storm
Bernhagen	Freeman	Luther	Peterson, R. W.	Stumpf
Bertram	Hughes	McQuaid	Petty	Taylor
Brataas	Isackson	Merriam	Pogemiller	Ulland
Chmielewski	Johnson, D. J.	Moe, D. M.	Ramstad	Vega
Davis	Jude	Moe, R. D.	Reichgott	Wegscheid
DeCramer	Kamrath	Nelson	Renneke	Willet
Dicklich	Kroening	Novak	Samuelson	

Mr. Knaak voted in the negative.

So the resolution passed and its title was agreed to.

Mr. Wegscheid moved that S.F. No. 1643, on Special Orders, be stricken and laid on the table. The motion prevailed.

Mr. Wegscheid moved that Senate Concurrent Resolution No. 17 be adopted, pursuant to the Report from the Committee on Rules and Administration adopted April 20, 1984.

Senate Concurrent Resolution No. 17: A Senate concurrent resolution proclaiming Bud Grant Day in Minnesota and encouraging public recognition of Bud Grant's contribution to Minnesota.

WHEREAS, Bud Grant is retiring after 17 years as coach of the Minnesota Vikings; and

WHEREAS, as coach of the Vikings, Bud Grant compiled a record of 151 victories, made the playoffs 12 times, won 15 division titles, won one NFL title, won three NFC titles, and took the Vikings to four Super Bowls; and

WHEREAS, Bud Grant, during his 35 years in professional sports, has acquired the reputation among his peers and fans alike of a man who exemplifies sportsmanship in its truest form; and

WHEREAS, Bud Grant, through his sportsmanlike example, whether on the field or in his outdoor avocations, has been recognized throughout the country as an ambassador for the people of the State of Minnesota and all it stands for; and

WHEREAS, Bud Grant's unique contributions to our state should not go unnoticed; NOW, THEREFORE,

BE IT RESOLVED by the Senate of the State of Minnesota, the House of Representatives concurring, that a day designated by the Governor is proclaimed as Bud Grant Day in Minnesota.

BE IT FURTHER RESOLVED that on that day the people of Minnesota are encouraged to show their admiration for Bud Grant and to celebrate his accomplishments.

BE IT FURTHER RESOLVED that the Revisor of Statutes is directed to prepare an enrolled copy of this resolution, to be authenticated by the President and Secretary of the Senate and the Speaker and Chief Clerk of the House of Representatives, and that it be presented to the Governor for his

approval or veto. If approved, he shall file it with the Secretary of State.

BE IT FURTHER RESOLVED that the Secretary of State is directed to prepare a certified copy of this resolution and present it to Bud Grant.

The motion prevailed. So the resolution was adopted.

### CONFIRMATION

Mr. Spear moved that the appointments of notaries public received March 21, 1984, be taken from the table. The motion prevailed.

Mr. Spear moved that the Senate do now consent to and confirm the appointments of the notaries public. The motion prevailed. So the appointments were confirmed.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Willet moved that H.F. No. 1559 be taken from the table and given its second reading. The motion prevailed.

H.F. No. 1559: A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 10; allowing public lands of the state to be exchanged for any other public land; amending Minnesota Statutes 1982, sections 94.343, subdivision 1; and 94.349, subdivision 3.

H.F. No. 1559 was read the second time.

### SUSPENSION OF RULES

Mr. Willet moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 1559 and that the rules of the Senate be so far suspended as to give H.F. No. 1559 its third reading and place it on its final passage. The motion prevailed.

Mr. Willet moved to amend H.F. No. 1559 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 1559, and insert the language after the enacting clause, and the title, of S.F. No. 1532, the third engrossment.

The motion prevailed. So the amendment was adopted.

H.F. No. 1559 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:

Adkins	Diessner	Knaak	Olson	Samuelson
Anderson	Dieterich	Kroening	Pehler	Schmitz
Benson	Frank	Kronebusch	Peterson, C.C.	Sieloff
Berg	Frederick	Laidig	Peterson, D.C.	Solon
Berglin	Frederickson	Langseth	Peterson, D.L.	Spear
Bernhagen	Freeman	Lantry	Peterson, R.W.	Storm
Bertram	Hughes	Lessard	Petty	Stumpf
Brataas	Isackson	Luther	Pogemiller	Taylor
Chmielewski	Johnson, D.E.	McQuaid	Purfeerst	Ulfand
Dahl	Johnson, D.J.	Moe, D. M.	Ramstad	Vega
Davis	Jude	Nelson	Reichgott	Willet
Dicklich	Kamrath	Novak	Renneke	

So the bill, as amended, passed and its title was agreed to.

**MOTIONS AND RESOLUTIONS - CONTINUED**

Ms. Berglin moved that H.F. No. 1766 be taken from the table. The motion prevailed.

H.F. No. 1766: A bill for an act relating to local government; requiring every political subdivision to establish equitable compensation relationships among its employees; requiring a report to the legislature; proposing new law coded in Minnesota Statutes, Chapter 471.

Ms. Berglin moved that H.F. No. 1766 be laid on the table. The motion prevailed.

Ms. Berglin moved that H.F. No. 2098 be taken from the table. The motion prevailed.

H.F. No. 2098: A bill for an act relating to public welfare; revising procedures for determining operating cost payment rates for nursing homes; amending Minnesota Statutes 1982, sections 144.072; 256B.25; 256D.06, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 144A.31, subdivision 4; 256B.421, subdivisions 2, 5, and 8; 256B.431, subdivisions 1, 2, 4, 5, and by adding a subdivision; 256.48, subdivision 1; and 256B.50; proposing new law coded in Minnesota Statutes, chapter 144.

Ms. Berglin moved to amend H.F. No. 2098, as amended by the Senate April 19, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1985.)

Page 1, after line 13, insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 45.16, subdivision 2, is amended to read:

Subd. 2. [DUTIES.] The attorney general shall:

(a) enforce the provisions of law relating to consumer fraud and unlawful practices in connection therewith as set forth in sections 325F.68 and 325F.69;

(b) *enforce the provisions of law set forth in sections 2 to 4;*

(c) make recommendations to the governor and the legislature for statutory needs that exist in adequately protecting the consumer.

Sec. 2. Minnesota Statutes 1983 Supplement, section 62D.03, subdivision 4, if amended by H.F. No. 1561 at the 1984 regular session, is amended to read:

Subd. 4. Each application for a certificate of authority shall be verified by an officer or authorized representative of the applicant, and shall be in a form prescribed by the commissioner of health. Each application shall include the following:

(a) a copy of the basic organizational document, if any, of the applicant and of each major participating entity; such as the articles of incorporation, or other applicable documents, and all amendments thereto;

(b) a copy of the bylaws, rules and regulations, or similar document, if any, and all amendments thereto which regulate the conduct of the affairs of the



applicant and of each major participating entity;

(c) a list of the names, addresses, and official positions of the following:

(1) all members of the board of directors, or governing body of the local government unit, and the principal officers and ~~controlling~~ shareholders of the *applicant* organization; and

(2) all members of the board of directors, or governing body of the local government unit, and the principal officers *of the major participating entity* and ~~controlling shareholders~~ of each *shareholder beneficially owning more than ten percent of any voting stock of the major participating entity*;

The commissioner may by rule identify persons included in the ~~terms term~~ "principal officers" and "~~controlling shareholders~~";

(d) a full disclosure of the extent and nature of any contract or financial arrangements between the following:

(1) the health maintenance organization and the persons listed in clause (c)(1);

(2) the health maintenance organization and the persons listed in clause (c)(2);

(3) each major participating entity and the persons listed in clause (c)(1) concerning any financial relationship with the health maintenance organization; and

(4) each major participating entity and the persons listed in clause (c)(2) concerning any financial relationship with the health maintenance organization;

(e) the name and address of each participating entity and the agreed upon duration of each contract or agreement;

(f) a copy of the form of each contract binding the participating entities and the health maintenance organization. Contractual provisions shall be consistent with the purposes of sections 62D.01 to 62D.29, in regard to the services to be performed under the contract, the manner in which payment for services is determined, the nature and extent of responsibilities to be retained by the health maintenance organization, the nature and extent of risk sharing permissible, and contractual termination provisions-;

(g) a copy of each contract binding major participating entities and the health maintenance organization. Contract information filed with the commissioner shall be confidential and subject to the provisions of section 13.37, subdivision 1, clause (b), upon the request of the health maintenance organization.

Upon initial filing ~~and thereafter on or before the anniversary of the implementation~~ of each contract, the health maintenance organization shall file a separate document detailing the projected annual expenses to the major participating entity in performing the contract and the projected annual revenues received by the entity from the health maintenance organization for such performance. The commissioner shall disapprove any contract with a major participating entity if the contract will result in an unreasonable expense under section 62D.19. The commissioner shall ~~notify a major participating~~

~~entity approve or disapprove a contract within 30 days if a contract may be disapproved of filing.~~

Within 120 days of the anniversary of the implementation of each contract, the health maintenance organization shall file a document detailing the actual expenses incurred *and reported* by the major participating entity in performing the contract in the proceeding year and the actual revenues received from the health maintenance organization by the entity in payment for the performance. ~~The contract shall be submitted for a reasonableness determination under section 62D-19.~~

Contracts implemented prior to the effective date of this subdivision shall be filed within 90 days of such effective date. *These contracts are subject to the provisions of section 62D.19 but are not subject to the prospective review prescribed by this clause unless or until the terms of the contract are modified.* Commencing with the next anniversary of the implementation of each of these contracts immediately following filing, the health maintenance organization shall, as otherwise required by this subdivision, file annual ~~projected~~ and actual expenses and revenues ~~which will be subject to review in the manner prescribed by this subdivision.~~

(h) a statement generally describing the health maintenance organization, its health maintenance contracts and separate health service contracts, facilities, and personnel, including a statement describing the manner in which the applicant proposes to provide enrollees with comprehensive health maintenance services and separate health services;

(i) a copy of the form of each evidence of coverage to be issued to the enrollees;

(j) a copy of the form of each individual or group health maintenance contract and each separate health service contract which is to be issued to enrollees or their representatives;

(k) financial statements showing the applicant's assets, liabilities, and sources of financial support. If the applicant's financial affairs are audited by independent certified public accountants, a copy of the applicant's most recent certified financial statement may be deemed to satisfy this requirement;

(l) a description of the proposed method of marketing the plan, a schedule of proposed charges, and a financial plan which includes a three year projection of the expenses and income and other sources of future capital;

(m) a statement reasonably describing the geographic area or areas to be served and the type or types of enrollees to be served;

(n) a description of the complaint procedures to be utilized as required under section 62D.11;

(o) a description of the procedures and programs to be implemented to meet the requirements of section 62D.04, subdivision 1, clauses (b) and (c) and to monitor the quality of health care provided to enrollees;

(p) a description of the mechanism by which enrollees will be afforded an opportunity to participate in matters of policy and operation under section 62D.06;

(q) a copy of any agreement between the health maintenance organization

and an insurer or nonprofit health service corporation regarding reinsurance, stop-loss coverage or any other type of coverage for potential costs of health services, as authorized in section 62D.04, subdivision 1, clause (f), and section 62D.13; and

(r) other information as the commissioner of health may reasonably require to be provided.

Sec. 3. [62D.102] [MINIMUM BENEFITS.]

*In addition to minimum requirements established in other sections, all group health maintenance contracts providing benefits for mental or nervous disorder treatments in a hospital shall also provide coverage for at least ten hours of treatment over a 12-month period with a copayment not to exceed the greater of \$10 or 20 percent of the applicable usual and customary charge for mental or nervous disorder consultation, diagnosis and treatment services delivered while the enrollee is not a bed patient in a hospital.*

Sec. 4. [62D.103] [SECOND OPINION RELATED TO CHEMICAL DEPENDENCY AND MENTAL HEALTH.]

*A health maintenance organization shall promptly evaluate the treatment needs of any enrollee who is seeking treatment for a problem related to chemical dependency or mental health conditions. In the event that the health maintenance organization or a participating provider determines that no type of structured treatment is necessary, the enrollee shall be immediately entitled to a second opinion paid for by the health maintenance organization, by a health care professional qualified in diagnosis and treatment of the problem and not affiliated with the health maintenance organization. The health maintenance organization or participating provider shall consider the second opinion but is not obligated to accept the conclusion of the second opinion. The health maintenance organization or participating provider shall document its consideration of the second opinion.*

Sec. 5. Minnesota Statutes 1982, section 62D.12, subdivision 1, if amended by H.F. No. 1561 at the 1984 regular session, is amended to read:

Subdivision 1. No health maintenance organization or representative thereof may cause or knowingly permit the use of advertising or solicitation which is untrue or misleading, or any form of evidence of coverage which is deceptive. ~~Any written advertising is misleading if it fails to disclose that there are limitations on the services of some health care professionals. This general disclosure is not required on billboards.~~ Each health maintenance organization shall be subject to sections 72A.17 to 72A.321, relating to the regulation of trade practices, except (a) to the extent that the nature of a health maintenance organization renders such sections clearly inappropriate and (b) that enforcement shall be by the commissioner of health and not by the commissioner of insurance. Every health maintenance organization shall be subject to sections 325F.69 and 8.31.

Sec. 6. Minnesota Statutes 1982, section 62D.17, subdivision 4, is amended to read:

Subd. 4. (a) The commissioner of health may issue an order directing a health maintenance organization or a representative of a health maintenance organization to cease and desist from engaging in any act or practice in vio-

lation of the provisions of sections 62D.01 to 62D.29.

(b) Within 20 days after service of the order to cease and desist, the respondent may request a hearing on the question of whether acts or practices in violation of sections 62D.01 to 62D.29 have occurred. Such hearings shall be subject to judicial review as provided by chapter 14.

*If the acts or practices involve violation of the reporting requirements of section 62D.08, or if the commissioner of commerce has ordered the rehabilitation, liquidation, or conservation of the health maintenance organization in accordance with section 62D.18, the health maintenance organization may request an expedited hearing on the matter. The hearing shall be held within 15 days of the request. Within ten days thereafter, a hearing examiner shall issue a recommendation on the matter. The commissioner shall make a final determination on the matter within ten days of receipt of the hearing examiner's recommendation.*

*When a request for a stay accompanies the hearing request, the matter shall be referred to the office of administrative hearings within three working days of receipt of the request. Within ten days thereafter, a hearing examiner shall issue a recommendation to grant or deny the stay. The commissioner shall grant or deny the stay within five days of receipt of the hearing examiner's recommendation.*

*To the extent the acts or practices alleged do not involve violations of section 62D.08, if a timely request for a hearing is made, the cease and desist order shall be stayed for a period of 90 days from the date the hearing is requested or until a final determination is made on the order, whichever is earlier. During this stay, the respondent may show cause why the order should not become effective upon the expiration of the stay. Arguments on this issue shall be made through briefs filed with the hearing examiner no later than ten days prior to the expiration of the stay.*

#### Sec. 7. [80D.19] [ANNUAL FINANCIAL STATEMENT REQUIRED.]

*A provider shall prepare and distribute an annual financial statement to the residents of a facility. The statement shall be prepared in accordance with generally accepted accounting principles and shall be distributed within four months of the end of the provider's fiscal year. The statement must reflect all of the income and expense attributable to the facility for the fiscal year covered. The statement must account for all receipts and disbursements from whatever source derived, to whatever source paid, arising from the operation of the facility.*

*All entrance and maintenance fees, actual interest received and paid, and loan proceeds received, and interest and principal paid thereon, must be accounted for whether or not included in separate accounts because of trust, escrow, or other requirements. Items of income and expense to be allocated between a facility and another accounting entity must be allocated in accordance with generally accepted accounting principles. The allocation must be noted in the statement. The statement must be in sufficient detail to be meaningful but must be easily readable by, and understandable to, a person of average intelligence and education. The statement must include comparable data for the fewer of: each of the last five years; or for each year since the first receipts or disbursements, arising out of the facility project. If compa-*

able data does not exist and cannot be created for a past year, the variation must be noted and explained in the statement.

**Sec. 8. [80D.20] [RESIDENTS' REVIEW OF BUDGET; MONTHLY STATEMENTS; MANAGEMENT CONTRACTS.]**

*Subdivision 1. [FORMATION OF ASSOCIATION.] The residents of a facility may form a residents' association to deal with common interests related to their residency. The association may be organized in any way so long as each resident is given an equal opportunity to participate and an equal vote in the association's decisions including those delegating authority to the association's officers, board, and committees, if any.*

*Subd. 2. [ANNUAL BUDGET REVIEW.] Upon notification to it of the existence of a residents' association, the provider must present its annual budget to the association for comment before its adoption. The budget must be in sufficient detail to be meaningful, but must be readable by, and understandable to, a person of average intelligence and education. The budget must reflect the projected collection and disbursement of receipts of any kind, for any purpose by the provider, or any person related in business to the provider, attributable to residents of the facility, including interest income, and trust assets, during the budget year.*

*Subd. 3. [REVIEW OF MONTHLY EXPENDITURE STATEMENTS.] Throughout the budget year, the provider must give the association timely monthly statements of current income and expense showing year-to-date relationship to the annual budget, and explanations for a deviation from the budget. The association or its representative may comment on, or raise questions about, the monthly statements, to the provider.*

*Subd. 4. The penalty provisions of section 80D.16 shall apply to provider actions in sections 2 and 3.*

**Sec. 9. [TIME OF EFFECT.]**

*The first reporting fiscal year a provider must comply with section 7 is the first of its fiscal years that ends after the effective date of sections 7 to 9. Comparable data from up to five years earlier than the reporting fiscal year is required to comply with section 7 according to its terms."*

Page 6, line 31, after the period, insert "For rate years beginning July 1, 1985, the commissioner shall not provide, by rule, limitations on top management personnel."

Page 7, line 17, delete "\$2.95 per" and insert "the 25th percentile of general and administrative cost per diems of nursing homes grouped by level of care;"

Page 7, delete lines 18 to 20

Page 7, delete lines 23 to 25 and insert "or the 25th percentile of general and administrative cost per diems of nursing homes grouped by level of care;"

Page 7, line 27, delete everything after "or" and insert "the 25th percentile of general and administrative cost per diems of nursing homes grouped by level of care; and"

Page 7, delete lines 28 to 30

Page 13, line 11, after the period, insert *"In addition, the commissioner shall take into consideration facilities which historically provided nursing hours at or near the maximum limits which were subsequently reduced as a consequence of payment rate reductions."*

Page 13, line 13, after the period, insert *"When circumstances dictate, the commissioner has authority to renegotiate payment rates for an additional period of time."*

Page 17, line 9, after "assurance" insert *“, provider groups and consumers”*

Page 17, line 10, delete *"and consult with providers and consumers"*

Page 18, line 2, after "licensure" insert *"or certification"*

Page 18, line 3, after the period, insert *"Services beyond those required to comply with licensure or certification standards must not be charged separately as a special service if they were included in the payment rate for the previous reporting year."*

Page 20, line 14, delete *"The"* and insert *"For a period not to exceed 180 days, the"*

Page 20, after line 36, insert:

*"Sec. 19. [256B.491] [WAIVERED SERVICES.]*

*Subdivision 1. [STUDY.] The commissioner of public welfare shall prepare a study on the characteristics of providers who have the potential for offering home and community-based services under federal waivers authorized by United States Code, title 42, sections 1396 to 1396p. The study shall include, but not be limited to:*

*(a) An analysis of the characteristics of providers presently involved in offering services to the elderly, chronically ill children, disabled persons under age 65, and mentally retarded persons;*

*(b) The potential for conversion to waived services of facilities which currently provide services to the disability groups enumerated in clause (a);*

*(c) Proposals for system redesign to include (1) profiles of the types of providers best able, within reasonable fiscal constraints, to serve the needs of clients and to fulfill public policy goals in provision of waived services, (2) methods for limiting concentration of facilities providing services under waiver, (3) methods for ensuring that services are provided by the widest array of provider groups.*

*The commissioner shall present the study to the legislature no later than March 15, 1985.*

*Subd. 2. [CONTROL LIMITED.] Until July 1, 1985, no one person shall control the delivery of waived services to more than 50 persons receiving waived services as authorized by section 256B.501. For the purposes of this section the following terms have the meanings given them:*

*(1) A "person" is an individual, a corporation, a partnership, an association, a trust, an unincorporated organization, a subsidiary of an organization, and an affiliate. A "person" does not include any governmental authority,*

agency or body.

(2) An "affiliate" is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with another person.

(3) "Control" including the terms "controlling," "controlled by," and "under the common control with" is the possession, direct or indirect, or the power to direct or cause the direction of the management, operations or policies of a person, whether through the ownership of voting securities, by contract, through consultation or otherwise."

Page 21, line 10, after "1985," insert "and for the purpose of salary increases for direct-care personnel,"

Page 21, line 21, after the period, insert "This increase shall not be used for general and administrative costs or property-related costs."

Page 21, after line 24, insert:

"Sec. 23. [ACQUISITION LIMITATION STUDY.]

*The interagency board for quality assurance in consultation with the state planning agency, the department of public welfare, and the department of health shall study the issues related to concentration of ownership in the nursing home industry and in residential care services for the mentally retarded, including the effect on medical assistance rates paid for resident care. The board shall report to the legislative commission on long-term health care by January 15, 1985."*

Page 21, line 26, before "The" insert "Subdivision 1"

Page 21, line 30, delete "Ten" and insert "Five"

Page 21, after line 32, insert:

*"Subd. 2. There is appropriated to the commissioner of the department of public welfare, \$1,170,000 for the purposes of sections 8 to 23.*

*Subd. 3. There is appropriated to the legislative commission on long-term health care \$15,000 for the purposes of nursing home reimbursement rule developments and the state hospital planning study.*

*Subd. 4. The appropriations in subdivisions 1, 2, and 3, are from the general fund for the biennium ending June 30, 1985."*

Page 21, line 34, delete "13" and insert "23"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "requiring financial statements by providers of continuing care facilities; allowing residents to form associations;"

Page 1, line 4, after the semicolon, insert "providing for a study; limiting control of waived services; regulating continuing care facilities; appropriating money;" and after "sections" insert "62D.12, subdivision 1; 62D.17, subdivision 4;"

Page 1, line 6, after "sections" insert "45.16, subdivision 2; 62D.03,

subdivision 4;”

Page 1, line 10, delete “chapter” and insert “chapters 62D; 80D; 144; and 256B.”

Page 1, delete line 11

The motion prevailed. So the amendment was adopted.

H.F. No. 2098 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:

Adkins	Dicklich	Knaak	Nelson	Renneke
Anderson	Diessner	Knutson	Novak	Schmitz
Belanger	Dieterich	Kroening	Olson	Sieloff
Benson	Frank	Kronebusch	Pehler	Solon
Berg	Frederick	Laidig	Peterson, C.C.	Spear
Berglin	Frederickson	Langseth	Peterson, D.C.	Stumpf
Bernhagen	Freeman	Lantry	Peterson, D.L.	Taylor
Bertram	Hughes	Lessard	Peterson, R.W.	Ulland
Brataas	Isackson	Luther	Petty	Vega
Chmielewski	Johnson, D.E.	McQuaid	Pogemiller	Wegscheid
Dahl	Johnson, D.J.	Merriam	Purfeerst	Willet
Davis	Jude	Moe, D. M.	Ramstad	
DeCramer	Kamrath	Moe, R. D.	Reichgott	

So the bill, as amended, passed and its title was agreed to.

### SPECIAL ORDER

H.F. No. 950: A bill for an act relating to state government; governing compensation of members of boards, councils, and committees who are public employees; providing for per diem compensation for attendance of commissioners of the Northwest Minnesota Multi-County Housing and Re-development Authority at meetings; amending Minnesota Statutes 1982, sections 15.059, subdivision 3; and 214.09, subdivision 3; proposing new law coded in Minnesota Statutes, chapter 121.

Was read the third time 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:

Adkins	Dicklich	Knutson	Pehler	Sieloff
Anderson	Diessner	Kroening	Peterson, C.C.	Solon
Belanger	Dieterich	Kronebusch	Peterson, D.C.	Spear
Benson	Frank	Langseth	Peterson, D.L.	Stumpf
Berg	Frederickson	Lantry	Peterson, R.W.	Taylor
Berglin	Freeman	Lessard	Petty	Ulland
Bernhagen	Hughes	Luther	Pogemiller	Vega
Bertram	Isackson	McQuaid	Purfeerst	Wegscheid
Brataas	Johnson, D.E.	Merriam	Ramstad	Willet
Chmielewski	Johnson, D.J.	Moe, R. D.	Reichgott	
Dahl	Jude	Nelson	Renneke	
Davis	Kamrath	Novak	Samuelson	
DeCramer	Knaak	Olson	Schmitz	

So the bill passed and its title was agreed to.



Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Messages From the House.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1559: A bill for an act relating to public utilities; permitting the public utilities commission to order reimbursement payments to intervenors in telephone rate proceedings; amending Minnesota Statutes 1982, section 237.075, by adding a subdivision.

Senate File No. 1559 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 18, 1984

### CONCURRENCE AND REPASSAGE

Mr. Dieterich moved that the Senate concur in the amendments by the House to S.F. No. 1559 and that the bill be placed on its repassage as amended.

Mr. Frank moved that the Senate do not concur in the amendments by the House to S.F. No. 1559, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House.

Mr. Dieterich moved that S.F. No. 1559 be laid on the table. The motion prevailed.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Solon moved that the name of Mr. Dicklich be added as a co-author to S.F. No. 1886. The motion prevailed.

S.F. No. 1563 and the Conference Committee Report thereon were reported to the Senate.

### CONFERENCE COMMITTEE REPORT ON S.F. NO. 1563

A bill for an act relating to labor; extending the statute of limitation on certain actions to recover wages or overtime; clarifying child labor penalties; amending Minnesota Statutes 1982, section 541.07; Minnesota Statutes 1983 Supplement, section 181A.12, subdivision 1.

April 19, 1984

The Honorable Jerome M. Hughes  
President of the Senate

The Honorable Harry A. Sieben, Jr.

Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1563, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 1563 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 150A.08, subdivision 8, is amended to read:

Subd. 8. [SUSPENSION OF LICENSE.] In addition to any other remedy provided by law, the board may, through its designated board members pursuant to section 214.10, subdivision 2, temporarily suspend a license or registration without a hearing if the board finds that the licensee or registrant has violated a statute or rule which the board is empowered to enforce and continued practice by the licensee or registrant would create an imminent risk of harm to others. The suspension shall take effect upon written notice to the licensee or registrant served by first class mail specifying the statute or rule violated, and the time, date, and place of the hearing before the board. If the notice is returned by the post office, the notice shall be effective upon reasonable attempts to locate and serve the licensee or registrant. Within ten days of service of the notice, the board shall hold a hearing before its own members on the sole issue of whether there is a reasonable basis to continue, modify, or lift the suspension. Evidence presented by the board, licensee, or registrant, shall be in affidavit form only. The licensee or registrant or his counsel may appear for oral argument. Within five working days after the hearing, the board shall issue its order and, if the suspension is continued, the board shall schedule a disciplinary hearing to be held pursuant to the Administrative Procedure Act within 45 days of issuance of the order. The hearing examiner shall issue a report within 30 days of the closing of the contested case hearing record. The board shall issue a final order within 30 days of receiving that report. *The board shall allow a person whose license has been suspended to practice dentistry under the supervision of a licensed dentist for the purpose of demonstrating his or her competence and eligibility for reinstatement.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 181A.12, subdivision 1, is amended to read:

Subdivision 1. [FINES; PENALTY.] Any employer who hinders or delays the department or its authorized representative in the performance of its duties under sections 181A.01 to 181A.12 or refuses to admit the commissioner or his authorized representative to any place of employment or refuses to make certificates or lists available as required by sections 181A.01 to 181A.12, or otherwise violates any provisions of sections 181A.01 to 181A.12 or any rules issued pursuant thereto shall be assessed a fine to be paid to the commissioner for deposit in the general fund. The fine may be recovered in a civil action in the name of the department brought in the district court of the county where the violation is alleged to have occurred or the district court where the commissioner has an office. Fines are in the amounts as follows:

(a) employment of minors under the age of 14

(each employee)	\$ 50
(b) employment of minors under the age of 16 during school hours while school is in session (each employee)	50
(c) employment of minors under the age of 16 before 7:00 a.m. (each employee)	50
(d) employment of minors under the age of 16 after 9:30 p.m. (each employee)	50
(e) employment of minors under the age of 16 over eight hours a day (each employee)	50
(f) employment of minors under the age of 16 over 40 hours a week (each employee)	50
(g) employment of minors under the age of 18 in hazardous occupations (each employee)	100
(h) employment of minors under the age of 16 in hazardous occupations (each employee)	100
(i) minors under the age of 18 injured in hazardous employment (each employee)	500
(j) minors employed without proof of age (each employee)	5

*An employer who refuses to make certificates or lists available as required by sections 181A.01 to 181A.12 shall be assessed a \$500 fine.*

An employer who engages in a consistent and repeated pattern of violations of sections 181A.01 to 181A.12 is *also* guilty of a gross misdemeanor.

Sec. 3. Minnesota Statutes 1983 Supplement, section 363.02, subdivision 1, is amended to read:

Subdivision 1. [EMPLOYMENT.] The provisions of section 363.03, subdivision 1, shall not apply to:

- (1) The employment of any individual
  - (a) by his parent, grandparent, spouse, child, or grandchild, or
  - (b) in the domestic service of any person;
- (2) A religious or fraternal corporation, association, or society, with respect to qualifications based on religion, when religion shall be a bona fide occupational qualification for employment;
- (3) The employment of one person in place of another, standing by itself, shall not be evidence of an unfair discriminatory practice;
- (4) An age restriction applied uniformly and without exception to all individuals established by a bona fide apprenticeship program established pursuant to chapter 178, which limits participation to persons who enter the program prior to some specified age and the trade involved in the program predominantly involves heavy physical labor or work on high structures. After January 1, 1984, these age restrictions are exempt from the provisions of section

~~363.03, subdivision 1 only to the extent that they are declared exempt in rules adopted by the commissioner according to chapter 14. The commissioner must adopt rules governing this subject before January 1, 1984, and is authorized to adopt temporary, as well as permanent rules for this purpose. Neither shall the operation of a bona fide seniority system which mandates differences in such things as wages, hiring priorities, lay-off priorities, vacation credit, and job assignments based on seniority, be a violation of the age discrimination provisions of section 363.03, subdivision 1, so long as the operation of the system is not a subterfuge to evade the provisions of chapter 363;~~

(5) With respect to age discrimination, a practice by which a labor organization or employer offers or supplies varying insurance benefits or other fringe benefits to members or employees of differing ages, so long as the cost to the labor organization or employer for the benefits is reasonably equivalent for all members or employees;

(6) A restriction imposed by state statute, home rule charter, ordinance, or civil service rule, and applied uniformly and without exception to all individuals, which establishes a maximum age for entry into employment as a peace officer or firefighter.

(7) Nothing in this chapter concerning age discrimination shall be construed to validate or permit age requirements which have a disproportionate impact on persons of any class otherwise protected by section 363.03, subdivision 1 or 5.

It is not an unfair employment practice for an employer, employment agency or labor organization:

(i) to require or request a person to undergo physical examination, which may include a medical history, for the purpose of determining the person's capability to perform available employment, provided (a) that an offer of employment has been made on condition that the person meets the physical or mental requirements of the job; (b) that the examination tests only for essential job-related abilities; and (c) that the examination, unless limited to determining whether the person's disability would prevent performance of the job, is required of all persons conditionally offered employment for the same position regardless of disability; or

(ii) with the consent of the employee, to obtain additional medical information for the purposes of establishing an employee health record;

(iii) to administer pre-employment tests, provided that the tests (a) measure only essential job-related abilities, (b) are required of all applicants for the same position regardless of disability unless limited to determining whether the person's disability would prevent performance of the job, and (c) accurately measure the applicant's aptitude, achievement level, or whatever factors they purport to measure rather than reflecting the applicant's impaired sensory, manual, or speaking skills, except when those skills are the factors that the tests purport to measure; or

(iv) to limit receipt of benefits payable under a fringe benefit plan for disabilities to that period of time which a licensed physician reasonably determines a person is unable to work; or

(v) to provide special safety considerations for pregnant women involved in

tasks which are potentially hazardous to the health of the unborn child, as determined by medical criteria.

Sec. 4. Minnesota Statutes 1982, section 541.07, is amended to read:

541.07 [TWO OR THREE YEAR LIMITATIONS.]

Except where the uniform commercial code or *this section* otherwise prescribes, the following actions shall be commenced within two years:

(1) For libel, slander, assault, battery, false imprisonment, or other tort, resulting in personal injury, and all actions against physicians, surgeons, dentists, other health care professionals as defined in section 145.61, and veterinarians as defined in chapter 156, hospitals, sanatoriums, for malpractice, error, mistake or failure to cure, whether based on contract or tort; provided a counter-claim may be pleaded as a defense to any action for services brought by a physician, surgeon, dentist or other health care professional or veterinarian, hospital or sanatorium, after the limitations herein described notwithstanding it is barred by the provisions of this chapter, if it was the property of the party pleading it at the time it became barred and was not barred at the time the claim sued on originated, but no judgment thereof except for costs can be rendered in favor of the party so pleading it;

(2) Upon a statute for a penalty or forfeiture;

(3) For damages caused by a dam, other than a dam used for commercial purposes; but as against one holding under the pre-emption or homestead laws, the limitations shall not begin to run until a patent has been issued for the land so damaged;

(4) Against a master for breach of an indenture of apprenticeship; the limitation runs from the expiration of the term of service;

(5) For the recovery of wages or overtime or damages, fees or penalties accruing under any federal or state law respecting the payment of wages or overtime or damages, fees or penalties *except, that if the employer fails to submit payroll records by a specified date upon request of the department of labor and industry or if the nonpayment is willful and not the result of mistake or inadvertence, the limitation is three years.* (The term "wages" means all remuneration for services or employment, including commissions and bonuses and the cash value of all remuneration in any medium other than cash, where the relationship of master and servant exists and the term "damages," means single, double, or treble damages, accorded by any statutory cause of action whatsoever and whether or not the relationship of master and servant exists);

(6) For damages caused by the establishment of a street or highway grade or a change in the originally established grade;

(7) For sales or use taxes imposed by the laws of any other state;

(8) Against the person who applies the pesticide for injury or damage to property resulting from the application, but not the manufacture or sale, of a pesticide.

Sec. 5. Laws 1967, chapter 252, section 2, as amended by Laws 1971, chapter 683, section 1, and Laws 1983, chapter 161, section 1, is amended to read:

Sec. 2. [INDEPENDENT SCHOOL DISTRICT NO. 709; EMPLOYEES; EXCEPTIONS.] The term "employees," as used in this act, shall not include members of the school board, superintendent of schools, assistant superintendents of schools, teachers, other employees of the school district whose positions require them to be certified pursuant to rules and regulations adopted by the state board of education, directors, administrative assistants, clerical or similar workers, *food service workers*, deputy clerk and purchasing agent, supervisors, advisors, coordinators, physicians, attorney, nurses, and temporary employees.

Sec. 6. [EFFECTIVE DATE.]

*Section 5 is effective upon compliance with Minnesota Statutes, section 645.021."*

Delete the title and insert:

"A bill for an act relating to labor; permitting the practice of dentistry under supervision of a licensed dentist; clarifying child labor penalties; removing the exemption for certain individuals from unfair discriminatory practices; extending the statute of limitation on certain actions to recover wages or overtime; removing food service workers from School District No. 709 civil service; amending Minnesota Statutes 1982, section 541.07; Minnesota Statutes 1983 Supplement, sections 150A.08, subdivision 8; 181A.12, subdivision 1; and 363.02, subdivision 1; and Laws 1967, chapter 252, section 2, as amended."

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Florian Chmielewski, Mel Frederick, Bob Lessard

House Conferees: (Signed) Rich O'Connor, Joseph R. Begich, Jim Evans

Mr. Chmielewski moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1563 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. 1563 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Novak	Sieloff
Anderson	Frank	Kronebusch	Olson	Solon
Belanger	Frederick	Laidig	Pehler	Spear
Benson	Frederickson	Langseth	Peterson, C.C.	Stumpf
Berg	Freeman	Lantry	Peterson, D.C.	Taylor
Berglin	Hughes	Lessard	Peterson, D.L.	Ulland
Bernhagen	Isackson	Luther	Peterson, R.W.	Vega
Bertram	Johnson, D.E.	McQuaid	Petty	Waldorf
Brataas	Johnson, D.J.	Mehrkens	Pogemiller	Wegscheid
Chmielewski	Jude	Merriam	Purfeerst	Willet
Dahl	Kamrath	Moe, D. M.	Ramstad	
Davis	Knaak	Moe, R. D.	Samuelson	
Dicklich	Knutson	Nelson	Schmitz	

So the bill, as amended by the Conference Committee, was repassed and

its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 1336 and the Conference Committee Report thereon were reported to the Senate.

#### CONFERENCE COMMITTEE REPORT ON S.F. NO. 1336

A bill for an act relating to crime; providing for criminal penalties and a one year driver's license revocation upon refusal by a driver suspected of driving under the influence of alcohol or a controlled substance to take a test; authorizing testing of a suspect who is unconscious or in a condition rendering the suspect incapable of refusal; restricting issuance of limited licenses for work purposes; clarifying provisions of the hit and run law; clarifying penalties imposed on certain persons convicted of driving while under the influence of alcohol or a controlled substance; clarifying provisions of the driving after revocation, suspension, or cancellation law; prescribing penalties for causing death or injury of another while operating a vehicle in a certain manner; providing for admission into evidence of certain convictions for driving offenses for impeachment purposes; authorizing issuance of limited licenses in certain circumstances; amending Minnesota Statutes 1982, sections 169.09, subdivision 4; 169.123, subdivisions 4, 5a, and 9, and by adding a subdivision; 171.24; and 171.30, subdivision 1; and Minnesota Statutes 1983 Supplement, sections 169.09, subdivisions 1, 14, and 15; 169.121, subdivision 3; 169.123, subdivisions 2 and 6; and 609.21, subdivisions 1 and 2; proposing new law coded in Minnesota Statutes, chapters 171 and 634; repealing Minnesota Statutes 1982, section 169.123, subdivision 9.

April 19, 1984

The Honorable Jerome M. Hughes  
President of the Senate

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1336, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 1336 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 169.09, subdivision 1, is amended to read:

Subdivision 1. [DRIVER TO STOP.] The driver of any vehicle involved in an accident resulting in *immediately demonstrable* bodily injury to or death of any person shall immediately stop the vehicle at the scene of the accident, or as close to the scene as possible, but shall then return to and in every event, shall remain at, the scene of the accident until he has fulfilled the requirements of this chapter as to the giving of information. The stop shall be made without unnecessarily obstructing traffic.

Sec. 2. Minnesota Statutes 1982, section 169.09, subdivision 4, is

amended to read:

Subd. 4. [COLLISION WITH UNATTENDED VEHICLE.] The driver of any vehicle which collides with and damages any vehicle which is unattended shall immediately stop and either locate and notify the driver or owner of the vehicle of the name and address of the driver and owner of the vehicle striking the unattended vehicle, shall report the same to a police officer, or shall leave in a conspicuous place in or secured to the vehicle struck a written notice giving the name and address of the driver and of the owner of the vehicle doing the striking.

Sec. 3. Minnesota Statutes 1983 Supplement, section 169.09, subdivision 14, is amended to read:

Subd. 14. [PENALTIES.] (a) The driver of any vehicle who violates subdivision 1 or 6 and who caused the accident is punishable as follows:

(1) If the accident results in the death of any person, the driver is guilty of a felony and may be sentenced to imprisonment for not more than five years, or to payment of a fine of not more than \$5,000, or both; or

(2) If the accident results in substantial bodily ~~injury~~ harm to any person, as defined in section 609.02, subdivision 8 7a, the driver is guilty of a felony and may be sentenced to imprisonment for not more than three years, or to payment of a fine of not more than \$3,000, or both.

*(b) The driver of any vehicle who violates subdivision 1 or 6 and who did not cause the accident is punishable as follows:*

*(1) If the accident results in the death of any person, the driver is guilty of a felony and may be sentenced to imprisonment for not more than five years, or to payment of a fine of not more than \$10,000, or both;*

*(2) If the accident results in great bodily harm to any person, as defined in section 609.02, subdivision 8, the driver is guilty of a felony and may be sentenced to imprisonment for not more than three years, or to payment of a fine of not more than \$5,000, or both; or*

*(3) If the accident results in substantial bodily harm to any person, as defined in section 609.02, subdivision 7a, the driver may be sentenced to imprisonment for not more than one year, or to payment of a fine of not more than \$3,000, or both.*

~~(b)~~ (c) The driver of any vehicle involved in an accident not resulting in substantial bodily harm or death who violates subdivision 1 or 6 and who did not cause the accident or who violates subdivision 2 is guilty of a gross misdemeanor, and may be sentenced to imprisonment for not more than one year, or to payment of a fine of not more than ~~\$1,000~~ \$3,000, or both.

~~(e)~~(d) Any person who violates subdivision 3, clause (b) is guilty of a petty misdemeanor.

~~(d)~~(e) Any person who violates subdivision 3, clause (a), or subdivision 4, 5, 7, 8, 10, 11, or 12 is guilty of a misdemeanor.

The attorney in the jurisdiction in which the violation occurred who is responsible for prosecution of misdemeanor violations of this section shall also be responsible for prosecution of gross misdemeanor violations of this



section.

Sec. 4. Minnesota Statutes 1983 Supplement, section 169.09, subdivision 15, is amended to read:

Subd. 15. [DEFENSE.] It is an affirmative defense to prosecution under subdivisions 1, 2, and 6 that the driver left the scene of the accident to take any person suffering ~~substantial~~ *immediately demonstrable* bodily injury in the accident to receive emergency medical care if the driver of the involved vehicle gives notice to a law enforcement agency as required by subdivision 6 as soon as reasonably feasible after the emergency medical care has been undertaken.

Sec. 5. Minnesota Statutes 1983 Supplement, section 169.121, subdivision 1, is amended to read:

Subdivision 1. [CRIME.] It is a misdemeanor for any person to drive, operate or be in physical control of any motor vehicle within this state:

- (a) When the person is under the influence of alcohol;
- (b) When the person is under the influence of a controlled substance;
- (c) When the person is under the influence of a combination of any two or more of the elements named in clauses (a) and (b); ~~or~~
- (d) When the person's alcohol concentration is 0.10 or more ; *or*
- (e) *When the person's alcohol concentration as measured within two hours of the time of driving is 0.10 or more.*

The provisions of this subdivision apply, but are not limited in application, to any person who drives, operates, or is in physical control of any motor vehicle in the manner prohibited by this subdivision upon the ice of any lake, stream, or river, including but not limited to the ice of any boundary water.

Sec. 6. Minnesota Statutes 1983 Supplement, section 169.121, subdivision 1a, is amended to read:

Subd. 1a. [ARREST.] ~~When an accident has occurred,~~ A peace officer may lawfully arrest a person for violation of subdivision 1 without a warrant upon probable cause, without regard to whether the violation was committed in the officer's presence.

When a peace officer has probable cause to believe that a person is driving or operating a motor vehicle in violation of subdivision 1, and before a stop or arrest can be made the person escapes from the geographical limits of the officer's jurisdiction, the officer in fresh pursuit of the person may stop or arrest the person in another jurisdiction within this state and may exercise the powers and perform the duties of a peace officer under sections 169.121 and 169.123. An officer acting in fresh pursuit pursuant to this subdivision is serving in his regular line of duty as fully as though he was within his jurisdiction.

The express grant of arrest powers in this subdivision does not limit the arrest powers of peace officers pursuant to sections 626.65 to 626.70 or section 629.40 in cases of arrests for violation of subdivision 1 or any other provision of law.

Sec. 7. Minnesota Statutes 1983 Supplement, section 169.121, subdivision

2, is amended to read:

Subd. 2. [EVIDENCE.] Upon the trial of any prosecution arising out of acts alleged to have been committed by any person arrested for driving, operating, or being in physical control of a motor vehicle in violation of subdivision 1, the court may admit evidence of the amount of alcohol or a controlled substance in the person's blood, breath, or urine as shown by a medical or chemical analysis of it; ~~if the test is taken voluntarily or pursuant to section 169.123.~~

For the purposes of this subdivision:

(a) evidence that there was at the time an alcohol concentration of 0.05 or less is prima facie evidence that the person was not under the influence of alcohol;

(b) evidence that there was at the time an alcohol concentration of more than 0.05 and less than 0.10 is relevant evidence in indicating whether or not the person was under the influence of alcohol.

Evidence of the refusal to take a test is admissible into evidence in a prosecution under this section or an ordinance in conformity with it.

~~For purposes of this section and section 169.123, the result of an evidentiary test administered within two hours of the alleged violation is deemed to be the alcohol concentration at the time of the violation. If proven by a preponderance of the evidence, it shall be an affirmative defense to a violation of subdivision 1, clause (e) that the defendant consumed a sufficient quantity of alcohol after the time of actual driving, operating, or physical control of a motor vehicle and before the administration of the evidentiary test to cause the defendant's alcohol concentration to exceed 0.10. Provided, that this evidence may not be admitted unless notice is given to the prosecution prior to the omnibus or pretrial hearing in the matter.~~

The foregoing provisions do not limit the introduction of any other competent evidence bearing upon the question whether or not the person was under the influence of alcohol or a controlled substance, including tests obtained more than two hours after the alleged violation.

Sec. 8. Minnesota Statutes 1983 Supplement, section 169.121, subdivision 3, is amended to read:

Subd. 3. [CRIMINAL PENALTIES.] A person who violates this section or an ordinance in conformity with it is guilty of a misdemeanor.

The following persons are guilty of a gross misdemeanor:

(a) A person who violates this section or an ordinance in conformity with it within five years of a prior conviction under this section, section 169.129, ~~or~~ an ordinance *in conformity with either of them*, or a statute or ordinance from another state in conformity with ~~it~~ *either of them*; and

(b) A person who violates this section or an ordinance in conformity with it within ten years of two or more prior convictions under this section, section 169.129, ~~or~~ an ordinance *in conformity with either of them*, or a statute or ordinance from another state in conformity with ~~it~~ *either of them*.

*For purposes of this subdivision, a prior juvenile adjudication under this*

*section, section 169.129, an ordinance in conformity with either of them, or a statute or ordinance from another state in conformity with either of them is a prior conviction.*

The attorney in the jurisdiction in which the violation occurred who is responsible for prosecution of misdemeanor violations of this section shall also be responsible for prosecution of gross misdemeanor violations of this section.

Sec. 9. Minnesota Statutes 1982, section 169.121, subdivision 4, is amended to read:

Subd. 4. [PENALTIES.] A person convicted of violating this section shall have his driver's license or operating privileges revoked by the commissioner of public safety as follows:

(a) First offense: not less than 30 days;

(b) Second offense in less than five years: not less than 90 days and until the court has certified that treatment or rehabilitation has been successfully completed where prescribed in accordance with section 169.126;

(c) Third offense in less than five years: not less than one year, together with denial under section 171.04, clause (8), until rehabilitation is established in accordance with standards established by the commissioner;

(d) Fourth or subsequent offense on the record: not less than two years, together with denial under section 171.04, clause (8), until rehabilitation is established in accordance with standards established by the commissioner.

*If the person convicted of violating this section is under the age of 18 years, the commissioner of public safety shall revoke the offender's driver's license or operating privileges until the offender reaches the age of 18 years or for a period of six months or for the appropriate period of time under clauses (a) to (d) for the offense committed, whichever is the greatest period.*

*For purposes of this subdivision, a juvenile adjudication under this section, section 169.129, an ordinance in conformity with either of them, or a statute or ordinance from another state in conformity with either of them is an offense.*

Whenever department records show that the violation involved personal injury or death to any person, not less than 90 additional days shall be added to the base periods provided above.

Any person whose license has been revoked pursuant to section 169.123 as the result of the same incident is not subject to the mandatory revocation provisions of clause (a) or (b).

Sec. 10. Minnesota Statutes 1983 Supplement, section 169.123, subdivision 2, is amended to read:

Subd. 2. [IMPLIED CONSENT; CONDITIONS; ELECTION AS TO TYPE OF TEST.] (a) Any person who drives, operates, or is in physical control of a motor vehicle within this state consents, subject to the provisions of this section and section 169.121, to a chemical test of his blood, breath, or urine for the purpose of determining the presence of alcohol or a controlled substance. The test shall be administered at the direction of a peace officer.

The test may be required of a person when an officer has ~~reasonable~~ and probable ~~grounds~~ *cause* to believe the person was driving, operating, or in physical control of a motor vehicle in violation of section 169.121 and one of the following conditions exist: (1) the person has been lawfully placed under arrest for violation of section 169.121, or an ordinance in conformity with it; or (2) the person has been involved in a motor vehicle accident or collision resulting in property damage, personal injury, or death; or (3) the person has refused to take the screening test provided for by section 169.121, subdivision 6; or (4) the screening test was administered and recorded an alcohol concentration of 0.10 or more. ~~No action may be taken against the person for declining to take a direct blood test, if offered, unless an alternative test was offered.~~

(b) At the time a chemical test specimen is requested, the person shall be informed:

(1) *that Minnesota law requires the person to take a test to determine if the person is under the influence of alcohol or a controlled substance;*

(~~4~~) (2) *that if testing is refused, the person's right to drive will be revoked for a minimum period of six months one year or, if the person is under the age of 18 years, for a period of one year or until he or she reaches the age of 18 years, whichever is greater;*

(~~2~~) (3) *that if a test is taken and the results indicate that the person is under the influence of alcohol or a controlled substance, the person will be subject to criminal penalties and the person's right to drive may be revoked for a minimum period of 90 days or, if the person is under the age of 18 years, for a period of six months or until he or she reaches the age of 18 years, whichever is greater;*

(~~3~~) *that the person has a right to consult with an attorney but that this right is limited to the extent that it cannot unreasonably delay administration of the test or the person will be deemed to have refused the test; and*

(4) *that after submitting to testing, the person has the right to consult with an attorney and to have additional tests made by a person of his own choosing; and*

(5) *that if he refuses to take a test, the refusal will be offered into evidence against him at trial.*

(c) *The peace officer who requires a test pursuant to this subdivision may direct whether the test shall be of blood, breath, or urine. However, if the officer directs that the test shall be of a person's blood or urine, the person may choose whether the test shall be of his blood or urine.*

Sec. 11. Minnesota Statutes 1982, section 169.123, is amended by adding a subdivision to read:

*Subd. 2b. [CONSENT OF PERSON INCAPABLE OF REFUSAL NOT WITHDRAWN.] A person who is unconscious or who is otherwise in a condition rendering the person incapable of refusal is deemed not to have withdrawn the consent provided by subdivision 2 and the test may be given.*

Sec. 12. Minnesota Statutes 1982, section 169.123, subdivision 4, is amended to read:

Subd. 4. [~~REFUSAL, CONSENT TO PERMIT TEST; REVOCATION OF LICENSE.~~] If a person refuses to permit chemical testing, none shall be given; but the peace officer shall report the refusal to the commissioner of public safety and the authority having responsibility for prosecution of misdemeanor offenses for the jurisdiction in which the acts occurred. *A refusal to submit to an alcohol concentration test does not constitute a violation of section 609.50, unless the refusal was accompanied by force or violence or the threat of force or violence.* If a person submits to chemical testing and the test results indicate an alcohol concentration of 0.10 or more, the results of the test shall be reported to the commissioner of public safety and to the authority having responsibility for prosecution of misdemeanor offenses for the jurisdiction in which the acts occurred.

Upon certification by the peace officer that there existed ~~reasonable and probable grounds~~ *cause* to believe the person had been driving, operating, or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance and that the person refused to submit to chemical testing, the commissioner of public safety shall revoke the person's license or permit to drive, or his nonresident operating privilege, for a period of ~~six months~~ *one year. If the person refusing to submit to testing is under the age of 18 years, the commissioner shall revoke the person's license or permit to drive, or his or her nonresident operating privilege, for a period of one year or until the person reaches the age of 18 years, whichever is greater.* Upon certification by the peace officer that there existed ~~reasonable and probable grounds~~ *cause* to believe the person had been driving, operating or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance and that the person submitted to chemical testing and the test results indicate an alcohol concentration of 0.10 or more, the commissioner of public safety shall revoke the person's license or permit to drive, or his nonresident operating privilege, for a period of 90 days *or, if the person is under the age of 18 years, for a period of six months or until he or she reaches the age of 18 years, whichever is greater.*

If the person is a resident without a license or permit to operate a motor vehicle in this state, the commissioner of public safety shall deny to the person the issuance of a license or permit for the same period after the date of the alleged violation as provided herein for revocation, subject to review as hereinafter provided.

Sec. 13. Minnesota Statutes 1982, section 169.123, subdivision 5a, is amended to read:

Subd. 5a. [PEACE OFFICER AGENT FOR NOTICE OF REVOCATION.] On behalf of the commissioner of public safety a peace officer ~~of-fering~~ *requiring* a chemical test or directing the administration of a chemical test shall serve immediate notice of intention to revoke and of revocation on a person who refuses to permit chemical testing or on a person who submits to a chemical test the results of which indicate an alcohol concentration of 0.10 or more. The officer shall take the license or permit of the driver, if any, and issue a temporary license effective only for 7 days. The peace officer shall send the person's driver's license to the commissioner of public safety along with the certificate required by subdivision 4.

Sec. 14. Minnesota Statutes 1983 Supplement, section 169.123, subdivi-

sion 6, is amended to read:

Subd. 6. [HEARING.] A hearing under this section shall be before a municipal or county judge, in any county in the judicial district where the alleged offense occurred. The hearing shall be to the court and may be conducted at the same time and in the same manner as hearings upon pre-trial motions in the criminal prosecution under section 169.121, if any. The hearing shall be recorded. The commissioner of public safety shall appear and be represented by the attorney general or through the prosecuting authority for the jurisdiction involved.

The hearing shall be held at the earliest practicable date, and in any event no later than 60 days following the filing of the petition for review. The judicial district administrator shall establish procedures to ensure efficient compliance with the provisions of this subdivision. To accomplish this, the administrator may, whenever possible, consolidate and transfer review hearings among the county courts within the judicial district.

The scope of the hearing shall be limited to the issues of:

(1) whether the peace officer had ~~reasonable and probable grounds~~ *cause* to believe the person was driving, operating, or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance, and whether the person was lawfully placed under arrest for violation of section 169.121, or the person was involved in a motor vehicle accident or collision resulting in property damage, personal injury or death, or the person refused to take a screening test provided for by section 169.121, subdivision 6, or the screening test was administered and recorded an alcohol concentration of 0.10 or more; and

(2) whether at the time of the request for the test the peace officer informed the person of his rights and the consequences of taking or refusing the test as required by subdivision 2; and

(3) either (a) whether the person refused to permit the test, or (b) whether a test was taken and the test results indicated an alcohol concentration of 0.10 or more at the time of testing, and whether the testing method used was valid and reliable, and whether the test results were accurately evaluated.

It shall be an affirmative defense for the petitioner to prove that, at the time of the refusal, his refusal to permit the test was based upon reasonable grounds.

Certified or otherwise authenticated copies of laboratory or medical personnel reports, records, documents, licenses and certificates shall be admissible as substantive evidence.

The court shall order either that the revocation be rescinded or sustained and forward the order to the commissioner of public safety. The court shall file its order within 14 days following the hearing. If the revocation is sustained, the court shall also forward the person's driver's license or permit to the commissioner of public safety for his further action if the license or permit is not already in the commissioner's possession.

Sec. 15. Minnesota Statutes 1982, section 169.13, subdivision 3, is amended to read:

Subd. 3. [APPLICATION.] The provisions of this section apply, but are

not limited in application, to any person who drives any vehicle in the manner prohibited by this section:

(1) upon the ice of any lake, stream, or river, including but not limited to the ice of any boundary water; or

(2) in a parking lot ordinarily used by or available to the public though not as a matter of right, and a driveway connecting such a parking lot with a street or highway.

Sec. 16. Minnesota Statutes 1982, section 171.16, subdivision 5, is amended to read:

Subd. 5. [JUVENILE COURT.] When any judge of a juvenile court, or any of its duly authorized agents, shall determine formally or informally that any person under the age of 18 years has violated any of the provisions of any law of this state, or ordinances of political subdivisions thereof, regulating the operation of motor vehicles on streets and highways, except parking violations, *and except traffic offenses involving a violation of section 169.121*, such judge, or duly authorized agent, shall immediately report such determination to the department and may recommend the suspension of the driver's license of such person, and the commissioner is hereby authorized to suspend such license, without a hearing.

Sec. 17. Minnesota Statutes 1982, section 171.24, is amended to read:

171.24 [~~VIOLATIONS; MISDEMEANORS; EXCEPTIONS; DRIVING AFTER REVOCATION, SUSPENSION, OR CANCELLATION.~~]

Any person whose driver's license or driving privilege has been cancelled, suspended, or revoked *and who has been given notice of, or reasonably should know of the revocation, suspension, or cancellation, and who disobeys such order by operating anywhere in this state any motor vehicle, the operation of which requires a driver's license, upon the highways in this state* while such license or privilege is ~~cancelled~~ cancelled, suspended, or revoked is guilty of a misdemeanor.

~~It is a misdemeanor for any person to willfully violate any of the provisions of this chapter unless such violation is by any law declared to be a felony or a gross misdemeanor.~~

*Notice of revocation, suspension, or cancellation is sufficient if personally served, or if mailed by first class mail to the person's last known address or to the address listed on the person's driver's license. Notice is also sufficient if the person was informed that revocation, suspension, or cancellation would be imposed upon a condition occurring or failing to occur, and where the condition has in fact occurred or failed to occur. It is not a defense that a person failed to file a change of address with the post office, or failed to notify the department of public safety of a change of name or address as required under section 171.11.*

Sec. 18. [171.241] [VIOLATIONS; MISDEMEANORS.]

*It is a misdemeanor for any person to willfully violate any of the provisions of this chapter unless the violation is declared by any law to be a felony or gross misdemeanor, or the violation is declared by a section of this chapter to be a misdemeanor.*

Sec. 19. Minnesota Statutes 1982, section 171.30, subdivision 1, is amended to read:

Subdivision 1. [ISSUANCE.] In any case where a person's license has been suspended under section 171.18 or revoked under sections 169.121, 169.123, or 171.17, ~~if the driver's livelihood or attendance at a chemical dependency treatment or counseling program depends upon the use of his driver's license,~~ the commissioner may at his own discretion issue a limited license to the driver *under the following conditions:*

*(1) if the driver's livelihood or attendance at a chemical dependency treatment or counseling program depends upon the use of the driver's license; or*

*(2) if attendance at a post-secondary institution of education by an enrolled student of that institution depends upon the use of the driver's license.*

The commissioner in issuing a limited license may impose such conditions and limitations as in his judgment are necessary to the interests of the public safety and welfare including re-examination as to the driver's qualifications. The license may be limited to the operation of particular vehicles, to particular classes and times of operation and to particular conditions of traffic. *The commissioner may require that an applicant for a limited license affirmatively demonstrate that use of public transportation or carpooling as an alternative to a limited license would be a significant hardship.*

The limited license issued by the commissioner shall clearly indicate the limitations imposed and the driver operating under the limited license shall have the license in his possession at all times when operating as a driver.

In determining whether to issue a limited license, the commissioner shall consider the number and the seriousness of prior convictions and the entire driving record of the driver and shall consider the number of miles driven by the driver annually.

Sec. 20. Minnesota Statutes 1982, section 260.195, subdivision 3, is amended to read:

Subd. 3. [DISPOSITIONS.] If the juvenile court finds that a child is a juvenile alcohol or controlled substance offender, the court may require the child to:

- (a) Pay a fine of up to \$100;
- (b) Participate in a community service project;
- (c) Participate in a drug awareness program; or

(d) Order the child to undergo a chemical dependency evaluation and if warranted by this evaluation, order participation by the child in an inpatient or outpatient chemical dependency treatment program; or

(e) Perform any other activities or participate in any other treatment programs deemed appropriate by the court.

*In all cases where the juvenile court finds that a child has purchased or attempted to purchase an alcoholic beverage in violation of section 340.731, if the child has a driver's license or permit to drive, and if the child used a driver's license or permit to purchase or attempt to purchase the alcoholic beverage, the court shall forward its finding in the case and the child's*



*driver's license or permit to the commissioner of public safety. Upon receipt, the commissioner shall revoke the child's license or permit for a period of 30 days.*

None of the dispositional alternatives described in ~~this subdivision~~ *clauses (a) to (e)* shall be imposed by the court in a manner which would cause an undue hardship upon the child.

Sec. 21. Minnesota Statutes 1982, section 340.035, is amended to read:

340.035 [PERSONS UNDER 19 YEARS; PENALTY.]

Subdivision 1. It is unlawful for any:

(1) Licensee or his employee to permit any person under the age of 19 years to consume non-intoxicating malt liquor on the licensed premises ~~except as provided in paragraph (5);~~

(2) Person other than the parent or legal guardian to procure non-intoxicating malt liquor for any person under the age of 19 years;

(3) Person to induce a person under the age of 19 years to purchase or procure non-intoxicating malt liquor;

(4) ~~Person under the age of 19 years to misrepresent his age for the purpose of obtaining non-intoxicating malt liquor;~~

(5) ~~Person under the age of 19 years to consume any non-intoxicating malt liquor unless in the company of his parent or guardian;~~

(6) ~~Person under the age of 19 years to possess any non-intoxicating malt liquor, with intent to consume it at a place other than the household of his parent or guardian.~~

Subd. 2. A person violating any provision of this section is guilty of a misdemeanor.

Sec. 22. Minnesota Statutes 1982, section 340.731, is amended to read:

340.731 [PERSONS UNDER 19 YEARS, FORBIDDEN ACTS OR STATEMENTS.]

It shall be unlawful for (1) a person under the age of 19 years to enter any premises licensed for the retail sale of alcoholic beverages or any municipal liquor store for the purpose of purchasing, or having served or delivered to him or her, any alcoholic beverage containing more than one-half of one percent of alcohol by volume; or

(2) a person under the age of 19 years to ~~consume any intoxicating liquor or~~ to purchase, attempt to purchase or have another purchase for him or her any intoxicating liquor *or non-intoxicating malt liquor*; or

(3) any person to misrepresent or misstate his or her age, or the age of any other person for the purpose of inducing any licensee or any employee of any licensee, or any employee of any municipal liquor store, to sell, serve or deliver any alcoholic beverage to a person under the age of 19 years; or

(4) a person under the age of 19 years to have in his *or her* possession any intoxicating liquor *or non-intoxicating malt liquor*, with intent to consume same at a place other than the household of his *or her* parent or guardian.

Possession of such intoxicating liquor or non-intoxicating malt liquor at a place other than the household of his or her parent or guardian shall be prima facie evidence of intent to consume the same at a place other than the household of his or her parent or guardian; or

(5) a person under the age of 19 years to consume any intoxicating liquor or non-intoxicating malt liquor unless in the household of his or her parent or guardian and with the consent of his or her parent or guardian.

Sec. 23. Minnesota Statutes 1982, section 340.732, is amended to read:

340.732 [VIOLATIONS, PENALTIES.]

Any person who ~~shall violate~~ violates any provision of section 340.731 ~~shall be deemed is~~ guilty of a misdemeanor and ~~upon conviction thereof shall be punished accordingly.~~

*In addition, any person under the age of 19 years who is convicted of purchasing or attempting to purchase an alcoholic beverage in violation of section 340.731 shall have his or her driver's license or permit to drive revoked by the commissioner of public safety for a period of 30 days if the person used a driver's license or permit to purchase or attempt to purchase the alcoholic beverage.*

Sec. 24. Minnesota Statutes 1983 Supplement, section 609.21, subdivision 1, is amended to read:

Subdivision 1. [RESULTING IN DEATH.] ~~Whoever, as a result of operating a vehicle as defined in section 169.01, subdivision 2, or an aircraft or watercraft, in a grossly negligent manner, or in a negligent manner while under the influence of alcohol or a controlled substance as defined in section 169.121, subdivision 1, causes the death of a human being not constituting murder or manslaughter is guilty of criminal vehicular operation resulting in death and may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both. Whoever causes the death of a human being not constituting murder or manslaughter as a result of operating a vehicle as defined in section 169.01, subdivision 2, or an aircraft or watercraft,~~

(1) in a grossly negligent manner;

(2) in a negligent manner while under the influence of alcohol, a controlled substance, or any combination of those elements; or

(3) in a negligent manner while having an alcohol concentration of 0.10 or more,

*is guilty of criminal vehicular operation resulting in death and may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both.*

Sec. 25. Minnesota Statutes 1983 Supplement, section 609.21, subdivision 2, is amended to read:

Subd. 2. [RESULTING IN INJURY.] ~~Whoever, as a result of operating a vehicle defined in section 169.01, subdivision 2, or an aircraft or watercraft, in a grossly negligent manner, or in a negligent manner while under the influence of alcohol or a controlled substance as defined in section 169.121, subdivision~~

~~4, causes great bodily harm to another, as defined in section 609.02, subdivision 8; not constituting attempted murder or assault is guilty of criminal vehicular operation resulting in injury and may be sentenced to imprisonment for not more than three years or the payment of a fine of not more than \$3,000 or both. Whoever causes great bodily harm to another, as defined in section 609.02, subdivision 8, not constituting attempted murder or assault as a result of operating a vehicle defined in section 169.01, subdivision 2, or an aircraft or watercraft,~~

*(1) in a grossly negligent manner;*

*(2) in a negligent manner while under the influence of alcohol, a controlled substance, or any combination of those elements; or*

*(3) in a negligent manner while having an alcohol concentration of 0.10 or more,*

*is guilty of criminal vehicular operation resulting in injury and may be sentenced to imprisonment for not more than three years or the payment of a fine of not more than \$3,000, or both.*

Sec. 26. [REPEALER.]

*Minnesota Statutes 1982, section 169.123, subdivision 9, is repealed.*

Sec. 27. [EFFECTIVE DATE.]

*Sections 1 to 26 are effective August 31, 1984 and apply to offenses committed on or after that date."*

Delete the title and insert:

"A bill for an act relating to crimes; prohibiting the operation of a motor vehicle by a person having an alcohol concentration of 0.10 or more; providing for mandatory testing of a driver suspected of driving under the influence of alcohol; providing for revocation of driver's license for one year upon refusal to submit to a test for alcohol; clarifying certain penalties; providing increased license revocation penalties for minors committing alcohol related traffic offenses or for persons under 19 attempting to purchase alcoholic beverages; providing for enhanced penalties for adults convicted of driving under the influence of alcohol if there are prior similar juvenile adjudications; providing that prohibitions against careless and reckless driving apply in certain parking lots and driveways; clarifying provisions of the hit and run law; providing for issuance of limited licenses; amending Minnesota Statutes 1982, sections 169.09, subdivision 4; 169.121, subdivision 4; 169.123, subdivision 4, 5a, and by adding a subdivision; 169.13, subdivision 3; 171.16, subdivision 5; 171.24; 171.30, subdivision 1; 260.195, subdivision 3; 340.035; 340.731; 340.732; Minnesota Statutes 1983 Supplement, sections 169.09, subdivisions 1, 14, and 15; 169.121, subdivisions 1, 1a, 2, and 3; 169.123, subdivisions 2 and 6; 609.21, subdivisions 1 and 2; repealing Minnesota Statutes 1982, section 169.123, subdivision 9; proposing new law coded in Minnesota Statutes, chapter 171."

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Lawrence J. Pogemiller, Allan H. Spear, Jim Ramstad, Clarence M. Purfeerst, Michael O. Freeman

House Conferees: (Signed) Kathleen Vellenga, Robert E. Vanasek,

Randolph W. Staten, Bert J. McKasy, David T. Bishop

Mr. Pogemiller moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1336 be now adopted, and that the bill be repassed as amended by the Conference Committee.

Mr. Sieloff moved that the recommendations and Conference Committee Report on S.F. No. 1336 be rejected, and that the bill be re-referred to the Conference Committee as formerly constituted for further consideration.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 31 and nays 32, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knutson	Olson	Stumpf
Anderson	Diessner	Kronebusch	Peterson, D.L.	Taylor
Belanger	Frank	Laidig	Peterson, R.W.	Ulland
Berg	Frederick	Lessard	Petty	
Bertram	Frederickson	Mehrkens	Renneke	
Brataas	Isackson	Merriam	Schmitz	
Chmielewski	Jude	Moe, D. M.	Sieloff	

Those who voted in the negative were:

Berglin	Hughes	Luther	Peterson, D.C.	Vega
Bernhagen	Johnson, D.E.	McQuaid	Pogemiller	Waldorf
Dahl	Johnson, D.J.	Moe, R. D.	Purfeerst	Wegscheid
DeCramer	Kamrath	Nelson	Ramstad	Willet
Dicklich	Knaak	Novak	Reichgott	
Dieterich	Kroening	Pehler	Solon	
Freeman	Lantry	Peterson, C.C.	Spear	

The motion did not prevail.

Mr. Sieloff moved that the recommendations and Conference Committee Report on S.F. No. 1336 be rejected, the Conference Committee discharged, and that a new Conference Committee be appointed by the Subcommittee on Committees to act with a like Conference Committee appointed on the part of the House.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 23 and nays 40, as follows:

Those who voted in the affirmative were:

Berg	Frank	Knutson	Moe, D. M.	Schmitz
Bertram	Frederick	Kronebusch	Olson	Sieloff
Brataas	Frederickson	Laidig	Peterson, R.W.	Stumpf
Chmielewski	Isackson	Lessard	Petty	
Dieterich	Jude	Merriam	Renneke	

Those who voted in the negative were:

Adkins	Dicklich	Kroening	Novak	Reichgott
Anderson	Diessner	Langseth	Pehler	Spear
Belanger	Freeman	Lantry	Peterson, C.C.	Taylor
Berglin	Hughes	Luther	Peterson, D.C.	Ulland
Bernhagen	Johnson, D.E.	McQuaid	Peterson, D.L.	Vega
Dahl	Johnson, D.J.	Mehrkens	Pogemiller	Waldorf
Davis	Kamrath	Moe, R. D.	Purfeerst	Wegscheid
DeCramer	Knaak	Nelson	Ramstad	Willet

The motion did not prevail.

The question recurred on the motion of Mr. Pogemiller. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 1336 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 56 and nays 7, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Olson	Spear
Anderson	Dieterich	Laidig	Pehler	Stumpf
Belanger	Frank	Langseth	Peterson, C.C.	Taylor
Benson	Frederickson	Lantry	Peterson, D.C.	Ulland
Berg	Freeman	Lessard	Peterson, D.L.	Vega
Berglin	Hughes	Luther	Petty	Waldorf
Bernhagen	Isackson	McQuaid	Pogemiller	Wegscheid
Brataas	Johnson, D.E.	Mehrkens	Purfeerst	Willet
Dahl	Johnson, D.J.	Moe, D. M.	Ramstad	
Davis	Jude	Moe, R. D.	Reichgott	
DeCramer	Kamrath	Nelson	Renneke	
Dicklich	Knaak	Novak	Schmitz	

Those who voted in the negative were:

Bertram	Frederick	Kronebusch	Merriam	Sieloff
Chmielewski	Knutson			

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Messages From the House.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a new Conference Committee on House File No. 1743.

H.F. No. 1743: A bill for an act relating to occupations and professions; removing an auctioneer's exemption from real estate brokers and salespersons licensing; amending Minnesota Statutes 1983 Supplement, section 82.18.

The members of the Conference Committee on the part of the House are:

Sparby, Heinitz and Metzen.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 20, 1984

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1762, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 1762: A bill for an act relating to the human rights department; prohibiting waiver of legal rights; changing the statute of limitations; providing sanctions for intentional delays; permitting award of attorney fees in administrative hearings; changing damage awards; amending Minnesota Statutes 1982, sections 363.06, subdivision 3; 363.071, by adding a subdivision; 363.116; 363.14, subdivisions 1 and 2; Minnesota Statutes 1983 Supplement, sections 363.06, subdivision 4; 363.071, subdivision 2; and 363.072, subdivision 1; proposing new law coded in chapter 363.

Senate File No. 1762 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 20, 1984

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. 1386, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1386 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 20, 1984

#### CONFERENCE COMMITTEE REPORT ON H.F. NO. 1386

A bill for an act relating to children; authorizing intervention by the juvenile court to protect children from abuse committed by family or household members; prohibiting public inspection of certain court records relating to the identity of criminal sexual conduct victims; clarifying a term in the child abuse reporting law; amending Minnesota Statutes 1982, sections 260.015, by adding subdivisions; 260.111, by adding a subdivision; and 260.191, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 626.556, subdivision 2; proposing new law coded in Minnesota Statutes, chapters 260 and 609.

April 19, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 1386, report that we have

agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 1386 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 260.015, is amended by adding a subdivision to read:

*Subd. 24. [DOMESTIC CHILD ABUSE.] “Domestic child abuse” means:*

*(1) any physical injury to a minor family or household member inflicted by an adult family or household member other than by accidental means; or*

*(2) subjection of a minor family or household member by an adult family or household member to any act which constitutes a violation of sections 609.321 to 609.324, 609.342, 609.343, 609.344, 609.345, 609.364 to 609.3644, or 617.246.*

Sec. 2. Minnesota Statutes 1982, section 260.015, is amended by adding a subdivision to read:

*Subd. 25. [FAMILY OR HOUSEHOLD MEMBERS.] “Family or household members” means spouses, former spouses, parents and children, persons related by blood, and persons who are presently residing together or who have resided together in the past, and persons who have a child in common regardless of whether they have been married or have lived together at any time.*

Sec. 3. Minnesota Statutes 1982, section 260.111, is amended by adding a subdivision to read:

*Subd. 2a. [JURISDICTION OVER MATTERS RELATING TO DOMESTIC CHILD ABUSE.] The juvenile court has jurisdiction in proceedings concerning any alleged acts of domestic child abuse. In a jurisdiction which utilizes referees in dependency and neglect actions, the court or judge may refer actions under this subdivision to a referee to take and report the evidence in the action. If the respondent does not appear after service is duly made and proved, the court may hear and determine the proceeding as a default matter. Proceedings under this subdivision shall be given docket priority by the court.*

Sec. 4. [260.133] [PROCEDURE; DOMESTIC CHILD ABUSE.]

*Subdivision 1. [PETITION.] The local welfare agency may bring an emergency petition on behalf of minor family or household members seeking relief from acts of domestic child abuse. The petition shall allege the existence of or immediate and present danger of domestic child abuse, and shall be accompanied by an affidavit made under oath stating the specific facts and circumstances from which relief is sought.*

*Subd. 2. [TEMPORARY ORDER.] If it appears from the notarized petition or by sworn affidavit that there are reasonable grounds to believe the child is in immediate and present danger of domestic child abuse, the court may grant an ex parte temporary order for protection, pending a full hearing. The court may grant relief as it deems proper, including an order:*

- (1) *restraining any party from committing acts of domestic child abuse; or*
- (2) *excluding the alleged abusing party from the dwelling which the family or household members share or from the residence of the child.*

*However, no order excluding the alleged abusing party from the dwelling may be issued unless the court finds that:*

- (1) *the order is in the best interests of the child or children remaining in the dwelling;*
- (2) *a remaining adult family or household member is able to care adequately for the child or children in the absence of the excluded party; and*
- (3) *the local welfare agency has developed a plan to provide appropriate social services to the remaining family or household members.*

*An ex parte temporary order for protection shall be effective for a fixed period not to exceed 14 days. Within five days of the issuance of the temporary order, the petitioner shall file a dependency and neglect petition with the court pursuant to section 260.131, and the court shall give docket priority to the petition.*

*The court may renew the temporary order for protection one time for a fixed period not to exceed 14 days if a dependency and neglect petition has been filed with the court and if the court determines, upon informal review of the case file, that the renewal is appropriate.*

**Subd. 3. [SERVICE AND EXECUTION OF ORDER.]** *Any order issued under this section or section 5 shall be served personally upon the respondent. Where necessary, the court shall order the sheriff or constable to assist in service or execution of the order.*

**Subd. 4. [MODIFICATION OF ORDER.]** *Upon application, notice to all parties, and hearing, the court may modify the terms of an existing order for protection issued under this section or section 5.*

**Subd. 5. [RIGHT TO APPLY FOR RELIEF.]** *The local welfare agency's right to apply for relief on behalf of a child shall not be affected by the child's leaving the dwelling or household to avoid abuse.*

**Subd. 6. [REAL ESTATE.]** *Nothing in this section or section 5 shall affect the title to real estate.*

**Subd. 7. [OTHER REMEDIES AVAILABLE.]** *Any relief ordered under this section or section 5 shall be in addition to other available civil or criminal remedies.*

**Subd. 8. [COPY TO LAW ENFORCEMENT AGENCY.]** *An order for protection granted pursuant to this section or section 5 shall be forwarded by the clerk of court within 24 hours to the local law enforcement agency with jurisdiction over the residence of the child.*

*Each appropriate law enforcement agency shall make available to other law enforcement officers through a system of verification, information as to the existence and status of any order for protection issued pursuant to this section or section 5.*

Sec. 5. Minnesota Statutes 1982, section 260.191, is amended by adding a



subdivision to read:

*Subd. 1a. [DOMESTIC CHILD ABUSE.] If the court finds that the child is a victim of domestic child abuse, as defined in section 1, it may order any of the following dispositions of the case in addition to or as alternatives to the dispositions authorized under subdivision 1:*

- (1) restrain any party from committing acts of domestic child abuse;*
- (2) exclude the abusing party from the dwelling which the family or household members share or from the residence of the child;*
- (3) on the same basis as is provided in chapter 518, establish temporary visitation with regard to minor children of the adult family or household members;*
- (4) on the same basis as is provided in chapter 518, establish temporary support or maintenance for a period of 30 days for minor children or a spouse;*
- (5) provide counseling or other social services for the family or household members; or*
- (6) order the abusing party to participate in treatment or counseling services.*

*Any relief granted by the order for protection shall be for a fixed period not to exceed one year.*

*However, no order excluding the abusing party from the dwelling may be issued unless the court finds that:*

- (1) the order is in the best interests of the child or children remaining in the dwelling;*
- (2) a remaining adult family or household member is able to care adequately for the child or children in the absence of the excluded party; and*
- (3) the local welfare agency has developed a plan to provide appropriate social services to the remaining family or household members.*

Sec. 6. Minnesota Statutes 1982, section 260.191, is amended by adding a subdivision to read:

*Subd. 1b. [SUPPORT ORDERS.] If the court issues an order for protection pursuant to section 5 excluding an abusing party from the dwelling who is the parent of a minor family or household member, it shall transfer the case file to the court which has jurisdiction over proceedings under chapter 518 for the purpose of establishing support or maintenance for minor children or a spouse, as provided in chapter 518, during the effective period of the order for protection. The court to which the case file is transferred shall schedule and hold a hearing on the establishment of support or maintenance within 30 days of the issuance of the order for protection. After an order for support or maintenance has been granted or denied, the case file shall be returned to the juvenile court, and the order for support or maintenance, if any, shall be incorporated into the order for protection.*

Sec. 7. [260.271] [VIOLATION OF AN ORDER FOR PROTECTION.]

*Subdivision 1. [VIOLATION; PENALTY.] Whenever an order for protection is granted pursuant to section 4 or 5 restraining the person or exclud-*

ing the person from the residence, and the respondent or person to be restrained knows of the order, violation of the order for protection is a misdemeanor.

*Subd. 2. [ARREST.] A peace officer shall arrest without a warrant and take into custody a person whom the peace officer has probable cause to believe has violated an order granted pursuant to section 4 or 5 restraining the person or excluding the person from the residence, if the existence of the order can be verified by the officer.*

*Subd. 3. [CONTEMPT.] A violation of an order for protection shall also constitute contempt of court and the person violating the order shall be subject to the penalties for contempt.*

*Subd. 4. [ORDER TO SHOW CAUSE.] Upon the filing of an affidavit by the agency or any peace officer, alleging that the respondent has violated an order for protection granted pursuant to section 4 or 5, the court may issue an order to the respondent, requiring the respondent to appear and show cause within 14 days why he should not be found in contempt of court. The hearing may be held by the court in any county in which the child or respondent temporarily or permanently resides at the time of the alleged violation.*

*A peace officer is not liable under section 609.43, clause (1), for failure to perform a duty required by subdivision 2 of this section.*

Sec. 8. Minnesota Statutes 1983 Supplement, section 388.051, subdivision 2, is amended to read:

*Subd. 2. [SPECIAL PROVISION; GROSS MISDEMEANORS.] In Anoka, Carver, Dakota, Hennepin, Scott, and Washington counties, only the county attorney shall ~~only~~ prosecute gross misdemeanor violations of sections 290.53, subdivisions 4 and 8; 290.92, subdivision 15; 290A.11, subdivision 2; 297A.08; 297A.39, subdivisions 4 and 8; 297B.10; 609.255, subdivision 3; 609.377; 609.378; ~~and~~ 609.41; and 617.247.*

Sec. 9. [609.3471] [RECORDS PERTAINING TO VICTIM IDENTITY CONFIDENTIAL.]

*Notwithstanding any provision of law to the contrary, none of the records or reports relating to complaints or indictments issued pursuant to sections 609.342, clauses (a) or (b); 609.343, clauses (a) or (b); 609.344, clauses (a) or (b); 609.345, clauses (a) or (b); or 609.3641 to 609.3644, pertaining to the identity of the victim shall be open to public inspection, except by order of the court.*

Sec. 10. Minnesota Statutes 1983 Supplement, section 626.556, subdivision 2, is amended to read:

*Subd. 2. [DEFINITIONS.] As used in this section, the following terms have the meanings given them unless the specific content indicates otherwise:*

(a) "Sexual abuse" means the subjection by a person responsible for the child's care, or by a person in a position of authority, as defined in section 609.341, subdivision 10, to any act which constitutes a violation of sections 609.342, 609.343, 609.344, or 609.345, or sections 609.364 to 609.3644. Sexual abuse also includes any act which involves a minor which constitutes

a violation of sections 609.321 to 609.324 or 617.246.

(b) "Person responsible for the child's care" means a parent, guardian, teacher, school administrator, or other lawful custodian of a child having either full-time or short-term care responsibilities including, but not limited to, day care, baby sitting *whether paid or unpaid*, counseling, teaching, and coaching.

(c) "Neglect" means failure by a person responsible for a child's care to supply a child with necessary food, clothing, shelter or medical care when reasonably able to do so or failure to protect a child from conditions or actions which imminently and seriously endanger the child's physical or mental health when reasonably able to do so. Nothing in this section shall be construed to (i) mean that a child is neglected solely because the child's parent, guardian or other person responsible for his care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child, or (ii) impose upon persons, not otherwise legally responsible for providing a child with necessary food, clothing, shelter or medical care, a duty to provide that care.

(d) "Physical abuse" means:

(i) Any physical injury inflicted by a person responsible for the child's care on a child other than by accidental means; or

(ii) Any physical injury that cannot reasonably be explained by the child's history of injuries.

(e) "Report" means any report received by the local welfare agency, police department or county sheriff pursuant to this section.

(f) "Facility" means a day care facility, residential facility, agency, hospital, sanitorium, or other facility or institution required to be licensed pursuant to sections 144.50 to 144.58, 241.021, or 245.781 to 245.812.

(g) "Operator" means an operator or agency as defined in section 245.782.

(h) "Commissioner" means the commissioner of public welfare.

Sec. 11. [EFFECTIVE DATE.]

*Sections 1 to 7 apply to acts of domestic child abuse committed on or after August 1, 1984. Sections 8 to 10 are effective August 1, 1984."*

Delete the title in its entirety and insert:

"A bill for an act relating to children; authorizing intervention by the juvenile court to protect children from abuse committed by family or household members; providing for prosecution by the county attorney of certain gross misdemeanors; prohibiting public inspection of certain court records relating to the identity of criminal sexual conduct victims; clarifying a term in the child abuse reporting law; amending Minnesota Statutes 1982, sections 260.015, by adding subdivisions; 260.111, by adding a subdivision; 260.191, by adding subdivisions; and Minnesota Statutes 1983 Supplement, sections 388.051, subdivision 2; and 626.556, subdivision 2; proposing new law coded in Minnesota Statutes, chapters 260 and 609."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Janet Clark, Lee Greenfield, Connie Levi

Senate Conferees: (Signed) Eric D. Petty, Ember D. Reichgott, Jim Ramstad

Mr. Petty moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1386 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. 1386 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Langseth	Peterson, C.C.	Spear
Belanger	Hughes	Lantry	Peterson, D.C.	Stumpf
Benson	Isackson	Lessard	Peterson, D.L.	Taylor
Berglin	Johnson, D.E.	Luther	Petty	Ulland
Bernhagen	Johnson, D.J.	McQuaid	Pogemiller	Vega
Brataas	Jude	Merriam	Purfeerst	Waldorf
Chmielewski	Kamrath	Moe, D. M.	Ramstad	Wegscheid
Dahl	Knaak	Moe, R. D.	Reichgott	Willet
Dicklich	Knutson	Nelson	Renneke	
Diessner	Kroening	Novak	Schmitz	
Dieterich	Kronebusch	Olson	Sieloff	
Frank	Laidig	Pehler	Solon	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1425, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1425 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 20, 1984

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 1425

A bill for an act relating to agriculture; providing for alternative methods for establishing the value of milk purchased from producers; amending Minnesota Statutes 1982, section 32.25, subdivision 1.

April 19, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 1425, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 1425 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 32.25, subdivision 1, is amended to read:

Subdivision 1. [MILK FAT, AND NONFAT PROTEIN, AND SOLIDS NOT FAT BASES OF PAYMENT; TESTS.] All milk and cream purchased from producers, and all milk, cream, skim milk, and buttermilk purchased by one dairy plant from another dairy plant for the purpose of resale as such, or for manufacture into dairy products, shall be purchased by weight and payment shall be made therefor upon the basis of milk fat therein contained in the case of milk and cream, and on the basis of nonfat milk solids contained therein in the case of skim milk and buttermilk; provided, that in purchasing whole milk the purchase price of such milk shall be based upon the declared purchase price of 100 pounds of whole milk (1) calculated at three and one-half pounds of milk fat per hundredweight, or (2) calculated at three and one-half pounds of milk fat per hundredweight and the nonfat solids contained therein. The latter basis shall be used only after the commissioner has promulgated, as provided in this subdivision, rules and regulations for the testing of nonfat solids. When the milk fat test of such whole milk varies from 3.5 percent, a uniform adjustment in the declared purchase price shall be made for each one-tenth of one percent of milk fat above or below 3.5 percent.

The percentage of milk fat in such milk and cream shall be determined as follows: (1) By the Babcock test and by employing a standard official method for operating this test, which method shall be that adopted, prescribed, and set forth, with specifications in detail, in the rules and regulations from time to time made and published by the commissioner in the manner provided by law; or (2) by alternative tests which not only determine the percentage of milk fat but also determine the amount of nonfat solids, when the commissioner is satisfied that these alternative tests are consistently as accurate as the Babcock test in determining the percentage of milk fat. The amount of nonfat milk solids in skim milk and buttermilk shall be determined by methods provided for herein. The tests shall be performed in the manner and with equipment prescribed by rules and regulations promulgated by the commissioner in the manner provided by law.

*All milk and cream purchased from producers shall be purchased by weight and one or more of the following methods:*

*(1) payment of a standard rate with uniform differentials for milk testing above or below 3.5 percent milk fat;*

*(2) payment of a standard rate with uniform differentials for milk testing above or below 3.5 percent milk fat and above or below a base percent protein;*

*(3) payment of a standard rate with uniform differentials for milk testing*

above or below 3.5 percent milk fat and above or below a base percent solids not fat.

*In addition, an adjustment to the milk price may be made on the basis of milk quality, and the component price payment may be subject to the milk quality.*

*Testing procedures for determining the percentages of milk fat, protein, and milk solids not fat shall be adopted by rule.*

Sec. 2. [EFFECTIVE DATE.]

*Clauses (2) and (3) of Minnesota Statutes, section 32.25, subdivision 1, as amended by section 1, are effective upon adoption of the Upper Midwest (68), Eastern South Dakota (76), Chicago Area (30), and Iowa (79) Federal Milk Orders which would permit pricing by all purchasers from producers on a basis other than weight and milk fat content."*

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Rick Krueger, Stephen G. Wenzel, Jerry Graba

Senate Conferees: (Signed) Darril Wegscheid, John Bernhagen, LeRoy A. Stumpf

Mr. Wegscheid moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1425 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. 1425 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:

Anderson	Frederick	Lantry	Peterson, C.C.	Solon
Belanger	Freeman	Lessard	Peterson, D.C.	Spear
Benson	Hughes	Luther	Peterson, D.L.	Stumpf
Berglin	Isackson	McQuaid	Petty	Taylor
Bernhagen	Johnson, D.E.	Mehrrens	Pogemiller	Ulland
Brataas	Jude	Merriam	Purfeerst	Vega
Chmielewski	Kamrath	Moe, D. M.	Ramstad	Waldorf
Dahl	Knaak	Moe, R. D.	Reichgott	Wegscheid
Dicklich	Knutson	Nelson	Renneke	Willet
Diessner	Kronebusch	Novak	Samuelson	
Dieterich	Laidig	Olson	Schmitz	
Frank	Langseth	Pehler	Sieloff	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

## MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1257, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1257 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 20, 1984

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 1257

A bill for an act relating to occupations and professions; regulating entertainment agencies; providing penalties; proposing new law coded as Minnesota Statutes, chapter 184A.

April 19, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 1257, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 1257 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [184A.01] [DEFINITIONS.]

*Subdivision 1. [TERMS DEFINED.] For the purposes of sections 2 to 20 and unless the language or context clearly indicates that a different meaning is intended, the following words, terms, and phrases have the meanings given them in this section.*

*Subd. 2. [ARTIST.] “Artist” refers to musical artists, musical organizations, musical directors, composers, lyricists, and arrangers.*

*Subd. 3. [DEPARTMENT.] “Department” means the department of labor and industry.*

*Subd. 4. [ENGAGEMENT.] “Engagement” means an engagement or employment of a person as a musician or musical artist.*

*Subd. 5. [ENTERTAINMENT AGENCY.] “Entertainment agency” means a person or persons who engage in the occupation of procuring, offering, promising, or attempting to procure employment or engagements under written contract for three or more artists or groups of artists at any one time, or who have a written contract or continuing verbal agreement with an establishment or an individual to provide artists or groups of artists for one or more engagements. Entertainment agencies may, in addition, counsel or direct artists in the development of their professional careers.*

*Subd. 6. [FEE.] “Fee” means money or other valuable consideration paid or promised to be paid for services rendered or to be rendered by a person*

*conducting the business of an entertainment agency under this act.*

*Subd. 7. [LICENSE.] "License" means a license issued by the department of labor and industry to carry on the business of an entertainment agency under this act.*

*Subd. 8. [LICENSEE.] "Licensee" means an entertainment agency which holds a valid, unrevoked, and unforfeited license under this act.*

*Subd. 9. [PERSON.] "Person" includes an individual, firm, corporation, partnership, or association.*

**Sec. 2. [184A.02] [LICENSE REQUIREMENT.]**

*No person shall engage in or carry on the occupation of an entertainment agency without procuring a license from the department of labor and industry for each agency location. This license shall be posted in a conspicuous place in the office of the licensee.*

**Sec. 3. [184A.03] [EXISTING AGENCIES.]**

*Entertainment agents who are actually engaged in or acting as entertainment agents or counselors and members, shareholders, officers, and directors of a firm, partnership, association, or corporation actively engaged in the business of an entertainment agency on the effective date of this act shall be deemed to comply with its provisions provided they shall obtain a license as provided by sections 4 to 10 within a period of six months from the effective date of this act.*

**Sec. 4. [184A.04] [LICENSE APPLICATIONS.]**

*Subdivision 1. [CONTENTS.] Applicants for an entertainment agent's license or renewal shall file with the department a written application in a form prescribed by the department stating:*

- (a) the name and address of the applicant;*
- (b) the street and number of the building or place where the business of the entertainment agency is to be conducted;*
- (c) the name of the person who is to have the general management of the office;*
- (d) the name under which the business of the office is to be carried on;*
- (e) whether or not the applicant has a financial interest in another business of a similar nature and, if so, where;*
- (f) the business or occupation of the applicant for at least two years immediately preceding the date of application;*
- (g) if the applicant is other than a corporation, the names and addresses of all persons, except bona fide employees on stated salaries, financially interested, either as partners, associates, or profit sharers, in the operation of the entertainment agency in question, together with the amount of their respective interests; and*
- (h) if the applicant is a corporation, the corporate name, the names, residential addresses, and telephone numbers of officers of the corporation, and the names and addresses of persons having a financial interest of ten percent*



or more in the business, and the percentage of financial interest owned by these persons.

*Subd. 2. [SIGNATURES.] The application shall be signed and sworn to before a notary public by the applicant or, if a partnership, by all of the partners or, if a corporation, by the president and secretary.*

*Subd. 3. [AFFIDAVITS.] The application must be accompanied by affidavits of at least two reputable persons, neither of whom is related to the applicant.*

**Sec. 5. [184A.05] [FEE SCHEDULES.]**

*Applicants for a license to engage in the business of an entertainment agent shall, at the time of making application, file with the department a schedule of fees to be charged and collected in the conduct of this occupation, together with rules and regulations that may affect the fees charged or to be charged for service. Changes in the schedule may be made from time to time, but no change shall become effective until seven days after the date of its filing with the department. It shall be unlawful for an entertainment agency to charge, demand, collect, or receive a greater compensation for service performed than is specified in the schedule filed with the department.*

**Sec. 6. [184A.06] [CONTRACT FORM.]**

*Subdivision 1. [DEPARTMENT APPROVAL.] Entertainment agencies shall submit to the department a form or forms of contract to be utilized in entering into written contracts with artists for the employment of the services of the entertainment agency by the artists and the contract to be utilized for employment engagements secured by the agency for the artist. Approval by the department of the proposed contract form shall not be withheld unless the contract is unfair, unjust, or oppressive to the artist.*

*Subd. 2. [ARBITRATION.] Contract forms shall contain a provision setting forth a procedure for resolution of disputes before an arbitrator mutually agreed upon by the parties. The arbitrator's decision shall be final and binding upon the parties.*

*Subd. 3. [NOTIFICATION OF LICENSE.] There shall be printed on the face of the contract in prominent type the following: "This entertainment agency is licensed by the department of labor and industry of the state of Minnesota."*

**Sec. 7. [184A.07] [INVESTIGATION.]**

*Upon receipt of an application for a license, the department may cause an investigation to be made as to the character and responsibility of the applicant, and of the premises designated in the application as the place in which it is proposed to conduct the business of the entertainment agency.*

**Sec. 8. [184A.08] [TERM OF LICENSE; EXPIRATION.]**

*The license when first issued shall run to the next birthday of the applicant. The license shall then be renewed within the 30 days preceding the licensee's birthday and shall run from birthday to birthday. In case the applicant is a partnership, the license shall be renewed within the 30 days preceding the birthday of the oldest partner. If the applicant is a corporation, the license shall be renewed within the 30 days preceding the anniversary of the date the*

corporation was lawfully formed. Renewal shall require the filing of an application for renewal, a renewal bond, and the payment of the annual license fee, but the department may require that a new application or a new bond be submitted.

Sec. 9. [184A.09] [LICENSE FEES.]

Before a license shall be granted to an applicant, the applicant shall pay a filing fee of \$25 and a license fee of \$200.

An application for consent to transfer or assign a license shall be accompanied by a \$25 filing fee.

Sec. 10. [184A.10] [BONDS.]

Applications for an entertainment agency license shall be accompanied by a bond in the penal sum of \$10,000 with one or more sureties or a duly authorized surety company to be approved by the department and filed in the office of the secretary of state, conditioned that the entertainment agency and each member, shareholder, director, or officer of a firm, partnership, corporation, or association operating as an entertainment agency will conform to and not violate sections 2 to 19 or violate the covenants of a contract made by an entertainment agent in the conduct of business. Action on this bond may be brought by, and prosecuted in the name of, a person damaged by a breach of a condition of the bond. Successive actions may be maintained.

The secretary of state shall be paid a filing fee of \$5 per bond in addition to the fees outlined in section 9.

Sec. 11. [184A.11] [TRANSFER.]

No licensee shall sell, transfer, or give away an interest in, or the right to participate in the profits of, the entertainment agency without the written consent of the department. Consent may be withheld for any reason for which an original application for a license might have been rejected if the person in question had been mentioned in it.

Sec. 12. [184A.12] [ISSUANCE; REFUSAL; REVOCATION; SUSPENSION.]

The department shall issue a license as an entertainment agent, to a person who qualifies for the license under the terms of sections 4 to 10. The department may refuse to issue an entertainment agency license when, after due investigation, the department finds that the character of the applicant makes him unfit to be an entertainment agent, or when the premises for conducting the business of an entertainment agent is found upon investigation to be unfit for this use. No agency license shall be issued to a person, firm, corporation, or association that has, within the past three years, been convicted of fraud or felony. No license shall be issued to an attorney whose license to practice law has been suspended or revoked, for a period of three years after the date of the suspension or revocation. The department may refuse to issue a license to a person or may suspend or revoke the license of an entertainment agent when it finds that any of the following conditions exist:

(a) the entertainment agent has violated a condition of the bond required by section 10;

(b) the person or entertainment agent has personally engaged in a fraudu-

*lent, deceptive, or dishonest practice;*

*(c) the person or entertainment agent has violated any provisions of sections 2 to 19; or*

*(d) the person or entertainment agent has been legally adjudicated incompetent and has not been restored to capacity.*

*This section shall not be construed to relieve a person from civil liability or from criminal prosecution under the laws of this state. A violation of this section shall be treated as a violation of section 325F.69.*

Sec. 13. [184A.13] [PROCEDURE FOR SUSPENSION OR REVOCATION.]

*Subdivision 1. [INCOMPETENCY.] Upon an adjudication of incompetency, revocation shall be automatic and shall be permanent except that in the event of restoration to capacity a license may be reissued to such person on payment of all fees.*

*Subd. 2. [OTHER CASES.] In all other cases the department may not refuse to issue a license or suspend or revoke a license unless it furnishes the person or entertainment agent with a written statement of the charges against him and affords him an opportunity to be heard on the charges. He shall be given at least ten days' written notice of the date and time of the hearing. The notice shall be sent by certified mail to the address of the person as shown on his application for license or it may be served in the manner in which a summons is served in civil cases commenced in the district court.*

*Subd. 3. [HEARING.] At the hearing, the person or entertainment agent whose license application or continuance is in question shall have the right to appear personally and be represented by counsel and to cross-examine witnesses against him and to produce evidence and witnesses in his defense, and shall have the right to have witnesses subpoenaed, which subpoena shall be issued by the commissioner.*

Sec. 14. [184A.14] [APPEAL TO DISTRICT COURT.]

*If the department refuses to grant a license, or suspends or revokes a license that has been granted, the applicant shall have the right of appeal to the district court of the county of the applicant's residence. If the applicant is not a resident of the state, he may appeal to the district court for Ramsey county. The court shall advance cases on their calendars for early disposition. In counties having continuous sessions of court, the cases shall be heard within 20 days after appeal is perfected. Appeal shall be perfected by the service of a written notice of appeal upon the commissioner of labor and industry within 60 days after notice to the applicant of the department's action.*

Sec. 15. [184A.15] [RECORDS.]

*Subdivision 1. [DEPARTMENT RECORDS.] The department shall keep a record of its proceedings which shall be open to the public for inspection at reasonable times, and a register of applicants for licenses. Records shall include the name and address of the applicants, the date of application, place of business, place of residence, whether the applicant was rejected or a license granted, and the date the license was granted.*

*Subd. 2. [ENTERTAINMENT AGENCY RECORDS.] Entertainment*

agencies shall keep records approved by the department in which shall be entered:

- (a) the name and address of each artist employing the agency;
- (b) the amount of fee received from the artist;
- (c) the employment in which the artist is engaged at the time of employing the agency, and the amount of the artist's compensation in the employment, if any; and
- (d) the employments subsequently secured by the artist during the term of the contract between the artist and the entertainment agency, and the amount of compensation received by the artist.

Sec. 16. [184A.16] [POWERS AND DUTIES OF THE DEPARTMENT.]

*It is the duty of the department to administer the provisions of this act. The department shall have the power to compel the attendance of witnesses by the issuance of subpoenas, to administer oaths, and to take testimony and proofs concerning matters within its jurisdiction. The department shall affix an official seal to certificates or licenses granted and shall make rules not inconsistent with law needed to perform its duties.*

Sec. 17. [SUPERVISORY AND INVESTIGATIVE AUTHORITY.]

*The department shall have supervisory and investigative authority over entertainment agents. The department shall have the right to examine only those records required to be kept by this act.*

Sec. 18. [AGENCY CONDUCT.]

*Subdivision 1. [UNLAWFUL EMPLOYMENT.] No entertainment agent shall place or assist in placing a person in unlawful employment.*

*Subd. 2. [STRIKE OR LOCKOUT.] No entertainment agent shall fail to state in an advertisement, proposal, or contract for employment, that there is a strike or lockout at the place of proposed employment if he has knowledge that this condition exists.*

*Subd. 3. [REPAYMENT.] In the event that an entertainment agency shall collect from an artist a fee or expenses for obtaining employment for the artist, and the artist shall fail to procure the employment, or the artist shall fail to be paid for the employment, the entertainment agency shall, upon demand, repay to the artist the full amount of the fee and expenses actually collected.*

*Subd. 4. [ACTIONS.] Actions brought in any court against a licensee may be brought in the name of the person damaged upon the bond deposited with the state by the licensee, and may be transferred and assigned as other claims for damages. The amount of damages claimed by plaintiff, and not the penalty named in the bond, determines the jurisdiction of the court in which the action is brought.*

*Subd. 5. [SERVICE ON DEPARTED LICENSEE.] When a licensee has departed from the state with intent to defraud creditors or to avoid service of summons in an action brought under this act, service shall be made upon the surety as prescribed in the rules of civil procedure. A copy of the summons shall be mailed to the licensee at the last known post office address of his*

*residence and also at the place where the business of the entertainment agency was conducted as shown by the records of the department. Service is complete as to the licensee, after mailing, at the expiration of the time prescribed by the rules of civil procedure for service of summons in the particular court in which suit is brought.*

**Sec. 19. [ARBITRATION PURSUANT TO CONTRACT CLAUSE.]**

*A provision in a contract providing for the decision by arbitration of a controversy under the contract or as to its existence, validity, construction, performance, nonperformance, breach, operation, continuance, or termination, shall be valid if the provision is contained in a contract between an entertainment agency and a person for whom the agency under the contract undertakes to endeavor to secure employment.*

**Sec. 20. [PENALTY.]**

*A person, agent, or officer of an agent, who violates any provision of this act is guilty of a misdemeanor, punishable by a fine of not less than \$25 nor more than \$250 or imprisonment for a period of not more than 60 days, or both.*

*A person, firm, or corporation who shall split, divide, or share, directly or indirectly, a fee, charge, or compensation received from an employee with an employer, or person in any way connected with the business, shall be punished by a fine of not less than \$500, and not more than \$1,000, or, on failure to pay the fine, by imprisonment for a period not to exceed one year, or both, at the discretion of the court."*

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) James I. Rice, Joel Jacobs, David Jennings

Senate Conferees: (Signed) Sam G. Solon, Conrad M. Vega, Gen Olson

Mr. Solon moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1257 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. 1257 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 46 and nays 6, as follows:

Those who voted in the affirmative were:

Anderson	Hughes	McQuaid	Pogemiller	Taylor
Belanger	Johnson, D.E.	Moe, D. M.	Purfeerst	Ulland
Bernhagen	Jude	Moe, R. D.	Reichgott	Vega
Chmielewski	Knaak	Nelson	Renneke	Waldorf
Dicklich	Kronebusch	Novak	Samuelson	Wegscheid
Diessner	Laidig	Olson	Schmitz	Willet
Dieterich	Langseth	Pehler	Sieloff	
Frank	Lantry	Peterson, D.C.	Solon	
Frederick	Lessard	Peterson, D.L.	Spear	
Freeman	Luther	Petty	Stumpf	

Those who voted in the negative were:

Benson  
Isackson

Kamrath

Mehrkens

Merriam

Ramstad

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. 1520: A bill for an act relating to motor vehicles; defining terms; increasing certain gross vehicle weight tax to comply with international registration plan; authorizing repair and servicing permit for commercial zone trucks; providing time limitation for applying for quarterly registration of farm trucks; increasing certain fees; clarifying display and use of drive-away, in-transit plates; clarifying requirement to submit forms to registrar of motor vehicles; prohibiting transfer of certain plates; providing for transfer of amateur radio and citizen band plates; prescribing uniform fee for issuance of duplicate plates except for exempt vehicles; eliminating certain provisions relating to motor vehicle brokers; increasing minimum tax requirements for qualification for installment payments and prescribing a fee; increasing penalty fees for late installment payments; clarifying certain duties of deputy registrars relating to reports and deposits of taxes and fees; requiring payment of one month's registration tax before issuance of certificate of title; allowing certain vehicles to operate with an extended bug deflector; requiring protective headgear to comply with standards established by the commissioner of public safety; amending Minnesota Statutes 1982, sections 168.011, subdivisions 9 and 13; 168.013, subdivision 16; 168.018; 168.041, subdivision 6; 168.053, subdivision 1; 168.10, subdivisions 1a, 1b, 1c, and 1d; 168.101, subdivision 2; 168.12, subdivisions 1 and 2b; 168.27, subdivisions 2 and 3; 168.29; 168.31, subdivision 4; 168.33, subdivision 2; 168A.08; 169.01, subdivisions 10, 11, and 50; and 169.743; Minnesota Statutes 1983 Supplement, sections 168.013, subdivision 1e; 168.12, subdivision 2; 169.73; and 169.974, subdivisions 2 and 6; repealing Minnesota Statutes 1982, sections 168.27, subdivision 5; 169.672 and 169.755.

Senate File No. 1520 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

### CONCURRENCE AND REPASSAGE

Mr. Purfeerst moved that the Senate concur in the amendments by the House to S.F. No. 1520 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1520: A bill for an act relating to motor vehicles; defining terms; increasing certain gross vehicle weight tax to comply with international registration plan; authorizing repair and servicing permit for commercial zone trucks; providing time limitation for applying for quarterly registration of

farm trucks; increasing certain fees; clarifying display and use of drive-away, in-transit plates; clarifying requirement to submit forms to registrar of motor vehicles; prohibiting transfer of certain plates; providing for transfer of amateur radio and citizen band plates; prescribing uniform fee for issuance of duplicate plates except for exempt vehicles; increasing minimum tax requirements for qualification for installment payments and prescribing a fee; increasing penalty fees for late installment payments; clarifying certain duties of deputy registrars relating to reports and deposits of taxes and fees; requiring payment of one month's registration tax before issuance of certificate of title; authorizing certain replacement bumpers; requiring protective headgear to comply with standards established by the commissioner of public safety; amending Minnesota Statutes 1982, sections 168.011, subdivisions 9 and 13; 168.013, subdivision 16; 168.018; 168.041, subdivision 6; 168.053, subdivision 1; 168.09, subdivisions 2 and 3; 168.10, subdivisions 1, 1a, 1b, 1c, and 1d; 168.101, subdivision 2; 168.12, subdivisions 1 and 2b; 168.27, subdivisions 2, 3, and 10; 168.29; 168.31, subdivisions 1 and 4; 168.33, subdivision 2; 168A.08; 169.01, subdivisions 10, 11, and 50; 169.59, subdivision 3; 169.743; Minnesota Statutes 1983 Supplement, sections 168.013, subdivision 1e; 168.12, subdivision 2; 169.73, subdivision 4; and 169.974, subdivisions 2 and 6; repealing Minnesota Statutes 1982, sections 168.27, subdivision 5; 168.31, subdivision 3; 169.672; 169.755; and Minnesota Statutes 1983 Supplement, section 168.46.

Was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 49 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lantry	Peterson, C.C.	Schmitz
Belanger	Freeman	Lessard	Peterson, D.C.	Spear
Benson	Hughes	Luther	Peterson, D.L.	Stumpf
Berglin	Isackson	McQuaid	Peterson, R.W.	Taylor
Bernhagen	Johnson, D.E.	Mehrkens	Petty	Ulland
Chmielewski	Jude	Moe, R. D.	Purfeerst	Vega
Dicklich	Kamrath	Nelson	Ramstad	Waldorf
Diessner	Kronebusch	Novak	Reichgott	Wegscheid
Dieterich	Laidig	Olson	Renneke	Willet
Frank	Langseth	Pehler	Samuelson	

Messrs. Merriam and Moe, D. M. voted in the negative.

So the bill, as amended, was repassed and its title was agreed to.

## MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1408: A bill for an act relating to state government; recodifying the laws governing the department of administration; allowing the commissioner of administration to transfer to local government units certain sup-

plies, materials, and equipment; allowing the commissioner of administration to charge a price sufficient to cover costs when selling copies of laws and resolutions; allowing the commissioner of administration to lease office space and purchase supplies and equipment without the approval of the governor; allowing the commissioner of administration to provide for the use of certain motor vehicles by the governor and lieutenant governor; relating to the use of state vehicles and compensation for use of personal vehicles; including in the definition of the term "employee" for purposes of workers' compensation a voluntary uncompensated worker accepted by the commissioner of administration; providing for criminal and juvenile defense grants to be administered by the board of public defense; specifying the United States department of labor as the entity which designates a labor surplus area; amending Minnesota Statutes 1982, sections 16A.065; and 645.445, subdivision 5; and Minnesota Statutes 1983 Supplement, section 176.011, subdivision 9; proposing new law coded in Minnesota Statutes, chapters 16A and 611; proposing new law coded as Minnesota Statutes, chapter 16B; repealing Minnesota Statutes 1982, sections 16.01; 16.011; 16.012; 16.014; 16.02; subdivisions 1, 2, 2a, 3, 4, 5, 5a, 6, 6a, 6b, 7, 8, 9, 10, 13, 15, 16, 17, 18, 19, 24, 25, 26, and 27; 16.021; 16.022; 16.023; 16.0231; 16.024; 16.025; 16.026; 16.028; 16.03; 16.04; 16.05; 16.06; 16.061; 16.062; 16.063; 16.064; 16.065; 16.066; 16.068; 16.07; 16.073; 16.075; 16.08; 16.081; 16.082; 16.083, subdivision 2; 16.086, subdivision 2; 16.09; 16.095; 16.096; 16.098, subdivisions 1, 2, 3, 5, 6, 7, 8, 9, 10, and 11; 16.12; 16.125; 16.135; 16.139; 16.172; 16.21; 16.22; 16.23; 16.24; 16.243; 16.244; 16.251; 16.281; 16.32, subdivisions 1, 3, and 4; 16.34; 16.365; 16.381; 16.51; 16.52; 16.53; 16.54; 16.55; 16.56; 16.71; 16.72; 16.723; 16.73; 16.75, subdivisions 1, 2, 3, 4, 5, 6, and 8; 16.753, subdivisions 1, 2, 4, 5, and 6; 16.756; 16.76; 16.77; 16.78; 16.80; 16.81; 16.811; 16.82, subdivision 2; 16.821; 16.822; 16.823; 16.824; 16.825; 16.826; 16.827; 16.83; 16.84; 16.85; 16.851, subdivisions 1 and 2; 16.854; 16.86; 16.861, subdivisions 1, 2, 4, 5, 6, and 7; 16.862; 16.8632; 16.864; 16.865; 16.866, subdivision 2; 16.867; 16.868; 16.869; 16.871; 16.872, subdivisions 1, 2, and 3; 16.874; 16.88; 16.89; 16.90, subdivisions 1, 2, and 3; 16.931; 16.94; 16.95; 16.955; 16.96; and 16.97; and Minnesota Statutes 1983 Supplement, sections 16.02, subdivisions 10a, 14, 28, and 29; 16.072; 16.0721; 16.083, subdivisions 1, 1a, 3, 4, 4a, 4b, 5 and 6; 16.084; 16.085; 16.086, subdivision 1; 16.092; 16.098, subdivision 4; 16.28; 16.32, subdivision 2; 16.321; 16.75, subdivisions 7 and 9; 16.753, subdivision 3; 16.82, subdivision 1; 16.851, subdivision 3; 16.861, subdivision 3; 16.863; 16.866, subdivision 1; 16.872; 16.90, subdivision 4; 16.91; and 16.911.

Senate File No. 1408 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

### CONCURRENCE AND REPASSAGE

Mr. Moe, D.M. moved that the Senate concur in the amendments by the House to S.F. No. 1408 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1408 was read the third time, as amended by the House, and



placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lantry	Peterson, C.C.	Stumpf
Belanger	Freeman	Lessard	Peterson, D.C.	Taylor
Benson	Hughes	Luther	Peterson, D.L.	Ulland
Berglin	Isackson	McQuaid	Peterson, R.W.	Vega
Bernhagen	Johnson, D.E.	Mehrkens	Petty	Waldorf
Brataas	Jude	Merriam	Purfeerst	Wegscheid
Chmielewski	Kamrath	Moe, D. M.	Ramstad	Willet
Dicklich	Knaak	Nelson	Reichgott	
Diessner	Kronebusch	Novak	Renneke	
Dieterich	Laidig	Olson	Samuelson	
Frank	Langseth	Pehler	Schmitz	

So the bill, as amended, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1298: A bill for an act relating to local government; providing procedures for the publication of legal notices; removing various requirements for publication of notices; amending Minnesota Statutes 1982, sections 3.21; 48.48, subdivision 1; 88.48, subdivision 2; 94.10, subdivision 1; 94.344, subdivision 7; 123.33, subdivision 11; 123.71, subdivision 1; 206.17, subdivision 2; 279.07; 279.08; 300.13, subdivision 4; 302A.727, subdivision 1; 306.023, subdivision 2; 306.111, subdivision 2; 306.16, subdivision 2; 306.21, subdivision 1; 307.06; 315.25; 326.18; 346.02; 370.04; 370.07; 371.04; 372.02; 372.08; 374.13; 374.34; 375.025, subdivision 4; 375.12; 375.17; 375.51, subdivision 3; 375.52; 383A.27, subdivision 2; 412.191, subdivisions 3 and 4; 414.09, subdivision 3; 415.021; 429.061, subdivision 2; 430.02, subdivisions 3, 7, 11, and 12; 430.04; 430.07, subdivision 5; 430.102, subdivision 3; 435.202, subdivision 2; 441.04; 462.427, subdivision 3; 465.32; 465.38; 471.697, subdivision 1; 471.698, subdivision 1; 472.04, subdivision 2; and 484.30; proposing new law coded in Minnesota Statutes, chapters 375 and 471; proposing new law coded as Minnesota Statutes, chapter 331A; repealing Minnesota Statutes 1982, sections 55.09; 331.01; 331.02; 331.03; 331.04; 331.05; 331.06; 331.07; 331.08; 331.10; 331.11; and 441.51.

Senate File No. 1298 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

### CONCURRENCE AND REPASSAGE

Mr. Freeman moved that the Senate concur in the amendments by the

House to S.F. No. 1298 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1298 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 41 and nays 13, as follows:

Those who voted in the affirmative were:

Belanger	Freeman	Kronebusch	Peterson, C.C.	Sieloff
Benson	Hughes	Laidig	Peterson, D.C.	Stumpf
Berglin	Isackson	Lessard	Pogemiller	Taylor
Brataas	Johnson, D.E.	Luther	Purfeerst	Vega
Chmielewski	Johnson, D.J.	McQuaid	Ramstad	Waldorf
Dahl	Jude	Mehrckens	Reichgott	
Dicklich	Kamrath	Moe, R. D.	Renneke	
Diessner	Knaak	Nelson	Samuelson	
Frederick	Kroening	Olson	Schmitz	

Those who voted in the negative were:

Anderson	Frank	Novak	Peterson, R.W.	Willet
Bernhagen	Knutson	Pehler	Petty	
Dieterich	Merriam	Peterson, D.L.	Wegscheid	

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. 1418: A bill for an act relating to public welfare; authorizing the alcohol and drug abuse section of the department of public welfare to collect certain information; establishing an American Indian advisory council relating to chemical dependency policies; clarifying the evaluation functions of the commissioner of public welfare with respect to chemical dependency policies; amending Minnesota Statutes 1982, sections 254A.03; 254A.05, subdivision 1; 254A.07; 254A.16, subdivisions 1 and 2; and proposing new law coded in Minnesota Statutes, chapter 254A.

Senate File No. 1418 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

## CONCURRENCE AND REPASSAGE

Ms. Berglin moved that the Senate concur in the amendments by the House to S.F. No. 1418 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1418 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Freeman	Langseth	Peterson, C. C.	Sieloff
Belanger	Hughes	Lantry	Peterson, D. C.	Spear
Benson	Isackson	Lessard	Peterson, D. L.	Stumpf
Berglin	Johnson, D. E.	McQuaid	Peterson, R. W.	Taylor
Bernhagen	Johnson, D. J.	Mehrkens	Petty	Ulland
Chmielewski	Jude	Merriam	Pogemiller	Vega
Dahl	Kamrath	Moe, D. M.	Purfeerst	Waldorf
Dicklich	Knaak	Moe, R. D.	Ramstad	Wegscheid
Diessner	Knutson	Nelson	Reichgott	Willet
Dieterich	Kroening	Novak	Renneke	
Frank	Kronebusch	Olson	Samuelson	
Frederick	Laidig	Pehler	Schmitz	

So the bill, as amended, was repassed and its title was agreed to.

### RECESS

Mr. Moe, R. D. moved that the Senate do now recess until 5:30 p.m. The motion prevailed.

The hour of 5:30 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. 1743: Messrs. Peterson, R. W.; Knutson and Stumpf.

Mr. Moe, R. D. moved that the foregoing appointments be approved. The motion prevailed.

### MOTIONS AND RESOLUTIONS - CONTINUED

Ms. Reichgott introduced—

Senate Resolution No. 110: A Senate resolution congratulating the Robinsdale-Armstrong Senior High School team for placing second in the Third Annual Minnesota Future Problem Solving State Bowl.

Referred to the Committee on Rules and Administration.

Remaining on the Order of Business of Motions and Resolutions, 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. Diessner, Anderson, Belanger, Petty and Kamrath introduced—

S.F. No. 2219: A bill for an act relating to damages arising from personal injury in civil actions; providing for calculation of the damage award; proposing new law coded in Minnesota Statutes, chapter 604.

Referred to the Committee on Judiciary.

Mr. Diessner introduced—

S.F. No. 2220: A bill for an act relating to health; requiring an environmental education and information program; appropriating money; proposing new law coded in Minnesota Statutes, chapter 144.

Referred to the Committee on Health and Human Services.

Messrs. Johnson, D.E. and Ramstad introduced—

S.F. No. 2221: A bill for an act relating to elections; providing for a presidential primary election; changing the state primary date; amending Minnesota Statutes 1982, sections 204D.03, subdivision 1, and by adding a subdivision; and 204D.08; Minnesota Statutes 1983 Supplement, section 204D.06; repealing Minnesota Statutes 1982, sections 202A.12; 202A.13; 202A.135; 202A.14, subdivisions 2 and 3; 202A.15; 202A.16; 202A.17; 202A.18; 202A.192; and Minnesota Statutes 1983 Supplement, sections 202A.14, subdivision 1; and 202A.19.

Referred to the Committee on Elections and Ethics.

### MOTIONS AND RESOLUTIONS - CONTINUED

Ms. Berglin moved that H.F. No. 1766 be taken from the table and given its second reading. The motion prevailed.

H.F. No. 1766: A bill for an act relating to local government; requiring every political subdivision to establish equitable compensation relationships among its employees; requiring a report to the legislature; proposing new law coded in Minnesota Statutes, chapter 471.

H.F. No. 1766 was read the second time.

### SUSPENSION OF RULES

Ms. Berglin moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 1766 and that the rules of the Senate be so far suspended as to give H.F. No. 1766 its third reading and place it on its final passage. The motion prevailed.

Mr. Chmielewski moved to amend H.F. No. 1766 as follows:

Page 5, after line 17, insert:

“Sec. 11. [TOWN OF WINDEMERE; POWERS.]

*The town of Windemere in Pine County may exercise the powers of a town provided by Minnesota Statutes, section 368.01, and other laws referring to section 368.01, except section 340.11, subdivision 10b.*

Sec. 12. [EFFECTIVE DATE.]

Section 11 is effective, if it is approved by the electors of the town at the annual town meeting, the day after compliance with Minnesota Statutes, section 645.021, subdivision 3."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "permitting the town of Windemere to have the powers of a metropolitan area town;"

The motion prevailed. So the amendment was adopted.

Mr. Chmielewski then moved to amend H.F. No. 1766 as follows:

Page 2, lines 15 and 32, delete "shall" and insert "is encouraged to"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 3 and nays 58, as follows:

Messrs. Chmielewski, Isackson and Lessard voted in the affirmative.

Those who voted in the negative were:

Adkins	Dicklich	Knaak	Moe, R. D.	Renneke
Anderson	Diessner	Knutson	Novak	Samuelson
Belanger	Dieterich	Kroening	Olson	Schmitz
Benson	Frank	Kronebusch	Pehler	Spear
Berg	Frederick	Laidig	Peterson, C.C.	Stumpf
Berglin	Frederickson	Langseth	Peterson, D.C.	Taylor
Bernhagen	Freeman	Lantry	Peterson, D.L.	Ulland
Bertram	Hughes	Luther	Peterson, R.W.	Waldorf
Brataas	Johnson, D.E.	McQuaid	Petty	Wegscheid
Dahl	Johnson, D.J.	Mehrkens	Pogemiller	Willet
Davis	Jude	Merriam	Ramstad	
DeCramer	Kamrath	Moe, D. M.	Reichgott	

The motion did not prevail. So the amendment was not adopted.

H.F. No. 1766 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Moe, R. D.	Renneke
Anderson	Diessner	Knutson	Nelson	Samuelson
Belanger	Dieterich	Kroening	Novak	Schmitz
Benson	Frank	Kronebusch	Olson	Sieloff
Berg	Frederick	Laidig	Pehler	Spear
Berglin	Frederickson	Langseth	Peterson, C.C.	Stumpf
Bernhagen	Freeman	Lantry	Peterson, D.C.	Taylor
Bertram	Hughes	Lessard	Peterson, D.L.	Ulland
Brataas	Isackson	Luther	Peterson, R.W.	Vega
Chmielewski	Johnson, D.E.	McQuaid	Petty	Waldorf
Dahl	Johnson, D.J.	Mehrkens	Pogemiller	Wegscheid
Davis	Jude	Merriam	Ramstad	Willet
DeCramer	Kamrath	Moe, D. M.	Reichgott	

So the bill, as amended, passed and its title was agreed to.

**SPECIAL ORDER**

H.F. No. 1587: A bill for an act relating to state government; ratifying state

labor agreements and compensation plans; providing for interim approval of certain negotiated agreements and compensation plans; making a change in the state unit composition schedule.

Ms. Berglin moved to amend H.F. No. 1587 as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 126.10, is amended to read:

126.10 [SPECIAL DAYS.]

The following days or the school days nearest to them are designated for special observance in the public schools of the state: September 28 as Frances Willard Day, October 9 as Leif Ericson Day, ~~January 15 as Martin Luther King, Jr. Day,~~ and February 15 as Susan B. Anthony Day. On these days schools may offer instruction and programs in commemoration of the life and history of the respective persons and the principles and ideals they fostered.

Sec. 2. Minnesota Statutes 1982, section 126.13, is amended to read:

126.13 [CONDUCT OF SCHOOL ON CERTAIN HOLIDAYS.]

The governing body of any district may contract with any of the teachers thereof for the conduct of schools, and may conduct schools, on either, or any, of the following holidays, provided that a clause to this effect is inserted in the teacher's contract: *Martin Luther King's birthday*, Lincoln's and Washington's birthdays, Columbus Day and Veterans' Day, provided that on *Martin Luther King's birthday*, Washington's birthday, Lincoln's birthday, and Veterans' Day at least one hour of the school program be devoted to a patriotic observance of the day.

Sec. 3. Minnesota Statutes 1982, section 136.22, is amended to read:

136.22 [CLASSES ON HOLIDAYS.]

The state university board is hereby authorized to conduct classes in the several state colleges on either or any of the following holidays: *Martin Luther King's Birthday*, Lincoln's Birthday, Washington's Birthday, Columbus Day, and Veterans Day, provided that when classes are held on *Martin Luther King's Birthday*, Washington's Birthday, Lincoln's Birthday, or Veterans Day, that at least one hour of the school day be devoted to a patriotic observance of that day.

Sec. 4. Minnesota Statutes 1982, section 645.44, subdivision 5, is amended to read:

Subd. 5. [HOLIDAYS.] “Holiday” includes New Year's Day, January 1; *Martin Luther King's birthday*, the third Monday in January; Washington's and Lincoln's Birthday, the third Monday in February; Memorial Day, the last Monday in May; Independence Day, July 4; Labor Day, the first Monday in September; Christopher Columbus Day, the second Monday in October; Veterans Day, November 11; Thanksgiving Day, the fourth Thursday in November; and Christmas Day, December 25; provided, when New Year's Day, January 1; or Independence Day, July 4; or Veterans Day, November 11; or Christmas Day, December 25; falls on Sunday, the following day shall be a holiday and, provided, when New Year's Day, January 1; or Indepen-

dence Day, July 4; or Veterans Day, November 11; or Christmas Day, December 25; falls on Saturday, the preceding day shall be a holiday. No public business shall be transacted on any holiday, except in cases of necessity and except in cases of public business transacted by the legislature, nor shall any civil process be served thereon. However, for the executive branch of the state of Minnesota, "holiday" also includes the Friday after Thanksgiving but does not include Christopher Columbus Day. Other branches of state government and political subdivisions shall have the option of determining whether Christopher Columbus Day and the Friday after Thanksgiving shall be holidays. Where it is determined that Columbus Day or the Friday after Thanksgiving is not a holiday, public business may be conducted thereon.

Any agreement between a public employer and an employee organization citing Veterans Day as the fourth Monday in October shall be amended to cite Veterans Day as November 11.

Sec. 5. [EFFECTIVE DATE.]

*Sections 1 to 4 are effective January 1, 1986."*

Delete the title and insert:

"A bill for an act relating to public employment; providing that no public business shall be conducted on Martin Luther King's birthday; allowing school districts and state colleges to conduct classes on Martin Luther King's birthday provided there is a patriotic observance of the day; amending Minnesota Statutes 1982, sections 126.10; 126.13; 136.22; and 645.44, subdivision 5."

Mr. Frederick questioned whether the amendment was germane. The President ruled the amendment was germane.

The question recurred on the Berglin amendment. The motion prevailed. So the amendment was adopted.

H.F. No. 1587 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Nelson	Schmitz
Anderson	Diessner	Kroening	Novak	Sieloff
Belanger	Dieterich	Kronebusch	Olson	Spear
Benson	Frank	Laidig	Pehler	Stumpf
Berg	Frederickson	Langseth	Peterson.C.C.	Taylor
Berglin	Freeman	Lantry	Peterson.D.C.	Ulland
Bernhagen	Hughes	Lessard	Peterson.R.W.	Vega
Bertram	Isackson	Luther	Petty	Waldorf
Brataas	Johnson, D.E.	McQuaid	Pogemiller	Wegscheid
Chmielewski	Johnson, D.J.	Mehrkens	Ramstad	Willet
Dahl	Jude	Merriam	Reichgott	
Davis	Kamrath	Moe, D. M.	Renneke	
DeCramer	Knaak	Moe, R. D.	Samuelson	

So the bill, as amended, passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, without

objection, the Senate reverted to the Order of Business of Messages From the House.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a new Conference Committee on:

S.F. No. 1349: A bill for an act relating to liquor; abolishing prohibition on furnishing liquor to certain persons and exclusion of certain persons from liquor establishments after notice; amending Minnesota Statutes 1982, section 340.601; repealing Minnesota Statutes 1982, sections 340.73, subdivision 2; 340.78; and 340.81.

The members of the Conference Committee on the part of the House are:

Jacobs, O'Connor, Sarna, Metzen and Wigley.

Senate File No. 1349 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 20, 1984

### MOTIONS AND RESOLUTIONS - CONTINUED

Ms. Berglin moved that the name of Mr. Pogemiller be added as a co-author to S.F. No. 1687. The motion prevailed.

Ms. Peterson, D.C. moved that S.F. No. 1754, No. 26 on Special Orders, be stricken and laid on the table. The motion prevailed.

Ms. Peterson, D.C. moved that S.F. No. 497, No. 60 on Special Orders, be stricken and laid on the table. The motion prevailed.

Mr. Merriam moved that S.F. No. 1605, No. 58 on Special Orders, be stricken and laid on the table. The motion prevailed.

Ms. Berglin moved that S.F. No. 1687, No. 53 on Special Orders, be stricken and laid on the table. The motion prevailed.

### MEMBERS EXCUSED

Mr. Dahl was excused from the Session of today from 10:00 to 10:40 a.m. and 4:15 to 4:40 p.m. Mr. Pogemiller was excused from the Session of today from 1:00 to 1:30 p.m. Mr. Storm was excused from the Session of today at 2:30 p.m. Messrs. Davis, DeCramer, Berg, Frederickson, Bertram and Mrs. Adkins were excused from the Session of today at 4:15 p.m.

### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:00 noon, Tuesday, April 24, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate



**EIGHTY-FOURTH DAY**

St. Paul, Minnesota, Tuesday, April 24, 1984

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. Arnold H. Heumann.

The roll was called, and the following Senators answered to their names:

Adkins	Diessner	Kroening	Olson	Sieloff
Anderson	Dieterich	Kronebusch	Pehler	Solon
Belanger	Frank	Laidig	Peterson, C.C.	Spear
Benson	Frederick	Langseth	Peterson, D.C.	Storm
Berg	Frederickson	Lantry	Peterson, D.L.	Stumpf
Berglin	Freeman	Lessard	Peterson, R.W.	Taylor
Bernhagen	Hughes	Luther	Petty	Ulland
Bertram	Isackson	McQuaid	Pogemiller	Vega
Brataas	Johnson, D.E.	Mehrkens	Purfeerst	Waldorf
Chmielewski	Johnson, D.J.	Merriam	Ramstad	Wegscheid
Dahl	Jude	Moe, D.M.	Reichgott	Willet
Davis	Kamrath	Moe, R.D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	
Dicklich	Knutson	Novak	Schmitz	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

The following communications were received.

April 18, 1984

The Honorable Jerome M. Hughes  
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. 1927.

Sincerely,  
Rudy Perpich, Governor

April 19, 1984

The Honorable Jerome M. Hughes  
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. 1504.

Sincerely,  
Rudy Perpich, Governor

April 22, 1984

The Honorable Jerome M. Hughes  
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. 1351 and 1454.

Sincerely,  
Rudy Perpich, Governor

April 19, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1984 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1984	Date Filed 1984
	1503	384	April 17	April 18
	1491	385	April 17	April 18
	1485	386	April 17	April 18
	1486	387	April 17	April 18
	1877	388	April 17	April 18
2148		389	April 17	April 18
1770		390	April 17	April 18
1757		391	April 17	April 18
1396		392	April 17	April 18
1139		393	April 17	April 18
868		394	April 17	April 18
7		395	April 18	April 18
416		396	April 17	April 18
1041		397	April 18	April 18
1927		398	April 18	April 19
	559	399	April 19	April 19
	977	400	April 19	April 19
	1325	401	April 19	April 19

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1984	Date Filed 1984
	1381	402	April 19	April 19
	1408	403	April 19	April 19
	1460	404	April 19	April 19
	1496	405	April 19	April 19
	1611	406	April 19	April 19
	1813	407	April 19	April 19
	1670	408	April 19	April 19
	1706	409	April 19	April 19
	1774	410	April 19	April 19

Sincerely,  
Joan Anderson Growe  
Secretary of State

Without objection, the Senate proceeded to the Order of Business of Motions and Resolutions.

### MOTIONS AND RESOLUTIONS

Mr. Purfeerst moved that S.F. No. 1581, No. 2 on Special Orders, be stricken and laid on the table. The motion prevailed.

Mr. Petty moved that H.F. No 1903 be recalled from the House for further consideration. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, 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. 1559:

H.F. No. 1559: A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 10; allowing public lands of the state to be exchanged for any other public land; amending Minnesota Statutes 1982, sections 94.343, subdivision 1; and 94.349, subdivision 3.

The House respectfully requests that a Conference Committee of three members be appointed thereon.

McEachern; Carlson, L. and Jennings have been appointed as such committee on the part of the House.

House File No. 1559 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 24, 1984

Mr. Willet moved that the Senate accede to the request of the House for a

Conference Committee on H.F. No. 1559, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1407: A bill for an act relating to natural resources; making changes in certain forestry laws; amending Minnesota Statutes 1982, sections 88.065; 90.031, subdivision 3; 90.041, subdivision 2; 90.251, subdivision 1; and 90.301, by adding a subdivision.

Senate File No. 1407 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

### CONCURRENCE AND REPASSAGE

Mr. Davis moved that the Senate concur in the amendments by the House to S.F. No. 1407 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1407: A bill for an act relating to natural resources; making changes in certain forestry laws; amending Minnesota Statutes 1982, sections 88.065; 90.031, subdivision 3; 90.041, subdivision 2; 90.251, subdivision 1; and 90.301, by adding a subdivision; Laws 1981, chapter 305, section 11, as amended; proposing new law coded in Minnesota Statutes, chapter 90.

Was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Novak	Schmitz
Anderson	Diessner	Kroening	Olson	Sieloff
Belanger	Dieterich	Kronebusch	Pehler	Solon
Benson	Frank	Langseth	Peterson, D.C.	Spear
Berg	Frederick	Lantry	Peterson, D.L.	Storm
Berglin	Frederickson	Lessard	Peterson, R.W.	Stumpf
Bernhagen	Freeman	Luther	Petty	Taylor
Bertram	Hughes	McQuaid	Pogemiller	Ulland
Brataas	Isackson	Mehrkens	Purfeerst	Vega
Chmielewski	Johnson, D.E.	Merriam	Ramstad	Waldorf
Dahl	Johnson, D.J.	Moe, D. M.	Reichgott	Wegscheid
Davis	Jude	Moe, R. D.	Renneke	Willet
DeCramer	Kamrath	Nelson	Samuelson	

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. 1864: A bill for an act relating to state government; amending the Administrative Procedure Act; establishing an optional negotiated rulemaking procedure; allowing interested persons to respond after a public hearing; removing a requirement that the attorney general review the hearing examiner's hearing report; providing that rules will be adopted without a public hearing unless 25 persons object; providing for notification that rules were modified after proposal; restricting the adoption of temporary rules; providing that exempt rules are not effective unless submitted to the revisor of statutes; providing that judicial review of rules is by the court of appeals with appeal to the supreme court; amending Minnesota Statutes 1982, sections 14.03, subdivision 2; 14.10; 14.14, by adding a subdivision; 14.16; 14.23; 14.25; 14.29; 14.30; 14.31; 14.33; 14.35; 14.36; 14.38, subdivision 1; and 14.44; Minnesota Statutes 1983 Supplement, sections 14.07, subdivisions 2 and 4; 14.08; 14.12; 14.14, subdivision 1; 14.15, subdivision 1; 14.22; 14.26; 14.32; and 14.45; proposing new law coded in Minnesota Statutes, chapter 14; repealing Minnesota Statutes 1982, section 14.13; and Minnesota Statutes 1983 Supplement, sections 14.07, subdivision 5; 14.17; and 14.21.

Senate File No. 1864 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

### CONCURRENCE AND REPASSAGE

Mr. Diessner moved that the Senate concur in the amendments by the House to S.F. No. 1864 and that the bill be placed on its repassage as amended.

Mr. Benson moved that the Senate do not concur in the amendments by the House to S.F. No. 1864, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion did not prevail.

The question recurred on the motion of Mr. Diessner. The motion prevailed.

S.F. No. 1864: A bill for an act relating to state government; providing for unclassified positions; amending the Administrative Procedure Act; amending Minnesota Statutes 1982, sections 14.03, subdivision 2; 14.10; 14.14, by adding a subdivision; 14.16; 14.23; 14.25; 14.29; 14.30; 14.31; 14.33; 14.35; 14.36; 14.38, subdivision 1; and 14.44; Minnesota Statutes 1983 Supplement, sections 14.07, subdivisions 2 and 4; 14.08; 14.12; 14.14, subdivision 1; 14.15, subdivision 1; 14.22; 14.26; 14.32; 14.45; and 43A.08, subdivision 1a; proposing new law coded in Minnesota Statutes, chapter 14; repealing Minnesota Statutes 1982, section 14.13; and Minnesota Statutes 1983 Supplement, sections 14.07, subdivision 5; 14.17; and 14.21.

Was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 35 and nays 32, as follows:

Those who voted in the affirmative were:

Berglin	Dieterich	Lantry	Novak	Reichgott
Chmielewski	Freeman	Lessard	Pehler	Schmitz
Dahl	Hughes	Luther	Peterson, C.C.	Solon
Davis	Johnson, D.J.	Merriam	Peterson, D.C.	Spear
DeCramer	Knaak	Moe, D. M.	Peterson, R.W.	Stumpf
Dicklich	Kroening	Moe, R. D.	Petty	Vega
Diessner	Langseth	Nelson	Pogemiller	Willet

Those who voted in the negative were:

Adkins	Brataas	Kamrath	Peterson, D.L.	Taylor
Anderson	Frank	Knutson	Purfeerst	Ulland
Belanger	Frederick	Kronebusch	Ramstad	Waldorf
Benson	Frederickson	Laidig	Renneke	Wegscheid
Berg	Isackson	McQuaid	Samuelson	
Bernhagen	Johnson, D.E.	Mehrken	Sieloff	
Bertram	Jude	Olson	Storm	

So the bill, as amended, was repassed and its title was agreed to.

### RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

### APPOINTMENTS

Mr. Moe, R.D. from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

H.F. No. 1559: Messrs. Willet, Anderson and Luther.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, 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 wishes to recall for the purpose of further consideration Senate File No. 1559.

S.F. No. 1559: A bill for an act relating to public utilities; permitting the public utilities commission to order reimbursement payments to intervenors in telephone rate proceedings; amending Minnesota Statutes 1982, section 237.075, by adding a subdivision.

Edward A. Burdick, Chief Clerk, House of Representatives

April 24, 1984

Mr. Dieterich moved that S.F. No. 1559 be taken from the table. The motion prevailed.

Mr. Dieterich moved that the Senate accede to the request of the House for the recall of S.F. No. 1559 for further consideration. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1736: A bill for an act relating to education; creating the Minnesota educational computing corporation as a public corporation; transferring assets of the Minnesota educational computing consortium to the corporation; amending Minnesota Statutes 1983 Supplement, section 3.732, subdivision 1; 10A.01, subdivision 18; 15A.081, subdivision 1; 135A.07, subdivision 2; 352D.02, subdivision 1; and proposing new law coded as Minnesota Statutes, chapter 119; repealing Minnesota Statutes 1982, section 120.83; Minnesota Statutes 1983 Supplement, sections 120.801; 120.802; 120.803; 120.804; 120.805; 120.806; and 120.81.

Senate File No. 1736 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

### CONCURRENCE AND REPASSAGE

Mr. Pehler moved that the Senate concur in the amendments by the House to S.F. No. 1736 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1736 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 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Olson	Sieloff
Anderson	Dieterich	Kronebusch	Pehler	Solon
Belanger	Frank	Laidig	Peterson, C.C.	Spear
Benson	Frederick	Langseth	Peterson, D.C.	Storm
Berg	Frederickson	Lantry	Peterson, D.L.	Stumpf
Berglin	Freeman	Lessard	Peterson, R.W.	Taylor
Bernhagen	Hughes	Luther	Petty	Ulland
Bertram	Isackson	McQuaid	Pogemiller	Vega
Brataas	Johnson, D.E.	Mehrkens	Purfeerst	Waldorf
Chmielewski	Johnson, D.J.	Merriam	Ramstad	Wegscheid
Dahl	Jude	Moe, D. M.	Reichgott	Willet
Davis	Kamrath	Moe, R. D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	
Dicklich	Knutson	Novak	Schmitz	

So the bill, as amended, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 2138: A bill for an act relating to sentencing; permitting courts to utilize a variety of noninstitutional sanctions as a condition of a stayed sentence; providing a preference for noninstitutional sanctions in certain cases; amending Minnesota Statutes 1982, sections 609.135, by adding a subdivision; 609.14, subdivisions 1 and 3; and Minnesota Statutes 1983 Supplement, section 609.135, subdivision 1.

Senate File No. 2138 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

CONCURRENCE AND REPASSAGE

Mr. Petty moved that the Senate concur in the amendments by the House to S.F. No. 2138 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 2138: A bill for an act relating to sentencing; permitting courts to utilize a variety of noninstitutional sanctions as a condition of a stayed sentence and order restitution when sentence is executed; providing a preference for noninstitutional sanctions in certain cases; amending Minnesota Statutes 1982, sections 609.10; 609.125; 609.135, by adding a subdivision; 609.14, subdivisions 1 and 3; and Minnesota Statutes 1983 Supplement, section 609.135, subdivision 1.

Was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Olson	Sieloff
Anderson	Dieterich	Kronebusch	Pehler	Solon
Belanger	Frank	Laidig	Peterson, C. C.	Spear
Benson	Frederick	Langseth	Peterson, D. C.	Storm
Berg	Frederickson	Lantry	Peterson, D. L.	Stumpf
Berglin	Freeman	Lessard	Peterson, R. W.	Taylor
Bernhagen	Hughes	Luther	Petty	Ulland
Bertram	Isackson	McQuaid	Pogemiller	Vega
Brataas	Johnson, D. E.	Mehrkens	Purfeerst	Waldorf
Chmielewski	Johnson, D. J.	Merriam	Ramstad	Wegscheid
Dahl	Jude	Moe, D. M.	Reichgott	Willet
Davis	Kamrath	Moe, R. D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	
Dicklich	Knutson	Novak	Schmitz	

So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:



I have the honor to announce that the House 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. 1563: A bill for an act relating to labor; extending the statute of limitation on certain actions to recover wages or overtime; clarifying child labor penalties; amending Minnesota Statutes 1982, section 541.07; Minnesota Statutes 1983 Supplement, section 181A.12, subdivision 1.

Senate File No. 1563 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 24, 1984

### RECONSIDERATION

Mr. Chmielewski moved that the vote whereby S.F. No. 1563 was repassed by the Senate on April 20, 1984, be now reconsidered. The motion prevailed.

### RECONSIDERATION

Mr. Chmielewski moved that the vote whereby the Conference Committee Report on S.F. No. 1563 was adopted on April 20, 1984, be now reconsidered. The motion prevailed.

Mr. Chmielewski moved that, the Senate having reconsidered the vote whereby S.F. No. 1563 was repassed, and the vote whereby the recommendations of the Conference Committee Report were adopted on April 20, 1984, that S.F. No. 1563 be re-referred to the Conference Committee for further consideration. The motion prevailed.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1048: A bill for an act relating to natural resources; strengthening certain laws regarding the transportation of wild animals; including conservation officer in the definition of peace officer for purpose of laws relating to fleeing a peace officer; amending Minnesota Statutes 1982, sections 65B.605, subdivision 2; 97.45, subdivisions 1, 3, 4, 6, 7, and 12, and by adding a subdivision; and 609.487, subdivision 2; repealing Minnesota Statutes 1982, section 97.45, subdivision 5.

Senate File No. 1048 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

### CONCURRENCE AND REPASSAGE

Mr. Peterson, C.C. moved that the Senate concur in the amendments by the

House to S.F. No. 1048 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1048: A bill for an act relating to natural resources; strengthening certain laws regarding the transportation of wild animals; eliminating the discount on walleye buyouts; amending Minnesota Statutes 1982, sections 97.45, subdivisions 1, 3, 4, 6, 7, 9, and 12, and by adding a subdivision; 97.4842; and Minnesota Statutes 1983 Supplement, sections 97.86, subdivision 1; 98.46, subdivision 5; and 102.26, subdivision 3d; proposing new law coded in Minnesota Statutes, chapter 98; repealing Minnesota Statutes 1982, section 97.45, subdivision 5.

Was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 58 and nays 4, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kronebusch	Novak	Schmitz
Anderson	Diessner	Laidig	Olson	Sieloff
Belanger	Frank	Langseth	Pehler	Spear
Benson	Frederick	Lantry	Peterson, C.C.	Storm
Berg	Frederickson	Lessard	Peterson, D.C.	Stumpf
Berglin	Freeman	Luther	Peterson, D.L.	Taylor
Bernhagen	Isackson	McQuaid	Petty	Ulland
Bertram	Johnson, D.E.	Mehrkens	Pogemiller	Vega
Brataas	Johnson, D.J.	Merriam	Ramstad	Wegscheid
Chmielewski	Jude	Moe, D. M.	Reichgott	Willet
Dahl	Kamrath	Moe, R. D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	

Messrs. Davis, Dieterich, Kroening and Waldorf voted in the negative.

So the bill, as amended, was repassed and its title was agreed to.

## MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 2016: A bill for an act relating to the office of the secretary of state; providing for the simplification of various filings with that office; eliminating or transferring certain filings; eliminating the requirement of publication after incorporation; amending Minnesota Statutes 1982, sections 35.14; 62C.06, subdivision 3; 62G.08, subdivision 2; 66A.08, subdivision 4; 72A.43, subdivisions 1 and 2; 121.212, subdivision 3; 169.966, subdivision 7; 272.483; 315.15; 315.20, subdivisions 2 and 3; 315.23, subdivision 2; 315.32; 315.365, subdivision 2; 325D.67, subdivisions 5 and 6; 365.46; 379.05; 507.10; Minnesota Statutes 1983 Supplement, sections 507.09; and 648.39, subdivision 1.

Senate File No. 2016 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

### CONCURRENCE AND REPASSAGE

Mr. Wegscheid moved that the Senate concur in the amendments by the House to S.F. No. 2016 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 2016: A bill for an act relating to the office of the secretary of state; providing for the simplification of various filings with that office; eliminating or transferring certain filings; providing for uniform standards for the filing of names of limited partnerships, corporations, cooperatives, and assumed names and marks; eliminating the requirement of publication after incorporation; shifting the time of publication of certificate of assumed name; providing for the filing and enforcement of security interests; providing for the determination of eligibility for the indemnification of certain persons; prohibiting the modification in bylaws of a certain provision relating to the voting power of shares; providing a time limit on claims to shareholders; delaying the effective date of the corporate registration requirement; providing for the transition of preemptive rights; amending Minnesota Statutes 1982, sections 35.14; 66A.08, subdivision 4; 72A.43, subdivisions 1 and 2; 121.212, subdivision 3; 169.966, subdivision 7; 272.483; 297.04, subdivision 3; 302A.031; 302A.111, subdivisions 2 and 3; 302A.115, subdivision 1; 302A.131; 302A.445, subdivision 3; 302A.729, subdivisions 1 and 2; 302A.733, subdivision 2; 303.06, subdivision 1; 303.13, subdivisions 1 and 3; 303.17, subdivision 3; 315.15; 315.20, subdivisions 2 and 3; 315.23, subdivision 2; 315.32; 315.365, subdivision 2; 317.09, subdivision 2; 318.02, subdivision 1; 322A.02; 322A.86; 325D.67, subdivisions 5 and 6; 331.02, subdivision 1; 333.001, subdivisions 3 and 4; 333.01; 333.02; 333.035; 333.055, subdivision 1; 333.06; 333.19, subdivision 1; 333.21, subdivision 1; 336.9-402; 336.9-403; 336.9-404; 336.9-405; 336.9-406; 362A.01, subdivision 1; 365.46; 379.05; 507.10; 540.152; 543.08; Minnesota Statutes 1983 Supplement, sections 300.083, subdivision 6; 302A.521, subdivision 6; 336.9-401; 507.09; and 648.39, subdivision 1; Laws 1981, chapter 270, section 144; repealing Minnesota Statutes 1982, sections 5.11; 51A.03, subdivision 5; 62C.06, subdivision 4; 308.15, subdivision 3; and 507.31, subdivision 2.

Was read the third time, as amended by the House, and placed on its repassage:

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kroening	Pehler	Spear
Anderson	Diessner	Kronebusch	Peterson, C.C.	Storm
Belanger	Dieterich	Laidig	Peterson, D.C.	Stumpf
Benson	Frank	Langseth	Peterson, D.L.	Taylor
Berg	Frederickson	Lantry	Peterson, R.W.	Ulland
Berglin	Freeman	Lessard	Petty	Vega
Bernhagen	Hughes	Luther	Pogemiller	Waldorf
Bertram	Isackson	Mehrkens	Porcerst	Wegscheid
Brataas	Johnson, D.E.	Merriam	Ramstad	Willet
Chmielewski	Johnson, D.J.	Moe, D. M.	Renneke	
Dahl	Jude	Nelson	Samuelson	
Davis	Kamrath	Novak	Schmitz	
DeCramer	Knaak	Olson	Sieloff	

So the bill, as amended, was repassed and its title was agreed to.

**MESSAGES FROM THE HOUSE - CONTINUED**

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 2108: A bill for an act relating to civil commitment; establishing procedures for passes for persons committed as mentally ill and dangerous; permitting respondents to be absent from hearings under certain conditions; clarifying the conditions under which a guardian may place a minor ward in certain treatment facilities; providing for status review of persons residing in state facilities pursuant to an order of guardianship; amending Minnesota Statutes 1982, sections 253B.02, by adding subdivisions; 253B.08, subdivision 5; 253B.18, by adding subdivisions; and 526.10; Minnesota Statutes 1983 Supplement, sections 253B.07, subdivision 7; and 525.619; and Laws 1982, chapter 581, section 26, as amended.

Senate File No. 2108 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

**CONCURRENCE AND REPASSAGE**

Mr. Spear moved that the Senate concur in the amendments by the House to S.F. No. 2108 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 2108 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 44 and nays 16, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kroening	Novak	Spear
Belanger	Diessner	Langseth	Pehler	Storm
Berglin	Dieterich	Lantry	Peterson, D. C.	Stumpf
Bertram	Frank	Lessard	Peterson, R. W.	Taylor
Brataas	Frederickson	Luther	Petty	Vega
Chmielewski	Freeman	McQuaid	Pogemiller	Waldorf
Dahl	Hughes	Merriam	Reichgott	Wegscheid
Davis	Jude	Moe, R. D.	Samuelson	Willet
DeCramer	Knaak	Nelson	Schmitz	

Those who voted in the negative were:

Anderson	Isackson	Kronebusch	Olson	Renneke
Benson	Johnson, D.E.	Laidig	Peterson, D.L.	Sieloff
Bernhagen	Kamrath	Mehrkens	Ramstad	Ulland
Frederick				

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. 1235: A bill for an act relating to labor; providing for an exemption from wage requirements for certain domestic service employees; amending Minnesota Statutes 1983 Supplement, section 177.23, subdivision 7.

Senate File No. 1235 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

### CONCURRENCE AND REPASSAGE

Mr. Ulland moved that the Senate concur in the amendments by the House to S.F. No. 1235 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1235: A bill for an act relating to labor; providing an exemption from the minimum wage laws for certain hours of service by certain domestic employees; amending Minnesota Statutes 1982, section 177.23, by adding a subdivision.

Was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Novak	Schmitz
Anderson	Dieterich	Kronebusch	Olson	Sieloff
Belanger	Frank	Laidig	Pehler	Spear
Benson	Frederick	Langseth	Peterson, D.C.	Storm
Berglin	Frederickson	Lantry	Peterson, D.L.	Stumpf
Bernhagen	Freeman	Lessard	Peterson, R.W.	Taylor
Bertram	Hughes	Luther	Petty	Ulland
Brataas	Isackson	McQuaid	Pogemiller	Waldorf
Dahl	Johnson, D.E.	Mehrkens	Ramstad	Wegscheid
Davis	Jude	Merriam	Reichgott	Willet
DeCramer	Kamrath	Moe, R. D.	Renneke	
Dicklich	Knaak	Nelson	Samuelson	

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. 1976: A bill for an act relating to regulated industries; changing conditions that regulate the telecast of games at metropolitan sports facilities; amending Minnesota Statutes 1982, section 473.581, subdivision 3; repeal-

ing Minnesota Statutes 1982, section 473.568.

Senate File No. 1976 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

### CONCURRENCE AND REPASSAGE

Mr. Novak moved that the Senate concur in the amendments by the House to S.F. No. 1976 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1976 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 12, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kronebusch	Novak	Schmitz
Anderson	Frank	Langseth	Olson	Sieloff
Belanger	Frederick	Lantry	Peterson, C.C.	Solon
Benson	Frederickson	Lessard	Peterson, D.L.	Storm
Bernhagen	Freeman	Luther	Pogemiller	Stumpf
Brataas	Hughes	McQuaid	Purfeerst	Taylor
Chmielewski	Isackson	Mehrkens	Ramstad	Ulland
Dahl	Johnson, D.E.	Merriam	Reichgott	Vega
DeCramer	Jude	Moe, R. D.	Renneke	Wegscheid
Dicklich	Kamrath	Nelson	Samuelson	Willet

Those who voted in the negative were:

Berglin	Dieterich	Pehler	Peterson, R.W.	Spear
Bertram	Knaak	Peterson, D.C.	Petty	Waldorf
Davis	Kroening			

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. 1560: A bill for an act relating to crimes; subjecting certain property to forfeiture if exchanged for or associated with controlled substances; conforming definitions with other statutes; amending Minnesota Statutes 1982, section 152.19, subdivisions 1, 2, 4, 5, and 8.

Senate File No. 1560 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

### CONCURRENCE AND REPASSAGE

Mr. Waldorf moved that the Senate concur in the amendments by the

House to S.F. No. 1560 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1560 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 2, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kronebusch	Olson	Schmitz
Anderson	Diessner	Laidig	Pehler	Sieloff
Belanger	Dieterich	Langseth	Peterson, C.C.	Solon
Benson	Frank	Lantry	Peterson, D.C.	Spear
Berglin	Frederick	Lessard	Peterson, D.L.	Storm
Bernhagen	Frederickson	Luther	Peterson, R.W.	Stumpf
Bertram	Hughes	McQuaid	Petty	Ulland
Brataas	Isackson	Mehrkens	Purfeerst	Vega
Chmielewski	Johnson, D.E.	Merriam	Ramstad	Waldorf
Dahl	Kamrath	Moe, R. D.	Reichgott	Wegscheid
Davis	Knaak	Nelson	Renneke	Willet
DeCramer	Kroening	Novak	Samuelson	

Messrs. Freeman and Pogemiller voted in the negative.

So the bill, as amended, was repassed and its title was agreed to.

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. DeCramer moved that the following members be excused for a Conference Committee on H.F. No. 2182 from 1:30 to 2:00 p.m.:

Messrs. DeCramer, Merriam, Davis, Bertram and Berg. The motion prevailed.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested.

S.F. No. 1007: A bill for an act relating to courts; permitting the establishment of compulsory nonbinding arbitration programs for use in civil proceedings; proposing new law coded in Minnesota Statutes, chapter 484.

Senate File No. 1007 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

### CONCURRENCE AND REPASSAGE

Mr. Freeman moved that the Senate concur in the amendments by the House to S.F. No. 1007 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1007 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 57 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Laidig	Peterson, D.C.	Solon
Anderson	Frederick	Langseth	Peterson, D.L.	Spear
Belanger	Frederickson	Lantry	Peterson, R.W.	Storm
Benson	Freeman	Lessard	Petty	Stumpf
Berglin	Hughes	Luther	Pogemiller	Ulland
Bernhagen	Isackson	McQuaid	Purfeerst	Vega
Brataas	Johnson, D.E.	Mehrkens	Ramstad	Waldorf
Chmielewski	Johnson, D.J.	Moe, R. D.	Reichgott	Wegscheid
Dahl	Jude	Nelson	Renneke	Willet
Dicklich	Kamrath	Novak	Samuelson	
Diessner	Kroening	Olson	Schmitz	
Dieterich	Kronebusch	Pehler	Sieloff	

Messrs. Knaak and Merriam voted in the negative.

So the bill, as amended, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce 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. 1455: A bill for an act relating to health; exempting schools from license fee requirements of the department of health; exempting certain places of lodging from licensing requirements of the department; amending Minnesota Statutes 1982, sections 157.03 and 157.14.

Senate File No. 1455 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

### CONCURRENCE AND REPASSAGE

Mr. Jude moved that the Senate concur in the amendments by the House to S.F. No. 1455 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1455: A bill for an act relating to health; exempting schools from license fee requirements of the department of health; amending Minnesota Statutes 1982, section 157.03.

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:



Adkins	Frank	Kronebusch	Olson	Schmitz
Anderson	Frederick	Laidig	Pehler	Sieloff
Belanger	Frederickson	Langseth	Peterson, C.C.	Solon
Benson	Freeman	Lantry	Peterson, D.C.	Spear
Berglin	Hughes	Lessard	Peterson, D.L.	Storm
Bernhagen	Isackson	Luther	Petty	Stumpf
Brataas	Johnson, D.E.	McQuaid	Pogemiller	Ulland
Chmielewski	Johnson, D.J.	Mehrkens	Purfeerst	Vega
Dahl	Jude	Merriam	Ramstad	Waldorf
Dicklich	Kamrath	Moe, R. D.	Reichgott	Wegscheid
Diessner	Knaak	Nelson	Renneke	Willet
Dieterich	Kroening	Novak	Samuelson	

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. 1702: A bill for an act relating to counties; changing certain county powers; fixing expenditure authority for various county activities; changing penalties; revising the language of the text of chapters governing county powers and county boards; amending Minnesota Statutes 1982, chapters 373, as amended, and 375, as amended; repealing Minnesota Statutes 1982, section 375.29.

Senate File No. 1702 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

### CONCURRENCE AND REPASSAGE

Mr. Schmitz moved that the Senate concur in the amendments by the House to S.F. No. 1702 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1702: A bill for an act relating to counties; changing certain county powers; removing a lynching provision; fixing expenditure authority for various county activities; changing penalties; revising the language of the text of chapters governing county powers and county boards; allowing certain county officers to discharge duties relating to motor vehicles; amending Minnesota Statutes 1982, chapters 373, as amended, and 375, as amended; section 168.33, subdivision 2; repealing Minnesota Statutes 1982, sections 373.28; and 375.29.

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:

Adkins	Frank	Laidig	Olson	Schmitz
Anderson	Frederick	Langseth	Pehler	Sieloff
Belanger	Frederickson	Lantry	Peterson, C. C.	Solon
Benson	Freeman	Lessard	Peterson, D. C.	Spear
Berglin	Hughes	Luther	Peterson, D. L.	Storm
Bernhagen	Isackson	McQuaid	Petty	Stumpf
Brataas	Johnson, D.E.	Mehrkens	Pogemiller	Taylor
Chmielewski	Jude	Merriam	Purfeerst	Ulland
Dahl	Kamrath	Moe, D. M.	Ramstad	Vega
Dicklich	Knaak	Moe, R. D.	Reichgott	Waldorf
Diessner	Kroening	Nelson	Renneke	Wegscheid
Dieterich	Kronebusch	Novak	Samuelson	Willet

So the bill, as amended, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 2046: A bill for an act relating to statutes; revising the text of certain laws to remove redundant and obsolete language, to simplify grammar and syntax, and to improve the style of language without causing changes in the meaning of the laws affected; requiring the revisor of statutes to editorially change criminal fines in a manner consistent with 1983 regular session changes made in maximum authorized fines; amending Minnesota Statutes 1982, chapters 1, as amended; 16A, as amended; 177, as amended; and 300, as amended; and Minnesota Statutes 1982, sections 10.39; 15.375; 80A.22, subdivision 1; 152.15, subdivision 1; 609.20; Minnesota Statutes 1983 Supplement, sections 609.21; 609.52, subdivision 3; 609.582; 617.246, subdivisions 2, 3, and 4; repealing Minnesota Statutes 1982, sections 10.02; 10.03; 16A.02; 16A.04, subdivisions 2 and 3; 16A.07; 16A.08; 16A.125, subdivision 6; 16A.132; 16A.52; 16A.55; 16A.65, subdivision 3; and Minnesota Statutes 1983 Supplement, section 609.0341, subdivision 3.

Senate File No. 2046 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

### CONCURRENCE AND REPASSAGE

Mr. Jude moved that the Senate concur in the amendments by the House to S.F. No. 2046 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 2046 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:

Adkins	Frank	Laidig	Olson	Schmitz
Anderson	Frederickson	Langseth	Pehler	Sieloff
Belanger	Freeman	Lantry	Peterson, C.C.	Solon
Benson	Hughes	Lessard	Peterson, D.C.	Spear
Berglin	Isackson	Luther	Peterson, D.L.	Storm
Bernhagen	Johnson, D.E.	McQuaid	Petty	Stumpf
Brataas	Johnson, D.J.	Mehrrens	Pogemiller	Taylor
Chmielewski	Jude	Merriam	Purfeerst	Ulland
Dahl	Kamrath	Moe, D. M.	Ramstad	Vega
Dicklich	Knaak	Moe, R. D.	Reichgott	Waldorf
Diessner	Kroening	Nelson	Renneke	Wegscheid
Dieterich	Kronebusch	Novak	Samuelson	Willet

So the bill, as amended, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1572: A bill for an act relating to court proceedings; adopting provisions of the uniform probate code and clarifying laws relating to intestate succession, spouse's elective share, and omitted spouses and children; providing for ante-mortem probate of wills; proposing new law coded in Minnesota Statutes, chapters 524; and 525; repealing Minnesota Statutes 1982, sections 525.16; 525.17; 525.171; 525.20; 525.201; 525.202; 525.212 to 525.216; Minnesota Statutes 1983 Supplement, sections 525.172; and 525.173.

Senate File No. 1572 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 19, 1984

### CONCURRENCE AND REPASSAGE

Mr. Sieloff moved that the Senate concur in the amendments by the House to S.F. No. 1572 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1572 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:

Adkins	Frank	Laidig	Olson	Sieloff
Anderson	Frederickson	Langseth	Peterson, C.C.	Solon
Belanger	Freeman	Lantry	Peterson, D.C.	Spear
Benson	Hughes	Lessard	Peterson, D.L.	Storm
Berglin	Isackson	Luther	Petty	Stumpf
Bernhagen	Johnson, D.E.	McQuaid	Pogemiller	Taylor
Brataas	Johnson, D.J.	Mehrrens	Purfeerst	Ulland
Chmielewski	Jude	Merriam	Ramstad	Vega
Dahl	Kamrath	Moe, D. M.	Reichgott	Waldorf
Dicklich	Knaak	Moe, R. D.	Renneke	Wegscheid
Diessner	Kroening	Nelson	Samuelson	Willet
Dieterich	Kronebusch	Novak	Schmitz	

So the bill, as amended, was repassed and its title was agreed to.

**MOTIONS AND RESOLUTIONS - CONTINUED**

S.F. No. 1880 and the Conference Committee Report thereon were reported to the Senate.

**CONFERENCE COMMITTEE REPORT ON S.F. NO. 1880**

A bill for an act relating to local government; providing for financing of county and county regional jails; amending Minnesota Statutes 1982, sections 641.24; and 641.264, subdivision 1.

April 19, 1984

The Honorable Jerome M. Hughes  
President of the Senate

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1880, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 1880 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 117.52, is amended to read:

117.52 [UNIFORM RELOCATION ASSISTANCE.]

*Subdivision 1. [LACK OF FEDERAL FUNDING.]* In all acquisitions undertaken by any acquiring authority and in all voluntary rehabilitation carried out by a person pursuant to acquisition or as a consequence thereof, in which, due to the lack of federal financial participation, relocation assistance, services, payments and benefits under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 84 Stat. 1894 (1971), 42 United States Code, Section 4601, et seq., are not available, the acquiring authority, as a cost of acquisition, shall provide all relocation assistance, services, payments and benefits required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and ~~any~~ *those* regulations adopted pursuant thereto by the United States department of housing and urban development, ~~except that in effect as of January 1, 1984.~~

*Subd. 2. [ACQUISITIONS FOR HIGHWAY PURPOSES.]* Despite *subdivision 1*, with respect to acquisitions for highway purposes or acquisitions for which the state department of transportation performs relocation assistance services for the department of administration, the regulations of the United States department of transportation may be applied; ~~as of the date of enactment of sections 117.50 to 117.56;~~ to all displaced persons who would otherwise be eligible for such relocation assistance, services, payments and benefits thereunder but for the lack of federal financial participation.

*Subd. 3. [EXCEPTION.]* This section shall not apply in the case where federal financial participation for provision of relocation assistance, services, payments and benefits in connection with an acquisition has been procured or committed pursuant to section 117.51 and has then been withdrawn

by the United States, unless the acquiring authority subsequently determines to proceed with the acquisition in question using non-federal funds.

Sec. 2. Minnesota Statutes 1982, section 429.021, subdivision 1, is amended to read:

Subdivision 1. [IMPROVEMENTS AUTHORIZED.] The council of a municipality shall have power to make the following improvements:

(1) To acquire, open, and widen any street, and to improve the same by constructing, reconstructing, and maintaining sidewalks, pavement, gutters, curbs, and vehicle parking strips of any material, or by grading, graveling, oiling, or otherwise improving the same, including the beautification thereof and including storm sewers or other street drainage and connections from sewer, water or similar mains to curb lines.

(2) To acquire, develop, construct, reconstruct, extend and maintain storm and sanitary sewers and systems, including outlets, holding areas and ponds, treatment plants, pumps, lift stations, service connections, and other appurtenances of a sewer system, within and without the corporate limits.

(3) To construct, reconstruct, extend and maintain steam heating mains.

(4) To install, replace, extend and maintain street lights and street lighting systems and special lighting systems.

(5) To acquire, improve, construct, reconstruct, extend and maintain water works systems, including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks, treatment plants, and other appurtenances of a water works system, within and without the corporate limits.

(6) To acquire, improve and equip parks, open space areas, playgrounds and recreational facilities within or without the corporate limits.

(7) To plant trees on streets and provide for their trimming, care and removal.

(8) To abate nuisances and to drain swamps, marshes and ponds on public or private property and to fill the same.

(9) To construct, reconstruct, extend, and maintain dikes and other flood control works.

(10) To construct, reconstruct, extend and maintain retaining walls and area walls.

(11) To acquire, construct, reconstruct, improve, alter, extend, operate, maintain and promote a pedestrian skyway system. *Such improvement may be made upon a petition pursuant to section 429.031, subdivision 3.*

(12) To acquire, construct, reconstruct, extend, operate, maintain and promote underground pedestrian concourses.

(13) To acquire, construct, improve, alter, extend, operate, maintain and promote public malls, plazas or courtyards.

(14) To construct, reconstruct, extend, and maintain district heating systems.

(15) *To construct, reconstruct, alter, extend, operate, maintain and pro-*

*mote fire protection systems in existing buildings, but only upon a petition pursuant to section 429.031, subdivision 3.*

Sec. 3. Minnesota Statutes 1982, section 429.031, subdivision 3, is amended to read:

Subd. 3. [PETITION BY ALL OWNERS.] Whenever all owners of real property abutting upon any street named as the location of any improvement shall petition the council to construct the improvement and to assess the entire cost against their property, the council may, without a public hearing, adopt a resolution determining such fact and ordering the improvement. The validity of the resolution shall not be questioned by any taxpayer or property owner or the municipality unless an action for that purpose is commenced within 30 days after adoption of the resolution as provided in section 429.036. Nothing herein prevents any property owner from questioning the amount or validity of the special assessment against his property pursuant to section 429.081. *In the case of a petition for the installation of a fire protection or a pedestrian skyway system, the petition must contain or be accompanied by an undertaking satisfactory to the city by the petitioner that the petitioner will grant the municipality the necessary property interest in the building to permit the city to enter upon the property and the building to construct, maintain, and operate the fire protection or pedestrian skyway system. In the case of a petition for the installation of a fire protection or pedestrian skyway system which will be privately owned, the petition shall also contain the plans and specifications for the improvement, the estimated cost of the improvement and a statement indicating whether the city or the owner will contract for the construction of the improvement. If the owner is contracting for the construction of the improvement, the city shall not approve the petition until it has reviewed and approved the plans, specifications, and cost estimates contained in the petition. The construction cost financed under section 429.091 shall not exceed the amount of the cost estimate contained in the petition. In the case of a petition for the installation of a fire protection or a pedestrian skyway system, the petitioner may request abandonment of the improvement at any time after it has been ordered pursuant to subdivision 1 and before contracts have been awarded for the construction of the improvement under section 429.041, subdivision 2. If such a request is received, the city council shall abandon the proceedings but in such case the petitioner shall reimburse the city for any and all expenses incurred by the city in connection with the improvement.*

Sec. 4. Minnesota Statutes 1982, section 429.091, subdivision 2, is amended to read:

Subd. 2. [TYPES OF OBLIGATIONS PERMITTED.] *Except for bonds issued for a pedestrian skyway system, the council may by resolution adopted prior to the sale of obligations pledge the full faith, credit, and taxing power of the municipality for the payment of the principal and interest. Such obligations shall be called improvement bonds and the council shall pay the principal and interest out of any fund of the municipality when the amount credited to the specified fund is insufficient for the purpose and shall each year levy a sufficient amount to take care of accumulated or anticipated deficiencies, which levy shall not be subject to any statutory or charter tax limitation. Obligations for the payment of which the full faith and credit of the municipality is not pledged shall be called improvement warrants or, in*

*the case of bonds for fire protection or pedestrian skyway systems, revenue bonds and shall contain a promise to pay solely out of the proper special fund or funds pledged to their payment. It shall be the duty of the municipal treasurer to pay maturing principal and interest on warrants or revenue bonds out of funds on hand in the proper ~~special fund~~ funds and not otherwise.*

Sec. 5. Minnesota Statutes 1982, section 429.101, subdivision 1, is amended to read:

Subdivision 1. [ORDINANCES.] In addition to any other method authorized by law or charter, the governing body of any municipality may provide for the collection of unpaid special charges for all or any part of the cost of

(a) snow, ice, or rubbish removal from sidewalks,

(b) weed elimination from streets or private property,

(c) removal or elimination of public health or safety hazards from private property, excluding any structure included under the provisions of sections 463.15 to 463.26,

(d) installation or repair of water service lines, street sprinkling or other dust treatment of streets,

(e) the trimming and care of trees and the removal of unsound trees from any street,

(f) the treatment and removal of insect infested or diseased trees on private property, the repair of sidewalks and alleys, or

(g) the operation of a street lighting system, or

(h) *the operation and maintenance of a fire protection or a pedestrian skyway system,*

as a special assessment against the property benefited. The council may by ordinance adopt regulations consistent with this section to make this authority effective, including, at the option of the council, provisions for placing primary responsibility upon the property owner or occupant to do the work himself (except in the case of street sprinkling or other dust treatment, alley repair, tree trimming, care, and removal or the operation of a street lighting system) upon notice before the work is undertaken, and for collection from the property owner or other person served of the charges when due before unpaid charges are made a special assessment.

Sec. 6. Minnesota Statutes 1982, section 462.441, is amended to read:

462.441 [POWERS; QUORUM; OFFICERS; MEETING; COMPENSATION; EXPENSES.]

The powers of each authority shall be vested in the commissioners thereof in office at any time; a majority of whom shall constitute a quorum for all purposes. Each authority shall select a chairman and a secretary from among its commissioners and shall adopt such bylaws and other rules for the conduct of its affairs as it deems appropriate. The regular meetings of an authority shall be held in a fixed place and shall be open to the public. Each commissioner shall be entitled to receive necessary expenses, including traveling expenses, incurred in the performance of his duties. Each commissioner may be paid for attending meetings of the authority, regular and special \$25 \$35 per meeting, the aggregate of all payments to each such commissioner for any one year not to exceed, however, ~~\$1,500~~ \$2,500.

Sec. 7. Minnesota Statutes 1982, section 462.461, subdivision 1, is amended to read:

Subdivision 1. All construction work, and work of demolition or clearing, and every purchase of equipment, supplies, or materials, necessary in carrying out the purposes of sections 462.415 to 462.705, that shall involve the expenditure of ~~\$5,000~~ \$15,000 or more shall be awarded by contract as hereinafter provided. Before receiving bids under the provisions of these sections the authority shall publish, once a week for two consecutive weeks in an official newspaper of general circulation in the community a notice that bids will be received for that construction work, or that purchase of equipment, supplies, or materials, stating the nature of the work and the terms and conditions upon which the contract is to be let, naming therein a time and place where bids will be received, opened and read publicly, which time shall be not less than seven days after the date of the last publication. After the bids have been duly received, opened and read publicly and recorded, the authority shall award the contract to the lowest responsible bidder, the authority reserving the right, however, to reject any or all bids, each such contract to be duly executed in writing, and the person to whom the contract is awarded shall give sufficient bond to the authority for its faithful performance. If no satisfactory bid is received, the authority may readvertise. The authority shall have the right to set up reasonable qualifications to determine the fitness and responsibility of bidders and to require bidders to meet such qualifications before bids are accepted.

Sec. 8. Minnesota Statutes 1982, section 462.461, subdivision 2, is amended to read:

Subd. 2. If the authority by an affirmative vote of four-fifths of its members shall declare that an emergency exists requiring the immediate purchase of any equipment or material or supplies at a cost in excess of ~~\$5,000~~ \$15,000, but not exceeding ~~\$10,000~~ \$30,000 in amount, or making of emergency repairs, it shall not be necessary to advertise for bids, but the material, equipment, or supplies may be purchased in the open market at the lowest price obtainable, or the emergency repairs may be contracted for or performed without securing formal competitive bids. An emergency, as considered in sections 462.415 to 462.705, shall be understood to be unforeseen circumstances or conditions which result in the placing in jeopardy of human life or property.

Sec. 9. Minnesota Statutes 1982, section 462.461, subdivision 3, is amended to read:

Subd. 3. Bonds shall be required from contractors for any works of construction as provided in and subject to all the provisions of ~~Minnesota Statutes 1945~~, sections 574.26 to 574.31. *Sections 574.21 to 574.31 and this subdivision do not apply to contracts entered into by an authority for an expenditure of less than \$15,000.*

Sec. 10. Minnesota Statutes 1982, section 462C.09, is amended by adding a subdivision to read:

*Subd. 2a. [1985 CITY ALLOCATION.] Notwithstanding the allocation provisions of subdivision 2, this subdivision applies to the January 1985 allocations. Unless otherwise authorized by law, a city that intends to issue during the calendar year 1985 mortgage revenue bonds that are subject to the volume limitation imposed by section 103A(g) of the Internal Revenue Code of 1954, as amended through March 1, 1983, shall by January 2, 1985 submit*



to the Minnesota housing finance agency a program that will use a portion of the state mortgage revenue bond ceiling. The total amount of bonds included in all programs submitted pursuant to this subdivision by a city may not exceed \$10,000,000. Each program shall be accompanied by a certificate from the city that states that the revenue bond issue is feasible. By February 1, the Minnesota housing finance agency shall review each program pursuant to section 462C.04, subdivision 2. The Minnesota housing finance agency shall approve all programs that the agency determines are consistent with this chapter, and that meet the following conditions:

(a) all of the loans must be reserved for a period of not less than six months for persons and families whose adjusted family income is below 80 percent of the limits on adjusted gross income provided in section 462C.03, subdivision 2; and

(b) loans must be made only to finance homes that are serviced by municipal water and sewer utilities; provided that if the approval of all programs would result in an allocation to cities in excess of 27-1/2 percent of the state ceiling for the calendar year 1985, reduced by the amount of bonds that are allocated by law to specified cities, the Minnesota housing finance agency shall approve programs that are submitted by a city which meets any of the following three criteria: (1) a city of the first class, or (2) a city that did not receive an allocation under this subdivision during the preceding two calendar years, or (3) a group of cities that plan to jointly issue bonds for the program provided further that if approval of all of the programs submitted by cities that meet one or more of the criteria in (1), (2), or (3) would result in a total allocation to cities in excess of the portion of the state ceiling available for allocation, then from among those programs the agency shall select by lot the programs to be approved. If a portion of the state ceiling remains unallocated after the agency has approved all programs submitted by cities that meet one or more of the criteria in (1), (2), or (3), the Minnesota housing finance agency shall select by lot from among the remaining programs the programs to be approved. The Minnesota housing finance agency shall determine if a program meets the conditions in clauses (a) and (b) based solely upon the program with accompanying information submitted to the agency. Approval of a program shall constitute an allocation of a portion of the state ceiling for mortgage revenue bonds equal to the proposed bond issue or issues contained in the program, provided that the allocation for the last selected program that receives an allocation may be equal to or less than the amount of the bond issue or issues proposed in the program.

If a city which received an allocation pursuant to this subdivision, or which has been allocated a portion of the state ceiling by law and has received approval of one or more programs, has not issued bonds by September 1 in an amount equal to the allocation, and the city intends to issue mortgage revenue bonds prior to the end of the calendar year, the city shall by September 1 submit to the Minnesota housing finance agency for each program a letter that states the city's intent to issue the mortgage revenue bonds prior to the end of the calendar year. If the Minnesota housing finance agency does not receive the letter from the city, then the allocation of the state ceiling for that program shall expire on September 1, and the applicable limit for the Minnesota housing finance agency shall be increased by an amount equal to the unused portion of the allocation to the city. A city referred to in subdivision 1, clause (i), shall not be required to apply under this subdivision with respect to bonds allocated by law to any such city. Nothing in this subdivision shall prevent any such city from applying for an additional allocation of bonds under this subdivision.

Sec. 11. Minnesota Statutes 1983 Supplement, section 474.03, subdivision 3, is amended to read:

Subd. 3. [REVENUE BONDS.] It may issue revenue bonds, in anticipation of the collection of revenues of ~~the~~ *a project to be situated within the state, whether wholly or partially within or without the municipality or redevelopment agency*, to finance, in whole or in part, the cost of the acquisition, construction, reconstruction, improvement, betterment, or extension thereof.

Sec. 12. Minnesota Statutes 1982, section 641.24, is amended to read:

641.24 [LEASING.]

The county may, by resolution of the county board, enter into a lease agreement with any statutory or home rule charter city situated within the county, *or a county housing and redevelopment authority established pursuant to chapter 462 or any special law* whereby the city *or county housing and redevelopment authority* will construct a ~~county~~ jail in accordance with plans prepared by or at the request of the county board and approved by the commissioner of corrections and will finance it by the issuance of revenue bonds, and the county ~~will~~ *may* lease the jail site and improvements for a term and upon rentals sufficient to produce revenue for the prompt payment of the bonds and all interest accruing thereon and, upon completion of payment, will acquire title thereto. The real and personal property acquired for the jail shall constitute a project and the lease agreement shall constitute a revenue agreement as contemplated in chapter 474, and all proceedings shall be taken by the city *or county housing and redevelopment authority* and the county in the manner and with the force and effect provided in chapter 474; provided that:

- (1) No tax shall be imposed upon or in lieu of a tax upon the property;
- (2) The approval of the project by the commissioner of securities and real estate shall not be required;
- (3) The department of corrections shall be furnished and shall record such information concerning each project as it may prescribe, in lieu of reports required on other projects to the commissioner of energy, planning and development;
- (4) The rentals required to be paid under the lease agreement shall not exceed in any year four-tenths of one percent of the assessed value of property within the county, as last finally equalized before the execution of the agreement;
- (5) The county board shall provide for the payment of all rentals due during the term of the lease, in the manner required in section 641.264, subdivision 2; ~~and~~
- (6) No mortgage on the jail property shall be granted for the security of the bonds, but compliance with clause (5) hereof may be enforced as a nondiscretionary duty of the county board; *and*
- (7) *The county board may sublease any part of the jail property for purposes consistent with the maintenance and operation of a county jail.*

Sec. 13. Minnesota Statutes 1982, section 641.264, subdivision 1, is amended to read:

Subdivision 1. [CAPITAL IMPROVEMENTS; BOND ISSUES AND LEASES.] The construction or acquisition, the equipping, and subsequent improvement of a county regional jail may be financed in whole or in part by the issuance of general obligation bonds of the cooperating counties in the manner provided in section 641.23 or by the issuance of revenue bonds of a city situated in one of the counties *or with the approval of the board of county commissioners of each cooperating county a county housing and redevelopment authority established pursuant to chapter 462 or special law*, secured by a lease agreement in the manner provided in chapter 474 and in sections 641.24 and 641.263, subdivision 2. Proceedings for the issuance of general obligation bonds shall be instituted by the board of county commissioners of each cooperating county. The regional jail board, with the approval of the county board of each cooperating county, shall fix the total amount necessary to be raised for the construction or acquisition, the equipping, and subsequent improvement of a regional jail, and shall apportion to each county in the manner provided in subdivision 2 the share of this amount, or of annual debt service or lease rentals required to pay this amount with interest, which is to be raised by the county.

Sec. 14. [BLUE HILL; POWERS.]

*Subdivision 1. [EXERCISE OF POWERS.] The town of Blue Hill in Sherburne County may exercise the powers set out in Minnesota Statutes, section 368.01.*

*Subd. 2. [EFFECTIVE DATE.] This section is effective the day after the town board of Blue Hill complies with Minnesota Statutes, section 645.021, subdivision 3.*

Sec. 15. [EFFECTIVE DATE.]

*Sections 1 to 13 are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to government services; clarifying references to federal relocation law; changing provisions relating to housing and redevelopment authorities; changing allocation of certain qualified mortgage bonds; providing conditions for certain municipal improvements; changing certain powers of municipalities or redevelopment agencies; providing for financing of county and county regional jails; granting certain powers to the town of Blue Hill; making changes in the authority for certain municipal housing programs; amending Minnesota Statutes 1982, sections 117.52; 429.021, subdivision 1; 429.031, subdivision 3; 429.091, subdivision 2; 429.101, subdivision 1; 462.441; 462.461, subdivisions 1, 2, and 3; 462C.09, by adding a subdivision; 641.24; 641.264, subdivision 1; Minnesota Statutes 1983 Supplement, section 474.03, subdivision 3."

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Duane D. Benson, Darril Wegscheid, Lawrence J. Pogemiller

House Conferees: (Signed) Bob Ellingson, Carolyn Rodriguez, William Schreiber

Mr. Wegscheid moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1880 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. 1880 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 34 and nays 29, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Lantry	Pogemiller	Solon
Benson	Freeman	Lessard	Purfeerst	Spear
Berglin	Hughes	Nelson	Ramstad	Taylor
Bertram	Johnson, D.J.	Novak	Reichgott	Vega
Brataas	Kroening	Peterson, C.C.	Samuelson	Waldorf
Chmielewski	Laidig	Peterson, D.C.	Schmitz	Wegscheid
DeCramer	Langseth	Petty	Sieloff	

Those who voted in the negative were:

Anderson	Frank	Kamrath	Merriam	Peterson, R.W.
Belanger	Frederick	Knaak	Moe, D. M.	Renneke
Bernhagen	Frederickson	Kronebusch	Moe, R. D.	Storm
Dahl	Isackson	Luther	Olson	Ulland
Diessner	Johnson, D.E.	McQuaid	Pehler	Willet
Dieterich	Jude	Mehrkens	Peterson, D.L.	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 1628 and the Conference Committee Report thereon were reported to the Senate.

### CONFERENCE COMMITTEE REPORT ON S.F. NO. 1628

A bill for an act relating to public welfare; setting licensing, planning and zoning provisions with respect to licensed residential and day care facilities; providing that certain facilities are permitted multi-family uses; allowing municipalities to require conditional use permits for certain other facilities; requiring counties to engage in planning to promote dispersal of residential facilities; providing that certain facilities are permitted single family uses; amending Minnesota Statutes 1982, sections 245.783, by adding a subdivision; 245.812, subdivisions 3, 4 and 7, and by adding a subdivision; and 462.357, subdivisions 7, 8, and by adding a subdivision.

April 20, 1984

The Honorable Jerome M. Hughes  
President of the Senate

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1628, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 1628 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 245.783, is amended by adding a subdivision to read:

*Subd. 7. When issuing new licenses pursuant to this section, the commissioner shall implement a policy preference for residential facilities serving less than 17 individuals who are mentally retarded.*

Sec. 2. Minnesota Statutes 1982, section 245.812, is amended by adding a subdivision to read:

*Subd. 2a. It is the policy of this state that handicapped persons and children should not be excluded by municipal zoning ordinances or other land use regulations from the benefits of normal residential surroundings.*

Sec. 3. Minnesota Statutes 1982, section 245.812, subdivision 3, is amended to read:

Subd. 3. A licensed residential facility serving six or fewer persons or a licensed day care facility serving ~~ten~~ 12 or fewer persons shall be considered a permitted single family residential use of property for the purposes of zoning.

Sec. 4. Minnesota Statutes 1982, section 245.812, subdivision 4, is amended to read:

Subd. 4. Unless otherwise provided in any town, municipal or county zoning regulation, a licensed ~~day care or~~ residential facility serving from seven through sixteen persons *or a licensed day care facility serving from 13 through 16 persons* shall be considered a permitted multi-family residential use of property for purposes of zoning. A township, municipal or county zoning authority may require a conditional use or special use permit in order to assure proper maintenance and operation of a facility, provided that no conditions shall be imposed on the ~~homes~~ facility which are more restrictive than those imposed on other conditional uses or special uses of residential property in the same zones, unless such additional conditions are necessary to protect the health and safety of the residents of the facility. Nothing herein shall be construed to exclude or prohibit residential ~~homes or day care facilities~~ from single family zones if otherwise permitted by a local zoning regulation.

Sec. 5. Minnesota Statutes 1982, section 245.812, subdivision 7, is amended to read:

Subd. 7. (a) Residential facilities for adult mentally ill persons established on or before July 1, 1980, are exempt from the requirements of this section until July 1, 1984 1985. ~~The commissioner shall develop a mechanism for ensuring full compliance with this section by residential facilities for adult mentally ill persons by July 1, 1984.~~

(b) *Before January 1, 1985, each county having one or more group residential facilities within 1,320 feet of any existing group residential facility shall submit to the department of public welfare a plan to promote dispersal of group residential facilities. In formulating its plan, the county shall solicit the participation of affected persons, facilities, municipalities having highly concentrated residential facility populations, and advocacy groups. For purposes of this subdivision, "highly concentrated" means having a population*

*in residential facilities serving seven or more persons that exceeds one-half of one percent of the population of a recognized planning district or other administrative subdivision.*

*(c) Within 45 days after submission of the plan by the county, the commissioner shall certify whether the plan fulfills the purposes and requirements of this subdivision including the following requirements.*

*(1) No new facility serving seven or more persons shall be located in any recognized planning district or other administrative subdivision where the population in residential facilities is highly concentrated.*

*(2) The county plan shall promote dispersal of highly concentrated residential facility populations.*

*(3) The county plan shall promote the development of residential facilities in areas that are not highly concentrated.*

*(4) No person in a residential facility shall be displaced as a result of this section until a relocation plan has been implemented that provides for an acceptable alternative placement.*

*(5) If the plan provides for the relocation of residential facilities, the relocation shall be completed by January 1, 1990.*

*If the commissioner certifies that the plan does not do so, he shall state the reasons, and the county shall have 30 days to submit a plan amended to comply with the requirements of the commissioner.*

*(d) After July 1, 1985, the commissioner may reduce grants pursuant to section 245.73 to a county required to have an approved plan under clause (b) if the county does not have a plan approved by the commissioner. The county board has the right to be provided with advance notice and to appeal the commissioner's decision. If the county requests a hearing within 30 days of the notification of intent to reduce grants, the commissioner shall not certify any reduction in grants until a hearing is conducted and a decision rendered in accordance with the contested case provisions of chapter 14.*

Sec. 6. Minnesota Statutes 1982, section 462.357, is amended by adding a subdivision to read:

*Subd. 6a. It is the policy of this state that handicapped persons and children should not be excluded by municipal zoning ordinances or other land use regulations from the benefits of normal residential surroundings. For purposes of subdivisions 6a through 9, "person" has the meaning given in section 245.782, subdivision 2.*

Sec. 7. Minnesota Statutes 1982, section 462.357, subdivision 7, is amended to read:

~~Subd. 7. [PERMITTED SINGLE FAMILY USE.] In order to implement the policy of this state that mentally retarded and physically handicapped persons should not be excluded by municipal zoning ordinances from the benefits of normal residential surroundings, A state licensed group home or foster home residential facility serving six or fewer mentally retarded or physically handicapped persons or a licensed day care facility serving 12 or fewer persons shall be considered a permitted single family residential use of property for the purposes of zoning.~~

Sec. 8. Minnesota Statutes 1982, section 462.357, subdivision 8, is amended to read:

Subd. 8. [PERMITTED MULTI-FAMILY USE.] Unless otherwise provided in any town, municipal or county zoning regulation as authorized by this subdivision a state licensed residential facility serving from 7 through 16 ~~mentally retarded or physically handicapped~~ persons or a licensed day care facility serving from 13 through 16 persons shall be considered a permitted multi-family residential use of property for purposes of zoning. A township, municipal or county zoning authority may require a conditional use or special use permit in order to assure proper maintenance and operation of a facility, provided that no conditions shall be imposed on the ~~homes~~ facility which are more restrictive than those imposed on other conditional uses or special uses of residential property in the same zones, unless the additional conditions are necessary to protect the health and safety of the residents of the residential facility for the ~~mentally retarded or the physically handicapped~~. Nothing herein shall be construed to exclude or prohibit residential ~~homes for the mentally retarded or physically handicapped~~ or day care facilities from single family zones if otherwise permitted by a local zoning regulation.

Sec. 9. [EFFECTIVE DATE.]

*Sections 1 to 8 are effective the day after final enactment.*"

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Linda Berglin, Eric D. Petty, Ron Sieloff

House Conferees: (Signed) Lee Greenfield, Dominic J. Elioff, Ben Boo

Ms. Berglin moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1628 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. 1628 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 63 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Laidig	Pehler	Sieloff
Anderson	Frank	Langseth	Peterson.C.C.	Solon
Belanger	Frederick	Lantry	Peterson.D.C.	Spear
Benson	Frederickson	Lessard	Peterson.D.L.	Storm
Berg	Freeman	Luther	Peterson.R.W.	Stumpf
Berglin	Hughes	McQuaid	Petty	Taylor
Bernhagen	Isackson	Mehrkes	Pogemiller	Uffland
Bertram	Johnson, D.E.	Merriam	Purfeerst	Vega
Chmielewski	Johnson, D.J.	Moe, D. M.	Ramstad	Waldorf
Dahl	Jude	Moe, R. D.	Reichgott	Wegscheid
DeCramer	Knaak	Nelson	Renneke	Willet
Dicklich	Kroening	Novak	Samuelson	
Diessner	Kronebusch	Olson	Schmitz	

Mr. Kamrath voted in the negative.

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

S.F. No. 1349 and the Conference Committee Report thereon were reported to the Senate.

### CONFERENCE COMMITTEE REPORT ON S.F. NO. 1349

A bill for an act relating to liquor; abolishing prohibition on furnishing liquor to certain persons and exclusion of certain persons from liquor establishments after notice; amending Minnesota Statutes 1982, section 340.601; repealing Minnesota Statutes 1982, sections 340.73, subdivision 2; 340.78; and 340.81.

April 20, 1984

The Honorable Jerome M. Hughes  
President of the Senate

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1349, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 1349 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 182.651, subdivision 18, is amended to read:

Subd. 18. The following substances or mixtures are not hazardous substances if they are:

(a) products intended for personal consumption by employees in the workplace;

(b) consumer products packaged for distribution to, and used by, the general public, including any product used by an employer or the employer's employees in the same form, concentration, and manner as it is sold to consumers, and to the employer's knowledge, employee exposure is not significantly greater than the consumer exposure occurring during principal consumer use of the product;

(c) any article, including but not limited to, an item of equipment or hardware, which contains a hazardous substance, if the substance is present in a solid form which does not create a health hazard as a result of being handled by an employee;

(d) any hazardous substance that is bound and not released under normal conditions of work or in a reasonably foreseeable occurrence resulting from workplace operations;

(e) products sold or used in retail food sale establishments and all other retail trade establishments, exclusive of processing and repair work areas; or

(f) "liquor" as defined in section 340.07, subdivision 2 or "non-intoxicating malt liquor" as defined in section 340.001, subdivision 2;

(g) "food" as defined in the Federal Food, Drug, and Cosmetic Act, United States Code, title 27, section 321, et seq.; or

(h) any waste material regulated pursuant to the federal Resource Conser-



vation and Recovery Act, Public Law 94-580, but only with respect to any employer in a business which provides a service of collection, processing, or disposal of such waste.

The commissioner may, by inclusion in the standards adopted pursuant to section 182.655, determine whether any of the following may be excluded from the definitions of hazardous substance or harmful physical agent:

(a) waste products labeled pursuant to the Resource Conservation and Recovery Act;

(b) any substance received by an employee in a sealed package and subsequently sold or transferred in that package, if the seal remains intact while the substance is in the employer's workplace; or

(c) any substance, mixture, or product if present in a physical state, volume, or concentration for which there is no valid and substantial evidence that a significant risk to human health may occur from exposure.

Sec. 2. Minnesota Statutes 1982, section 340.07, subdivision 14, is amended to read:

Subd. 14. "Restaurant" means any establishment, other than a hotel, under the control of a single proprietor or manager, having appropriate facilities for the serving of meals, and where, in consideration of payment therefor, meals are regularly served at tables to the general public, and which employs an adequate staff to provide the usual and suitable service to its guests. In cities of the first class such establishment shall have facilities for seating not less than 50 guests at one time; in cities of the second and third class and statutory cities of over 10,000 population, such establishment shall have facilities for seating not less than 30 guests at one time, or such greater number as the municipality may determine; and in cities of the fourth class and statutory cities of 10,000 population or less, in such manner as the municipality shall determine; and in an unincorporated or unorganized area of a county other than St. Louis, Cook, and Lake counties such establishment shall have facilities for seating not less than 100 guests at one time or such greater number as the county board may determine; and in an unincorporated or unorganized area of St. Louis, Cook, and Lake counties the establishment must have facilities for seating not less than 50 guests at one time.

Sec. 3. Minnesota Statutes 1982, section 340.114, is amended by adding a subdivision to read:

*Subd. 5. This section does not apply to intoxicating liquor which is:*

*(1) further distilled, refined, rectified, or blended within the state; and*

*(2) bottled within the state and labeled with the importer's own labels after importation into the state.*

Sec. 4. Minnesota Statutes 1982, section 340.15, subdivision 1, is amended to read:

Subdivision 1. The unrestricted advertising of intoxicating liquor is hereby declared to be contrary to public policy. Reasonable rules and regulations restricting advertising to prevent it from counteracting temperance education shall be made by the commissioner of public safety. *No regulation shall be construed as prohibiting the advertising of wines by off-sale licensees or municipal liquor stores by means of catalogs distributed by direct mail listing*

*not less than 25 varieties of wine and the price of each.*

Sec. 5. Minnesota Statutes 1982, section 340.601, is amended to read:

340.601 [IMPORT; TAX EVASION, MISDEMEANOR.]

~~Any~~ A person, excluding persons of minor age and other disqualified persons as provided by ~~sections~~ *section 340.73 and 340.78*, who enters the state of Minnesota from another state may have in his personal possession one quart (32 ounces) of intoxicating liquor or fermented malt beverages or who enters the state of Minnesota from a foreign country may have in his possession one gallon (128 ounces) of intoxicating liquor or ten quarts (320 ounces) of fermented malt beverages without the required payment of the Minnesota excise tax. ~~Any~~ A collector of commemorative bottles as defined in section 340.44, clauses (6) and (7), excluding persons of minor age and other disqualified persons as provided by ~~sections~~ *section 340.73 and 340.78*, who enters the state of Minnesota from another state may have in his personal possession 12 or fewer commemorative bottles without the required payment of the Minnesota excise tax. ~~Any~~ A person who ~~shall import~~ *imports* or ~~have~~ *has* in his possession any ~~such~~ *such* untaxed intoxicating liquor or fermented malt beverages in excess of the quantities provided for in this section is guilty of a misdemeanor. ~~The foregoing~~ *These* provisions do not apply to the consignments of alcoholic beverages shipped into this state by holders of Minnesota import licenses or Minnesota manufacturers and wholesalers of ~~such~~ *such* alcoholic beverages when duly licensed by the commissioner or to common carriers with licenses to sell intoxicating liquor in more than one state. ~~Any~~ A peace officer, the commissioner, or ~~his~~ *the commissioner's* authorized agents, may seize such untaxed liquor.

Sec. 6. [MORATORIUM ON CERTAIN LICENSES.]

*Notwithstanding the provisions of Minnesota Statutes, section 340.11, subdivision 10b, town boards of towns exercising powers under Minnesota Statutes, section 368.01, subdivision 1, may not issue any new off-sale intoxicating liquor licenses for a period of one year beginning with the effective date of this section. Licenses previously issued under section 340.11, subdivision 10b, may be renewed.*

Sec. 7. [ROSEVILLE LICENSES.]

*Notwithstanding any law to the contrary, the city of Roseville may issue six on-sale intoxicating liquor licenses in addition to those authorized by law. The licenses are subject to all other provisions of Minnesota Statutes, chapter 340.*

Sec. 8. [WEST ST. PAUL LICENSES.]

*Notwithstanding any law to the contrary, the city of West St. Paul may issue one on-sale intoxicating liquor license in addition to those authorized by law. The license is subject to all other provisions of Minnesota Statutes, chapter 340.*

Sec. 9. [ST. PAUL, CITY OF, ORDWAY MUSIC THEATRE; LIQUOR LICENSE.]

*In addition to the licenses now authorized by law and notwithstanding any law or ordinance to the contrary, the city of St. Paul may issue an on-sale liquor license to the governing body of the Ordway Music Theatre for the premises known as the Ordway Music Theatre. The license may, with the*

*prior approval of the governing body of the Ordway Music Theatre, be used any place on the premises of the music theatre by a person, firm, or corporation that has contracted for the use of the premises for an event or by a caterer of the person, firm, or corporation approved by the governing body of the Ordway Music Theatre. The license may be used by the person, firm, corporation, or caterer notwithstanding that the person, firm, corporation, or caterer may hold on-sale licenses in their own right.*

**Sec. 10. [ST. PAUL LIQUOR PATROL LIMITS AND ON-SALE LICENSES.]**

*Notwithstanding any law or charter provision to the contrary, the city of Saint Paul may issue retail intoxicating liquor licenses within the territory where sale of intoxicating liquor was prohibited by Special Laws 1885, chapter 281, section 6, in excess of the number authorized by Minnesota Statutes 1982, sections 340.57 to 340.59, subject to the limitations of this section.*

*The number of on-sale intoxicating liquor licenses which may be issued by the city of St. Paul shall be determined by the city council, and is not subject to the limitation contained in Minnesota Statutes, section 340.11, subdivision 5a; except that, until 1990, the number may not exceed one license for every 1,100 population, as determined by the most recent federal decennial census or by any special census taken pursuant to law, and, until 1990, not more than ten new licenses may be issued in any calendar year.*

*Notwithstanding any law or charter or ordinance provision to the contrary, on-sale intoxicating liquor licenses issued by the city of St. Paul shall be nontransferable after December 31, 1990.*

**Sec. 11. [SALE OF LIQUOR AT ST. LOUIS COUNTY HERITAGE AND ARTS CENTER.]**

*Notwithstanding any law to the contrary, the Duluth city council may by ordinance authorize on-sale intoxicating liquor license holders in the city to sell intoxicating liquor at any convention, banquet, conference, meeting, or social affair conducted on the premises of the St. Louis County Heritage and Arts Center when the licensee has been engaged by a person or organization authorized by the board of directors of the center to use said premises for the event. Sales shall be made only to persons attending the event and shall be subject to all laws and ordinances governing the sale of intoxicating liquor not inconsistent with this act. The city council may impose any additional restrictions on sales it deems appropriate and may fix and assess a fee to be paid by the licensee for each event at which sales are made. The authority granted herein shall not be construed to be the granting of an additional on-sale intoxicating liquor license in Duluth.*

**Sec. 12. [TOWN OF GREENWOOD; OFF-SALE LICENSE.]**

*Notwithstanding any law to the contrary, the town board of the town of Greenwood in St. Louis County may issue one off-sale liquor license to an establishment located within the town, with the approval of the commissioner of public safety. The license shall not be issued to a premises located within three miles of a municipality operating a municipal liquor store. The fee for the license shall be fixed by the town board in an amount not to exceed \$500 per year. A license issued pursuant to this section shall otherwise be governed by Minnesota Statutes, chapter 340.*

Sec. 13. [ST. PAUL, CITY OF; MINNESOTA MUSEUM OF ART.]

*In addition to the licenses now authorized by law, and notwithstanding any law or ordinance to the contrary, the city of St. Paul may issue an on-sale liquor license to the governing body of the Minnesota Museum of Art for the premises known as the Jemne Building. The license may, with the prior approval of the governing body of the Minnesota Museum of Art, be used any place on the premises of the Jemne Building by a person, firm, or corporation that has contracted for the use of the premises for an event or by a caterer of the person, firm, or corporation approved by the governing body of the Minnesota Museum of Art. The license may be used by the person, firm, corporation, or caterer notwithstanding that the person, firm, corporation, or caterer may hold on-sale licenses in their own right.*

Sec. 14. [REPEALER.]

*Minnesota Statutes 1982, sections 340.73, subdivision 2; 340.78; and 340.81, are repealed. Minnesota Statutes 1982, sections 340.57; 340.58; and 340.59, and Special Laws 1885, chapter 281, section 6, are repealed effective August 1, 1984, contingent upon the approval of section 10 by the St. Paul city council.*

Sec. 15. [EFFECTIVE DATE.]

*Section 2 is effective the day following final enactment. Sections 7, 8, 9, 11, and 13 are effective on approval by the appropriate governing body and compliance with Minnesota Statutes, section 645.021, subdivision 3. Section 10 is effective August 1, 1984, following approval by the St. Paul city council and compliance with Minnesota Statutes, section 645.021, subdivision 3. Section 12 is effective on approval by the Greenwood town board and compliance with Minnesota Statutes, section 645.021, subdivision 3."*

Delete the title and insert:

"A bill for an act relating to liquor; adding liquor, nonintoxicating malt liquor and food to the list of substances exempted from classification as hazardous substances; redefining restaurants for purposes of licensing in St. Louis, Lake, and Cook counties; permitting exclusive sale of certain liquors by Minnesota wholesalers, distillers, rectifiers, or bottlers; authorizing the use of wine catalogs by off-sale dealers; imposing a moratorium on new off-sale intoxicating liquor licenses issued by towns; allowing the cities of Roseville and West St. Paul to issue on-sale intoxicating liquor licenses in excess of the number authorized by law; increasing the number of on-sale licenses, modifying the transferability thereof, and abolishing liquor patrol limits within the city of St. Paul; allowing the city of St. Paul to issue on-sale intoxicating liquor licenses to the Minnesota Museum of Art and the Ordway Music Theatre; authorizing the Duluth city council to permit the on-sale of liquor at the St. Louis County Heritage and Arts Center by on-sale licensees in the city of Duluth; authorizing the town of Greenwood in St. Louis County to issue one off-sale intoxicating liquor license; repealing certain restrictions on territory in the city of St. Paul where licenses may be issued; amending Minnesota Statutes 1982, sections 340.07, subdivision 14; 340.114, by adding a subdivision; 340.15, subdivision 1; and 340.601; Minnesota Statutes 1983 Supplement, section 182.651, subdivision 18; repealing Minnesota Statutes 1982, sections 340.57; 340.58; 340.59; 340.73, subdivision 2;

340.78; and 340.81; and Special Laws 1885, chapter 281, section 6.”

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Allen H. Spear, Gene Waldorf, Steven G. Novak

House Conferees: (Signed) Joel Jacobs, Rich O'Connor, John Sarna, James Metzen, Richard E. Wigley

Mr. Spear moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1349 be now adopted, and that the bill be repassed as amended by the Conference Committee.

Mr. Sieloff moved that the recommendations and Conference Committee Report on S.F. No. 1349 be rejected, the Conference Committee discharged, and that a new Conference Committee be appointed by the Subcommittee on Committees to act with a like Conference Committee appointed on the part of the House.

### CALL OF THE SENATE

Mr. Spear imposed a call of the Senate for the balance of the proceedings on S.F. No. 1349. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the motion of Mr. Sieloff.

Mr. Spear moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 31 and nays 35, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Jude	Olson	Storm
Benson	Frederick	Kamrath	Peterson, C.C.	Taylor
Berg	Frederickson	Knaak	Peterson, D.L.	Ulland
Bernhagen	Freeman	Kronebusch	Peterson, R.W.	
Brataas	Isackson	Laidig	Ramstad	
Chmielewski	Johnson, D.E.	McQuaid	Renneke	
Dicklich	Johnson, D.J.	Mehrkens	Sieloff	

Those who voted in the negative were:

Adkins	Diessner	Luther	Peterson, D.C.	Solon
Belanger	Frank	Merriam	Petty	Spear
Berglin	Hughes	Moe, D. M.	Pogemiller	Stumpf
Bertram	Kroening	Moe, R. D.	Purfeerst	Vega
Dahl	Langseth	Nelson	Reichgott	Waldorf
Davis	Lantry	Novak	Samuelson	Wegscheid
DeCramer	Lessard	Pehler	Schmitz	Willet

The motion did not prevail.

The question recurred on the motion of Mr. Spear. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 1349 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the

Conference Committee.

The roll was called, and there were yeas 41 and nays 25, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Luther	Pogemiller	Stumpf
Belanger	Hughes	Merriam	Purfeerst	Vega
Berglin	Johnson, D.J.	Moe, D. M.	Reichgott	Waldorf
Bertram	Jude	Moe, R. D.	Renneke	Wegscheid
Dahl	Knaak	Nelson	Samuelson	Willet
Davis	Kroening	Novak	Schmitz	
DeCramer	Langseth	Pehler	Solon	
Dicklich	Lantry	Peterson, D.C.	Spear	
Diessner	Lessard	Petty	Storm	

Those who voted in the negative were:

Anderson	Chmielewski	Isackson	McQuaid	Peterson, R.W.
Benson	Dieterich	Johnson, D.E.	Mehrkens	Ramstad
Berg	Frederick	Kamrath	Olson	Sieloff
Bernhagen	Frederickson	Kronbusch	Peterson, C.C.	Taylor
Brataas	Freeman	Laidig	Peterson, D.L.	Ulland

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Messages From the House.

## MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House accedes to the request of the Senate for the return of House File No. 1903 for further consideration.

House File No. 1903 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 24, 1984

## RECONSIDERATION

Mr. Petty moved that the vote whereby H.F. No. 1903 was passed by the Senate on April 19, 1984, be now reconsidered. The motion prevailed.

H.F. No. 1903: A bill for an act relating to local government; clarifying powers of municipalities with respect to sale of air rights; amending Minnesota Statutes 1982, section 472A.03.

Mr. Petty moved to amend H.F. No. 1903, as follows:

Delete everything after the enacting clause and insert:

“Section 1. [465.76] [LEGAL COUNSEL; REIMBURSEMENT.]

*If reimbursement is requested by the officer or employee, the governing body of a home rule charter or statutory city or county may, after consultation with its legal counsel, reimburse a city or county officer or employee for any costs and reasonable attorney's fees incurred by the person to defend charges*

*of a criminal nature brought against the person that arose out of the reasonable and lawful performance of duties for the city or county, provided if less than a quorum of the governing body is disinterested, that such reimbursement shall be approved by a judge of the district court.*

Sec. 2. Minnesota Statutes 1982, section 472A.03, is amended to read:

472A.03 [AUTHORITY GRANTED.]

A municipality may after consultation with its planning agency or planning department and after public hearings, notice of which shall have been published in the official newspaper of the municipality, or if the municipality has no official newspaper, in a newspaper of general distribution within the municipality, designate development districts within the boundaries of the municipality. The municipality shall also provide for relocation pursuant to section 472A.12 and consult with the advisory board created by section 472A.11 before making this designation. Within these districts the municipality may adopt a development program consistent with which the municipality may acquire, construct, reconstruct, improve, alter, extend, operate, maintain, or promote developments aimed at improving the physical facilities, quality of life and quality of transportation. The municipality may acquire land or easements through negotiation or through powers of eminent domain. The municipal council may adopt ordinances regulating traffic in pedestrian skyway systems, public parking structures, and other facilities constructed within the development district. The municipal council may pass ordinances regulating access to pedestrian skyway systems and the conditions under which such access is allowed.

Traffic regulations may include but shall not be limited to direction and speed of traffic, policing of pedestrianways, hours that pedestrianways are open to the public, kinds of service activities that will be allowed in arcades, parks and plazas, fares to be charged on the people movers, and rates to be charged in the parking structures. The municipality shall have the power to require private developers to construct buildings so as to accommodate and support pedestrian systems which are part of the program for the development district. When the municipality requires the developer to construct columns, beams or girders with greater strength than required for normal building purposes, the municipality shall reimburse the developer for the added expense from development district funds. The municipality shall have the authority to install special lighting systems, special street signs and street furniture, special landscaping of streets and public property; to install special snow removal systems; to acquire property for the district; to lease or sell air rights over public buildings and to spend public funds for constructing the foundations and columns in the public buildings strong enough to support the buildings to be constructed on air rights; to lease all or portions of basement, ground and second floors of the public buildings constructed in the district; to negotiate the sale or lease of property for private development if the development is consistent with the development program for the district.

Sec. 3. Minnesota Statutes 1982, section 472A.06, is amended to read:

472A.06 [ISSUANCE OF BONDS.]

(a) The governing body of the municipality, may authorize, issue and sell general obligation bonds, which shall mature within 30 years from the date of

issue, to finance the acquisition and betterment of real and personal property needed to carry out the development program within the development district together with all relocation costs incidental thereto in accordance with sections 475.51, 475.53, 475.54, 475.55, 475.56, 475.60, 475.61, 475.62, 475.63, 475.65, 475.66, 475.69, 475.70, 475.71. All tax increments received by the municipality pursuant to section 472A.08 shall be pledged for the payment of these bonds and used to reduce or cancel the taxes otherwise required to be extended for that purpose, and the bonds shall not be included when computing the municipality's net debt. Bonds shall not be issued under this section paragraph subsequent to August 1, 1979.

*(b) A municipality or authority may authorize, issue and sell revenue bonds under section 273.77, clause (c) to refund the principal of and interest on general obligation bonds originally issued to finance a development district, or one or more series of bonds one of which series was originally issued to finance a development district, for the purpose of relieving the municipality or authority of restrictions on the application of tax increments or for other purposes authorized by law. The refunding bonds shall not be subject to the conditions set out in section 475.67, subdivisions 11 and 12. Tax increments received by the municipality or authority with respect to the district or districts may be used to pay the principal of and interest on the refunding bonds and to pay premiums for insurance or other security guaranteeing the payment of their principal and interest when due. Tax increments may be applied in any manner permitted by section 273.75, subdivisions 2 and 4.*

#### Sec. 4. [PURPOSE.]

*The amended effect of section 2 is remedial in character, being adopted to clarify the powers intended to be granted to municipalities under Minnesota Statutes, section 472A.03, and may be applied with respect to any projects heretofore or hereafter undertaken by a municipality. All proceedings and other actions taken heretofore by municipalities which would be authorized under section 472A.03 as amended by this act are valid and confirmed, and all obligations incurred and to be incurred and contracts made and to be made pursuant to those actions and proceedings are valid and binding.*

#### Sec. 5. [EFFECTIVE DATE.]

*This act is effective the day after final enactment."*

Delete the title and insert:

*"A bill for an act relating to local government; permitting the payment of certain legal fees by cities and counties; clarifying powers of municipalities with respect to sale of air rights; permitting refunding of certain bonds; amending Minnesota Statutes 1982, sections 472A.03 and 472A.06; proposing new law coded in Minnesota Statutes, chapter 465."*

The motion prevailed, so the amendment was adopted.

H.F. No. 1903 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 9, as follows:

Those who voted in the affirmative were:



Adkins	Dicklich	Langseth	Peterson, D.C.	Spear
Anderson	Diessner	Lantry	Peterson, D.L.	Storm
Belanger	Frederick	Lessard	Petty	Stumpf
Benson	Frederickson	Luther	Pogemiller	Taylor
Berg	Freeman	McQuaid	Purfeerst	Ulland
Bernhagen	Hughes	Mehrkens	Ramstad	Vega
Bertram	Johnson, D.E.	Moe, D. M.	Reichgott	Waldorf
Brataas	Johnson, D.J.	Moe, R. D.	Renneke	Wegscheid
Chmielewski	Jude	Nelson	Samuelson	Willet
Dahl	Kroening	Novak	Schmitz	
Davis	Kronebusch	Olson	Sieloff	
DeCramer	Laidig	Pehler	Solon	

Those who voted in the negative were:

Berglin	Frank	Kamrath	Knutson	Peterson, R.W.
Dieterich	Isackson	Knaak	Merriam	

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 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.

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Messages From the House.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1336 and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 1336: A bill for an act relating to crime; providing for criminal penalties and a one year driver's license revocation upon refusal by a driver suspected of driving under the influence of alcohol or a controlled substance to take a test; authorizing testing of a suspect who is unconscious or in a condition rendering the suspect incapable of refusal; restricting issuance of limited licenses for work purposes; clarifying provisions of the hit and run law; clarifying penalties imposed on certain persons convicted of driving while under the influence of alcohol or a controlled substance; clarifying provisions of the driving after revocation, suspension, or cancellation law; prescribing penalties for causing death or injury of another while operating a vehicle in a certain manner; providing for admission into evidence of certain convictions for driving offenses for impeachment purposes; authorizing is-

suance of limited licenses in certain circumstances; amending Minnesota Statutes 1982, sections 169.09, subdivision 4; 169.123, subdivisions 4, 5a, and 9, and by adding a subdivision; 171.24; and 171.30, subdivision 1; and Minnesota Statutes 1983 Supplement, sections 169.09, subdivisions 1, 14, and 15; 169.121, subdivision 3; 169.123, subdivisions 2 and 6; and 609.21, subdivisions 1 and 2; proposing new law coded in Minnesota Statutes, chapters 171 and 634; repealing Minnesota Statutes 1982, section 169.123, subdivision 9.

Senate File No. 1336 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 24, 1984

Mr. President:

I have the honor to announce the passage by the House of the following Senate Concurrent Resolution, herewith returned:

Senate Concurrent Resolution No. 17: A Senate concurrent resolution proclaiming Bud Grant Day in Minnesota and encouraging public recognition of Bud Grant's contribution to Minnesota.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 24, 1984

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. 1532, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1532 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 24, 1984

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 1532

A bill for an act relating to agriculture; designating milk as the official state drink; proposing new law coded in Minnesota Statutes, chapter 1.

April 20, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 1532, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment.

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Rick Krueger, Jerry Graba, Sylvester Uphus

Senate Conferees: (Signed) Charles R. Davis, Joe Bertram, Donald A. Storm

Mr. Bertram moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1532 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. 1532 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Nelson	Samuelson
Anderson	Dicklich	Knutson	Novak	Schmitz
Belanger	Diessner	Kroening	Olson	Storm
Benson	Dieterich	Kronebusch	Pehler	Stumpf
Berg	Frank	Laidig	Peterson, C.C.	Taylor
Bernhagen	Frederickson	Langseth	Peterson, D.L.	Ulland
Bertram	Freeman	Lessard	Peterson, R.W.	Vega
Brataas	Hughes	McQuaid	Purfeerst	Waldorf
Chmielewski	Johnson, D.E.	Mehrkens	Ramstad	Wegscheid
Dahl	Jude	Merriam	Reichgott	Willet
Davis	Kamrath	Moe, R. D.	Renneke	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

## MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 2317, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 2317 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 24, 1984

## CONFERENCE COMMITTEE REPORT ON H.F. NO. 2317

A bill for an act relating to the organization and operation of state government; clarifying, providing for deficiencies in, and supplementing appropriations for the expenses of state government with certain conditions; creating and modifying agencies and functions; fixing and limiting fees; requiring studies and reports; appropriating money; amending Minnesota Statutes 1982, sections 3.099, subdivisions 2 and 3; 3.30, subdivision 2; 3.3005; 10.12; 10.14; 10.15; 11A.08, subdivision 3; 15.0575, subdivision 3; 15.0597, subdivision 1; 16.026, subdivisions 3 and 7; 16.80, subdivision 1; 16A.04, subdivisions 1 and 4; 16A.06; 16A.065; 16A.125, subdivision 6; 16A.13, subdivisions 1 and 2; 16A.131, subdivision 1; 16A.14, subdivision

2; 16A.28; 16A.45; 16A.53; 16A.63; 16A.64, as amended; 16A.65; 16A.66, as amended; 16A.671; 16A.675; 43A.27, by adding a subdivision; 43A.30, by adding a subdivision; 84.085; 84A.53; 84A.54; 84B.03, by adding a subdivision; 94.16; 117.085; 117.195, subdivision 1; 117.232, subdivision 1; 125.031; 136.11, subdivisions 2 and 7; 136.506; 136.55, subdivision 2; 136A.81, subdivision 1; 144.413, subdivision 2; 144.414; 158.07; 158.08; 161.173; 161.174; 168.12, subdivisions 1 and 5; 168.33, subdivision 2; 169.966, subdivision 1a, and by adding a subdivision; 174.22, subdivisions 5, 10, and 13, and by adding a subdivision; 174.23, subdivisions 2 and 4; 174.24, subdivisions 1, 2, and 5; 174.265, subdivision 3; 179.741, subdivision 2; 214.001, subdivision 2; 214.13, subdivisions 1, 2, 3, and 5; 221.295; 239.10; 241.66, subdivision 2; 245.811; 256E.07, subdivision 1, and by adding subdivisions; 296.13; 299D.03, subdivision 2; 340.11, subdivision 11a; 345.47, subdivision 1, and by adding a subdivision; 345.525; 352.01, subdivision 2A; 359.01; 462A.05, subdivision 20; 473.121, subdivisions 7, 10, 18, 19, and by adding subdivisions; 473.146, subdivisions 3 and 4; 473.164; 473.167, subdivision 1; 473.168, subdivision 2; 473.181, subdivision 3; 473.223; 473.404; 473.405; 473.409; 473.411; 473.416; 473.435; 473.436, by adding a subdivision; 473.445; 473.446, subdivision 2a, and by adding subdivisions; and 473.449; Minnesota Statutes 1983 Supplement, sections 3.3026, subdivision 5; 3.732, subdivision 1; 10A.01, subdivision 18; 15A.081, subdivisions 1, 6, and 7; 16A.125, subdivision 5; 16A.15, subdivision 6; 16A.36; 16A.672; 43A.04, subdivision 8; 85.40, subdivision 5; 85.41, subdivisions 3, 4, and 5; 116J.70, subdivision 2a; 135A.03, subdivisions 1, 3, and 4; 135A.07, subdivision 2; 136.144; 136A.121, subdivision 2; 161.43; 161.44, subdivision 6a; 174.24, subdivision 3; 180.03, subdivision 2; 214.06, subdivision 1; 214.13, subdivision 4; 221.041, by adding a subdivision; 221.071, subdivision 1; 256.01, subdivision 2; 256B.501, subdivision 10; 256D.111, subdivision 2; 256D.112; 268.673, subdivision 5; 268.675; 268.676, subdivisions 1 and 2; 268.677; 268.686; 268.80; 268.81; 298.296, subdivision 1; 357.021, subdivision 2a; 462A.07, subdivision 15; 473.436, subdivision 6; 517.08, subdivision 1c; Laws 1983, chapter 199, section 17, subdivision 2; chapter 258, section 2, subdivision 7; chapter 290, section 172; chapter 293, sections 1; 2, subdivisions 2, 8, and 9; 4, subdivisions 1 and 3; and 6; chapter 301, sections 38, 39, 40, 41, and 42; proposing new law coded in Minnesota Statutes, chapters 13, 16, 16A, 18, 48, 84, 136, 161, 190, 214, 221, 246, 256B, 268, 349, and 473; proposing new law coded as Minnesota Statutes, chapters 16B, 40A, 119, and 494; repealing Minnesota Statutes 1982, sections 10.13; 16A.132; 16A.51; 16A.54; 16A.59; 16A.73; 84.82, subdivision 9; 120.83; 136.11, subdivision 6; 136A.133; 174.03, subdivision 5a; 174.24, subdivisions 3a and 4; 174.265; 174.31; 256E.07, subdivision 3; 473.401; 473.402; 473.403; 473.411, subdivision 1; 473.413, as amended; and 473.451; Minnesota Statutes 1983 Supplement, sections 120.801; 120.802; 120.803; 120.804; 120.805; 120.806; and 120.81; Laws 1983, chapter 289, section 102.

April 23, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 2317, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 2317 be further amended as follows:

Delete everything after the enacting clause and insert:

“ARTICLE I

STATE GOVERNMENT APPROPRIATIONS

Section 1. [APPROPRIATIONS SUMMARY.]

The sums set forth in the columns designated “APPROPRIATIONS” are appropriated from the general fund, or any other fund designated, to the agencies and for the purposes specified in the following articles of this act, to be available for the fiscal years indicated for each purpose. The figures “1984” and “1985,” wherever used in this act, mean that the appropriations listed under them are available for the year ending June 30, 1984, or June 30, 1985. When a figure appears in parentheses, it is a reduction of a prior appropriation.

SUMMARY OF APPROPRIATIONS BY FUNCTION - ALL FUNDS

	Total
STATE DEPARTMENTS	\$34,485,500
AGRICULTURE, TRANSPORTATION, AND OTHER AGENCIES	86,841,300
EDUCATION	10,413,000
HEALTH AND HUMAN SERVICES	65,173,000
TOTAL	\$196,912,800

SUMMARY BY FUND

	Total
General Fund	\$110,908,700
Special Revenue Fund	425,000
Trunk Highway Fund	57,749,800
Highway User Tax Distribution Fund	181,500
Transit Assistance Fund	12,600,000
County State Aid Highway Fund	11,300,000
Municipal State Aid Street Fund	3,400,000
Special Compensation Fund	155,000
Environmental Response Compensation and Compliance Fund	192,800

## APPROPRIATIONS

1984            1985

\$

\$

## ARTICLE 2

## STATE DEPARTMENTS

## Section 1. LEGISLATURE

(a) Legislative Commission on Energy 20,000

By January 1, 1986, the legislative commission on energy shall report to the legislature on the state programs of energy audits of residential and commercial buildings under Minnesota Statutes, section 116J.31. The report must include: (1) a summary of the audits performed and conservation measures installed; (2) a summary of delivery systems and marketing of programs, including any recommendations for alternative delivery systems and marketing strategies; (3) consumer comments about the operation of the program; and (4) other information relevant to the operation of the program.

(b) Legislative Reference Library 94,100

This appropriation may be expended only if funds from other sources are not available.

The appropriations in this section are added to the appropriations in Laws 1983, Chapter 301, section 2, subdivision 4.

(c) Legislative Coordinating Commission 6,300

This appropriation is for the compensation council.

## Sec. 2. SUPREME COURT

(a) State Court Administrator 47,500

This appropriation is for the administrative costs associated with the community dispute resolution program.

By January 1, 1986, the state court administrator shall report to the chairmen of the judiciary committees in the house and in the senate the experience to date with dispute resolution programs and shall make recommendations for any changes that may be deemed desirable in the dispute resolution program.

(b) State Law Library 43,000

The appropriations in this section are added to the appropriation in Laws 1983, chapter 301, section 3.

	1984	1985
	\$	\$
<b>Sec. 3. BOARD ON JUDICIAL STANDARDS</b>	51,100	60,000

This appropriation is added to the appropriation in Laws 1983, chapter 301, section 6. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

<b>Sec. 4. BOARD OF PUBLIC DEFENSE</b>	144,500
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This appropriation is for the five legal defense corporations listed in Laws 1983, chapter 301, section 7. Final distribution of this money shall be determined by the board of public defense. The board of public defense shall submit to the legislature by January 1, 1985 a report showing how much of this appropriation was distributed to each recipient and the rationale for the distribution.

**Sec. 5. PUBLIC DEFENDER**

<b>Public Defender Operations</b>	80,000
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This appropriation is added to the appropriation for the same purpose in Laws 1983, chapter 301, section 8.

**Sec. 6. SECRETARY OF STATE**

<b>(a) Microfilming Project</b>	50,000
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This appropriation is added to the appropriation in Laws 1983, chapter 301, section 10.

(b) The unexpended balance of the appropriation contained in Laws 1983, chapter 301, section 10, for computerization of the corporate division does not cancel and is available for the second year of the biennium.

**Sec. 7. ATTORNEY GENERAL**

**Approved Complement**

**General Fund - Add 2**

<b>Compliance Activities</b>	47,300
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This appropriation is added to Laws 1983, chapter 121, section 32, subdivision 4. This appropriation shall be reimbursed to the general fund from the environmental response, compensation, and compliance fund, and the amount necessary to make the reimbursement is appropriated to the commissioner of finance for transfer to the general fund.

The two unclassified positions paid for from this appropriation are for the duration of the

	1984	1985
	\$	\$
Reilly Tar case only.		
Sec. 8. ADMINISTRATION		
Approved Complement - Add 16		
(a) Public Service		
(1) Public television		2,100,000
This appropriation is for public television equipment needs; final distribution of the funds will be based on the recommendations of the Minnesota Public Television Association.		
(2) Public radio		200,000
This appropriation is for public educational radio equipment needs; final distribution of the funds will be based on the recommendations of the Association of Minnesota Public Educational Radio Stations.		
By January 1, 1985, the commissioners of administration and finance shall establish a procedure by which public broadcasting funding requests are submitted; institute eligibility standards and criteria by which the awards are made; distinguish the requirements for block grants, operating grants, and capital grants; provide for the auditing of funds disbursed; and propose statutory language which would reflect this process.		
(3) Cable communications board		135,000
(b) State Agency Services		
(1) Procurement automation project		358,000
The commissioner of administration shall prepare and submit an outline for a long-range procurement plan to the chairmen of the senate finance committee and the house appropriations committee by June 1, 1984. A completed long-range plan shall be submitted to the chairmen by August 1, 1984. The plan shall include, but is not limited to, the effect that procurement automation may have on the management and operations of state agencies; the implications for centralization or decentralization of procurement control, decision-making, and information; and the cost implications statewide. The commissioner shall seek the advice and assistance of other state agencies in the preparation of the plan. The commissioner shall also report to the chairmen by August 1, 1984, on her plans for changes in the operations and structure of the procurement division as a result of the automation of the procurement process.		



	1984	1985
\$		\$

Beginning July 1, 1984, the commissioner of administration shall submit bi-monthly reports to the commissioner of finance and the chairmen of the senate finance committee and the house appropriations committee on her progress in implementing the procurement automation project as compared to the implementation plan contained in the Pride Phase II equivalent document. Following the receipt of a progress report, the chairmen may recommend to the commissioner of administration and the commissioner of finance that the procurement automation project be suspended or abandoned. If the commissioner of finance determines that the project should be suspended or abandoned, no additional money may be encumbered for the project until further order of the commissioner of finance.

The authorized complement for the procurement division shall be reduced by seven positions by June 30, 1985.

As may be approved by the legislative audit commission, the legislative auditor may conduct a follow-up to their 1982 reports on state and SED purchasing or a new examination of the procurement division and the bid specifications that are used in contract purchasing.

(2) Bidding Rules

The commissioner of administration shall adopt rules to establish the standards and procedures by which a contractor who has been convicted of a contract crime, and its affiliates, will be disqualified from receiving the award of a state contract or from serving as a subcontractor or material supplier under a state contract. The rules shall apply to contracts let by the commissioner of transportation and to other contracts and purchases the commissioner of administration deems necessary and appropriate.

(c) Management Services

(1) Telecommunications 210,000

(2) Equipment Study

The commissioner of administration shall coordinate a study to determine whether present appropriation levels are sufficient to allow replacement of state equipment that has exceeded its useful life. The study must include

	1984	1985
	\$	\$
the departments of natural resources, transportation, public welfare, administration, and other major users of state equipment. The study shall be completed in time to incorporate the commissioner's findings and recommendations in the budget requests presented to the 1985 legislature.		

### (3) Seasonal Employee Study

The commissioner of administration in cooperation with the commissioner of employee relations shall conduct a study to determine the operational and cost effectiveness of the extensive use of part-time and seasonal employees by the commissioner of natural resources. The study may also include similar use by the commissioners of transportation and public welfare. A report of the findings of the study and the recommendations of the commissioners of administration and employee relations must be submitted to the legislature by January 1, 1985.

The appropriations in (a), (b), and (c) are added to the appropriation in Laws 1983, chapter 301, section 16.

### (d) Regional waste disposal system

7,000,000

This appropriation is from the general fund to pay part of the cost of constructing a regional waste disposal facility for the counties of Olmsted, Dodge, Mower, Fillmore, and Wabasha counties. This money shall be paid in the form of a grant to Olmsted County, but any amounts not expended for this purpose shall be returned to the state treasury.

This appropriation shall not be spent until: (1) a portion of former Rochester state hospital has been sold and all the net proceeds have been deposited in the state treasury and credited to the general fund; (2) Olmsted County has executed an agreement to provide a regional waste disposal facility for Dodge, Mower, Fillmore, and Wabasha counties, which shall specify how rates will be determined; rates shall be no greater than those charged to Olmsted County residents; and (3) Olmsted County has submitted to the chairman of the senate finance committee and the chairman of the house appropriations committee a report showing the terms of the sale, the items deducted from gross proceeds to arrive at net proceeds, and the agree-

1984

1985

\$

\$

ments executed by the counties, and received their advisory recommendations on the payment of the grant; failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Dodge, Mower, Fillmore, or Wabasha county, or all of them, may choose, by resolution of the county board adopted by August 1, 1984, not to participate in the regional waste disposal facility. Except for counties that have chosen not to participate in the facility, no money may be expended from this appropriation until all the named counties have executed the agreement.

The amount paid under this appropriation shall be one-half of the net proceeds, up to \$7,000,000. "Net proceeds" means the gross proceeds less: (1) the accumulated operating costs associated with the heating, maintenance, and provision of security for the unoccupied real property and its improvements for the period beginning December 29, 1982, and ending on the date of sale of the real property and its improvements; (2) costs incurred by Olmsted County for roof repairs previously made to hospital buildings and road improvements made necessary because of the sale of the property to the United States government; and (3) consultant fees and advertising costs related to the sale of the property.

Sec. 9. TAX STUDY COMMISSION

The Minnesota Tax Study Commission, which was created by executive order 83-33, may accept private contributions to offset its operating expenses. The commission is directed to seek private donations for publication costs and for the costs associated with presentation of the reports to the 1985 legislature.

Sec. 10. EMPLOYEE RELATIONS

Employee Group Insurance - Enrollment Services

127,300

This appropriation is added to the appropriation in Laws 1983, chapter 301, section 19.

Sec. 11. NATURAL RESOURCES

Approved Complement

General - Subtract 11

Game and Fish - Add 0.5

	1984	1985
	\$	\$
Special - Add 14		
(a) Snowmobile Trails Grooming and Maintenance Equipment		400,000
This appropriation is from the snowmobile trails and enforcement account.		
(b) Cross Country		
Ski Trails		75,000
(c) County Forestry Assistance Program		2,000,000
This appropriation is for a grant to the St. Louis county land investment board and is available only when St. Louis County contributes \$500,000 from its own revenues to the project.		
The St. Louis county land investment board shall provide a work plan and semi-annual progress reports to the department and the joint select committee on forestry for review and recommendations. Any recommendations received shall be advisory only.		
(d) Consolidated Conservation Area Rulemaking		15,000
(e) Snag Removal		30,000
(f) Voyageurs National Park Land Acquisition		30,000
(g) Lake Restoration		40,000

This appropriation is for the purpose of restoring and improving Lake Isabelle in Dakota County. The money shall be used for a detailed soil analysis including a hydraulic/hydrologic study to determine the maximum lake level, necessary groundwater investigation for augmentation of water supply, and any acquisition of easements and rights of way. The appropriation shall not cancel but remains available until expended.

The appropriations in this section are added to the appropriations made in Laws 1983, chapter 301, section 22.

The department shall develop a plan to implement the recommendations made by the department of administration in its study of the regional and subregional structure of the department of natural resources. The plan shall be developed with the assistance of the department of administration. The department of employee relations shall review the plan with respect to personnel matters. The plan shall be completed on or before September 1, 1984.

	1984	1985
\$		\$

The department shall create at least one regional or subregional labor pool under the control of the regional administrator. The department shall report to the legislature on the results of the project by February 1, 1985. The departments of administration and employee relations shall assist in the design and evaluation of the project.

The commissioner need not include the three-month cancellation provision required by Minnesota Statutes, section 92.50, subdivision 1, in any lease of the Soudan Mine for use as a physics laboratory by the University of Minnesota, provided that this exception shall not be construed to limit the commissioner's right to cancel for cause under the terms of the lease.

Notwithstanding Laws 1983, chapter 301, section 22, an amount not to exceed \$250,000 of the money included for peat development in the appropriation for mineral resources management may be expended for site preparation for commercial peat mining in any bog whose surface has been disturbed by drainage or any other artificial alteration of the surface. If any portion of this amount is directly or indirectly loaned for site preparation purposes, the money repaid under the loan shall be deposited in the general fund.

Notwithstanding any law to the contrary, including Laws 1983, chapter 301, section 22, the commissioner of natural resources shall, by November 15, 1984, submit a report to the legislature containing specific recommendations for appropriate protection of those peatlands identified as ecologically significant in the August 1981 Minnesota Peat Program Final Report.

Laws 1983, chapter 301, section 88, is retroactive to July 1, 1982. The commissioner of finance shall adjust the amount of receipts credited to the state forest suspense account during fiscal year 1983 and the total costs incurred by the state for forest management purposes during fiscal year 1983 to reflect this retroactivity.

The commissioner of natural resources shall present to the legislature by January 1, 1986, a plan for consolidating the trails and waterways unit and the parks and recreation division.

The commissioner of natural resources shall

	1984	1985
	\$	\$
devote \$25,000 from previous appropriations from the game and fish fund to conducting research on the genetic background of walleyes.		

Sec. 12. ZOOLOGICAL BOARD

348,200

315,700

This appropriation is added to the physical facilities appropriation provided in Laws 1983, chapter 301, section 23 for fuel and utility costs. None of the money provided in the original appropriation for fuel and utilities or this supplement shall be used for any other purpose.

The commissioner of finance must conduct an economic analysis regarding acquisition of the zoo ride and submit his report to the legislature. The analysis may include discussions with the current owners of the zoo ride.

Sec. 13. POLLUTION CONTROL AGENCY

Approved Complement

General - Add 15

ERCC - Add 2

(a) Wastewater Grant Administration		342,800
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(b) Transfer of Funding Acid Rain Planning	(68,000)	68,000
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(c) Environmental Impact Statement

Preparation	95,000	
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Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

(d) Technical Support for Reilly Tar Litigation	75,000	
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Any unencumbered balance remaining in the first year shall not cancel but is available for the second year of the biennium.

The two positions paid for from this appropriation are in the unclassified service for the duration of the Reilly Tar case only. When the case is over, the positions shall be canceled and the approved complement of the agency reduced accordingly.

(e) Laboratory Analysis		117,800
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The appropriations in items (d) and (e) are from the ERCC fund.

(f) Waste Tires		117,000
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This appropriation is for establishing rules for waste tire collector and processor permits,

1984

1985

\$

\$

waste tire nuisance abatement, and waste tire collection, and for carrying out waste tire nuisance abatement and waste tire collection programs. The three positions paid for from this appropriation are in the unclassified service.

(g) Collection and Incineration Study

100,000

The director of the pollution control agency shall make a study, report, and recommendations of the following: (1) the number and geographical distribution of waste tires generated and existing tire dumps and collection sites; (2) financial responsibility requirements needed to cover tire collectors and processors; (3) the optimum location of collection sites to facilitate tire processing; (4) alternative methods to collect waste tires in small tire dumps and to collect tires from waste tire generators, including costs; (5) the options for waste tire recycling, their current use, and the feasibility of future use; (6) methods to establish reliable sources of waste tires for waste tire users; (7) the types of facilities in Minnesota that can utilize waste tires as a fuel source, the cost of equipment needed to modify existing types of facilities, the cost of test burns, the feasibility of operating each type of facility utilizing waste tires as a fuel source, and the location of those facilities; and (8) the establishment of a statewide waste tire collection system.

The director of the agency shall submit an interim report to the legislature and the governor by December 31, 1984, and a final report by April 1, 1985.

(h) Test Burns Report

35,000

The director of the agency, with the commissioner of administration, shall identify by October 1, 1984, existing public and private facilities most suitable for utilizing waste tires as a fuel source. The director of the agency shall solicit expressions of interest by private industry for utilizing waste tires as a fuel source. The selected facilities shall assist in conducting test burns, making measurements, and preparing a report describing the test results and the feasibility of using waste tires as a long-term fuel source for various types of facilities. The report shall identify the collection, transportation, and processing of waste tires needed to use the facilities. The director of the agency shall submit the report to the legislature and the

	1984	1985
	\$	\$

governor by December 31, 1984.

The appropriations and reductions in this section are added to the appropriations made in Laws 1983, chapter 301, section 25.

**Sec. 14. WASTE MANAGEMENT BOARD**

Approved Complement

General - Add 5

Building - Add 2

These positions are in the unclassified service.

**Sec. 15. ENERGY AND ECONOMIC DEVELOPMENT**

Approved Complement

General - Add 49

Federal - Add .5

(a) Alternative Energy Projects	146,500	774,100
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\$150,000 is for alternative energy technical activity.

\$50,000 is for an engineering manager in the unclassified service. The manager must have technical expertise and professional experience in the field of engineering.

\$218,000 is for community energy councils, of which \$53,000 is for a director in the unclassified service and \$145,000 is for grants to communities.

\$53,000 is for the shared energy savings program. One unclassified position may be paid from this appropriation.

\$5,000 is for temporary rulemaking for district heating and qualified energy improvements.

\$50,000 is for study and adoption of standards for fiber fuels.

\$47,800 is for the adoption of rules regarding quality and product safety specifications for the manufacture of insulation.

\$146,500 is available the day following final enactment and until June 30, 1985, for enforcement of energy conservation standards for rental property. Four unclassified positions may be paid for from this appropriation.



	1984	1985
	\$	\$
\$100,000 is for optimal low-income weatherization.		
\$81,800 is for wind resource assessment and \$18,500 is for continuation of the superinsulation demonstration project.		
(b) District Heating Debt Service		279,000
To the commissioner of finance for transfer to the state bond fund for district heating and qualified energy improvement debt service under Minnesota Statutes, section 116J.36, subdivision 6, as amended by this act.		
(c) Low-Income Weatherization		1,000,000
To the commissioner of economic security for the purpose of extending or expanding the low income residential weatherization program authorized by section 268.37. Any federal money received before December 31, 1984, in excess of anticipated revenues for the weatherization program shall reduce the state appropriation for this purpose by a like amount.		
(d) Marketing Minnesota		1,100,000
\$200,000 of this appropriation is available only after verification and documentation of private sector contributions on the basis of \$1 state to \$1 private funds. These funds may be released as contributions are received. For purposes of this appropriation, private sector in-kind services may provide all or a portion of the match for this money.		
“Private sector” means any private person, firm, corporation, or association.		
(e) Business Services		273,100
(f) Financial Officers		196,800
\$147,300 and five positions are for an energy and economic development authority administration contingent account. Upon resolution of the litigation regarding the authority, up to these amounts may be released with the approval of the governor after consultation with the legislative advisory commission pursuant to Minnesota Statutes, section 3.30.		
Of the seven positions paid for from this appropriation, four are not authorized until January 1, 1985.		
(g) Administrative Support		79,200
(h) Economic Recovery Grant Program		6,000,000

	1984	1985
	\$	\$

This appropriation is for economic recovery grants to local governments under the small cities development grants program.

\$85,300 is for administrative costs.

\$5,914,700 is for grants.

(i) Office of Science and Technology	300,000
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This appropriation is for the coordination of economic development assistance in the high technology industries of medical biotechnology and software development. The three complement positions associated with this appropriation are in the unclassified service.

(j) Community Development Corporations	500,000
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(k) Technology Corridor	6,000,000
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The commissioner of economic development may enter into an agreement with the city of Minneapolis and the University of Minnesota to assist the development of the technology corridor project established by the city and the university by providing money for land acquisition costs, building construction costs, and venture capital assistance within the technology corridor. The purpose of the state assistance is to promote the development of technology-related businesses in Minnesota. The commissioner may agree to make installment payments over a specified number of years. Before executing the agreement, the commissioner shall certify that the commissioner has reviewed the project and finds that the expenditure of this appropriation is the most appropriate reasonably available means of meeting the objective of promoting the development of technology-related businesses in Minnesota. The commissioner may expend up to \$50,000 of this appropriation for expenses necessary to adequately review the project. The commissioner may not execute the agreement until the commissioner has presented it to the chairman of the senate finance committee and the chairman of the house appropriations committee and the chairmen have made their advisory recommendations on it. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Of this amount, \$1,000,000 shall be paid to the University of Minnesota for recurring costs associated with the supercomputer institute in the

	1984	1985
	\$	\$
technology corridor, and \$1,200,000 shall be expended for 12,000 square feet of space for the supercomputer institute. Recurring costs of \$2,600,000 shall be treated as part of the University of Minnesota budget base effective July 1, 1985.		
(l) Bay Front Development Corporation		150,000
This appropriation is for payment to the city of Duluth, but is available only to match contributions received from nonstate sources in the amount of \$150,000. The state payment shall not be made until the entire match has been received.		
(m) Manufacturing Growth Council		60,000
Three unclassified positions may be paid for from this appropriation.		
This appropriation is available only to match contributions by Minnesota businesses totaling \$60,000. Contributions may be in the form of cash, equipment, or loaned personnel. The commissioner of energy and economic development shall determine the value of contributions other than cash. None of this appropriation may be expended until the entire match has been committed.		
(n) Convention Facilities Commission	250,000	
\$100,000 is for activities leading to the selection of a city in which the convention facility is to be located. This appropriation is available until September 11, 1984.		
\$150,000 is for activities subsequent to the selection of a city, of which \$100,000 is to be released dollar for dollar by the commissioner upon verification of receipt of an equal amount contributed by the city of designation. The city may provide the match from its own revenues or from nonpublic contributions for this purpose. This appropriation is available until June 30, 1985.		
The two complement positions associated with this appropriation are in the unclassified service.		
(o) Waste Tire Recycling		52,000
This appropriation is for establishing rules, which may include temporary rules, and paying administrative costs for waste tire recycling loans and grants. One of the positions paid for		

	1984	1985
	\$	\$
from this appropriation is in the unclassified temporary service.		

(p) Recycling and Environmental Programs		184,000
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The commissioner shall use this money to encourage recycling, recycling education, the quality environment program, and other necessary efforts for the correction of environmental blemishes that have a negative impact on tourism and economic development within the state. Two of the positions paid for from this appropriation are in the unclassified service.

(q) Rough Fish Processing		30,000
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This appropriation is to assist in a market analysis of the potential for rough fish processing in Minnesota.

The appropriations in this section are added to the appropriations in Laws 1983, chapter 301, section 28.

(r) Foreign Business Coordination

One position in the unclassified service is for the coordination of projects involving foreign businesses.

#### Sec. 16. STATE PLANNING AGENCY

##### Approved Complement

##### General - Add 3

(a) Infrastructure Project		18,000
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(b) Interstate Association Dues		55,000
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This appropriation is for state participation in the Upper Mississippi River Basin Association, the Council of Great Lakes Governors, and the Northeast-Midwest Coalition.

(c) Telecommunications Council		250,000
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(d) Minnesota Horizons		50,000
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The state planning director is encouraged to seek private donations to match this appropriation.

(e) Land Management Information System		35,000
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This appropriation is for an archeological information and planning system. In determining the prime contractor, the agency shall consider possible conflict of interest in regulation and field investigation activity.

The appropriations in this section are added to

	1984	1985
	\$	\$
the appropriation made in Laws 1983, chapter 301, section 30.		

Sec. 17. WORLD TRADE CENTER BOARD		575,000
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Approved Complement - 9

The unexpended balance of appropriations transferred from the general contingent account to the commissioner of agriculture for the world trade center commission for fiscal year 1984 is transferred to the world trade center board for fiscal year 1985.

Sec. 18. LABOR AND INDUSTRY

Approved Complement

General - Add 3

Special - Add 4

(a) Prevailing Wage Director		35,500
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(b) Worker's Compensation		
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(1) Rehabilitation Services	23,500	131,500
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This appropriation is for reduction in the number of cases pending review under the administrative conference procedure. This appropriation is from the special compensation fund.

(2) State Employee Fund	13,400	173,800
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This appropriation is for enhanced administration of the state employee revolving fund.

The positions paid for from the special compensation fund shall be canceled July 1, 1986, and the approved complement of the department reduced accordingly.

The authority of the commissioner of labor and industry as contained in sections 144.411 to 144.417 is transferred to the commissioner of health. The rules of the department of labor and industry are repealed and the rules of the department of health shall apply.

The appropriations in this section are added to the appropriation made in Laws 1983, chapter 301, section 32.

Sec. 19. VETERANS AFFAIRS

Approved Complement - Add 53

(a) Veterans benefits	140,000	
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	1984	1985
\$		\$

This appropriation is for emergency financial and medical needs of veterans. \$10,000 of the appropriation made in Laws 1983, chapter 301, section 37, for aid pursuant to Minnesota Statutes, section 197.75, is added to this appropriation.

The department must develop management alternatives through which this program is contained within this appropriation for the biennium ending June 30, 1985.

(b) Conversion of Building Number 16, Minneapolis Veterans Home from Domiciliary to Nursing Care

1,051,300

By September 15, 1984, the department is instructed to formalize an ongoing patient review process which assesses the appropriate level of care needed by each resident. The department shall attempt to incorporate the components of the patient utilization review process required under medical assistance.

The commissioner of veterans affairs shall conduct a survey of state hospitals and other hospitals, public and private, in this state, in order to determine the number of beds in each hospital that are seldom used and that might be suitable for use by veterans needing nursing home care. The commissioner shall report to the legislature by January 1, 1985, on the results of the survey and his recommendations for possible conversion of hospital beds to state veterans home nursing care beds.

The appropriations in this section are added to the appropriation in Laws 1983, chapter 301, section 37.

#### Sec. 20. INDIAN AFFAIRS COUNCIL

Purchase of Indian Burial Grounds

40,000

This appropriation is added to the appropriation in Laws 1983, chapter 301, section 38.

#### Sec. 21. HUMAN RIGHTS

Approved Complement

General - Add 24

Federal - Subtract 16

(a) Case Processing

300,000

This appropriation is for increased enforcement

	1984	1985
	\$	\$
activities to reduce the number of cases pending within the department. This appropriation is added to the appropriation in Laws 1983, chapter 301, section 42.		

Two of the positions approved to reduce the backlog shall be canceled on July 1, 1985, and the approved complement of the department reduced accordingly.

In preparing the budget for the 1985 legislature, the commissioner shall report on the advisability of providing at least one full-time position to the Duluth office and of providing for handling complaints on at least a part-time basis through an office in Bemidji. The report shall include the costs associated with adequately providing service at these locations.

(b) Federal Advance

357,100

This appropriation is to be used by the commissioner until federal money is received in payment for work done under contract with the Equal Employment Opportunity Commission and the United States Department of Housing and Urban Development for the federal fiscal year. Each quarterly receipt of federal money shall be credited to a federal receipt account and then transferred to the general fund.

It is estimated that \$294,600 in nondedicated contractual receipts from the federal government will be deposited in the state general fund in fiscal year 1985.

If the nondedicated contractual receipts earned in fiscal year 1985 from the federal government are less than \$294,600 in fiscal year 1985 the commissioner of finance shall reduce the appropriation base available to the department of human rights in the following fiscal year by the amount of the difference. Any reduction shall be noted in the budget document submitted to the legislature.

Sec. 22. HOUSING FINANCE AGENCY

The appropriations in this section are for transfer to the housing development fund.

(a) Tribal Indian Housing Programs	1,750,000
(b) Urban Indian Housing Programs	750,000

In order to qualify for disbursement of the money appropriated in this section, proposed urban Indian programs must provide for the

	1984	1985
	\$	\$
combination of the appropriated money with other moneys from either public or private sources that are specifically designated at the time of application and that will be available upon program commencement. The Minnesota housing finance agency shall notify qualified applicants to submit their proposals for utilization of the appropriation within 90 days after the date of enactment of this section. Within 30 days after notification, the agency shall allocate this appropriation among the qualified applicants. If the combined requested amounts of approved proposals exceed the amount of this appropriation, the money shall be allocated among the applicants on a prorated basis according to the agency's allocation percentages for urban Indian programs. Effective June 30, 1985, the balance of this appropriation not subject to active contracts approved by the agency under qualified urban Indian programs shall be reallocated by the agency for the purposes provided in Minnesota Statutes, sections 462A.07, subdivision 15, and 462A.21, subdivision 4d.		
(c) Temporary Housing Demonstration Program		250,000
By March 15, 1985, the housing finance agency shall report to the legislature on the temporary housing demonstration program.		
Sec. 23. GENERAL CONTINGENT ACCOUNT		
General Contingent Reduction		(5,000,000)
This reduction is from the appropriation in Laws 1983, chapter 301, section 45.		
Sec. 24. SALARY SUPPLEMENT		
(a) Legislative, Judicial, Constitutional Officers Salary Increases		1,019,600
This appropriation is added to appropriations in Laws 1983 as follows:		
Chapter 299, section 37, subdivision 1, item (b), \$15,200		
Chapter 299, section 37, subdivision 1, item (c), \$735,900		
Chapter 301, section 2, subdivisions 1 and 2, \$90,000		
Chapter 301, section 2, subdivisions 1 and 3, \$178,500		
(b) Comparability Adjustments		181,500



This appropriation is added to the appropriation in Laws 1983, chapter 301, section 55, item (d), Highway User Tax Distribution Fund.

Sec. 25. [ST. LOUIS COUNTY LAND INVESTMENT BOARD.]

*Subdivision 1. [CREATION; MEMBERSHIP.] The St. Louis county board of land investment consisting of the members of the St. Louis county board of commissioners is established. The board of land investment shall have responsibility to accelerate the county's forestry land management program and to provide operational support and supervision to a broad range of forest projects.*

*Subd. 2. [LAND INVESTMENT DEPARTMENT.] The board of land investment may establish a land investment department to carry out the objectives established by the land investment board.*

*Subd. 3. [ADMINISTRATION.] The department shall be administered by the land commissioner appointed under Minnesota Statutes, section 282.13 but shall be separate from the land department which is also under the direction of the land commissioner.*

*Subd. 4. [PURPOSES.] The purposes of the land investment board are:*

*(a) to intensify land management activities on county administered tax forfeited peat and forest lands;*

*(b) to achieve an intensified land management program by using the talents of the excess skilled labor available in the region;*

*(c) to invest in the economic future of the region by using the full potential of the land resource;*

*(d) to conduct, but not be limited to, projects including peat development, reforestation, timber stand improvement, timber management, development of recreation and wildlife facilities, forest road construction, and boundary line and corner establishment;*

*(e) to ensure that the projects use the latest state of the art technology; and*

*(f) to conduct, contract for, or use joint powers to accomplish the surveys, studies, or research, as needed to encourage or test the feasibility of new programs or markets to use the land resources to their optimum.*

*Subd. 5. [POWERS.] The board of land investment may:*

*(a) enter into contracts with or employ technical experts, agents, and employees, permanent and temporary, as it may require, and determine their qualifications, duties, and compensation;*

*(b) delegate to one or more of its agents or employees the powers or duties it deems proper;*

*(c) accept grants, loans, gifts, services, or other assistance from the federal or state government or any private individual or organization to accomplish its purposes; and*

*(d) enter into contracts with individuals or organizations to perform land management activities, including tract site preparation, road construction, or maintenance.*

*Subd. 6. [EMPLOYEES.] The land commissioner may hire employees with the approval of the land investment board to carry out the duties of the land investment department. Notwithstanding Laws 1941, chapter 423, as amended, all positions created in the land investment department shall be in the unclassified service and the employees shall serve at the pleasure of the land investment board. The positions will be assigned to the collective bargaining unit to which the position would be assigned if the position were in the classified service. On January 1, 1988, all the positions shall become part of the classified service and all persons holding the positions shall become subject to Laws 1941, chapter 423, as amended, as though they had been originally appointed to the classified service. Seniority shall be computed from the date of employment whether before or after January 1, 1988. Positions within the land investment department shall continue to be separate from positions in the St. Louis county land department for all purposes, including seniority rights.*

*Subd. 7. [ASSISTANT COMMISSIONER.] Notwithstanding subdivision 6, the position of assistant commissioner of land investment shall remain in the unclassified service.*

*Subd. 8. [TRACTS WITH LOW QUALITY TIMBER.] If the board of land investment determines that a tract is stocked with nonindustrial, low quality timber that has little or no value, Minnesota Statutes, section 282.04, as it relates to timber sales, shall not apply to land management activities including site preparation, conducted under the authority of the board.*

*Subd. 9. [RECEIPTS.] Receipts from salvage materials generated by site preparation activities conducted under the authority of this chapter shall be paid into the forfeited tax sale fund.*

*Subd. 10. [REQUIREMENT.] This section is not effective until the governing body of St. Louis County has complied with Minnesota Statutes, section 645.021, subdivision 3.*

#### **Sec. 26. [SALE OF SURPLUS TRAIL LANDS.]**

*Notwithstanding any contrary provisions relating to sale of surplus state lands contained in Minnesota Statutes, sections 94.09 to 94.16, lands and interests in lands acquired for trail purposes located in any of the cities listed in this section, which are no longer needed for trail purposes, may be declared surplus and sold to the city in which the land is located by the commissioner of natural resources for not less than the appraised value as determined by the commissioner. The cities within which the lands are located are Madison Lake in Blue Earth County, Rutledge and Sturgeon Lake in Pine County, and Thomson in Carlton County. The proceeds from the sales, after deducting costs of sale in the same manner as permitted in the sale of surplus lands by Minnesota Statutes, section 94.16, shall be deposited in the state treasury and credited to the state bond fund, except for proceeds from the sale of land in Madison Lake, which shall be credited to the general fund. Conveyances shall be in a form approved by the attorney general.*

#### **Sec. 27. [SALE OF CERTAIN STATE FOREST LAND TRACTS.]**

*Subdivision 1. Notwithstanding Minnesota Statutes, sections 94.09 to 94.16, that certain tracts of state forest land located and described in subdivisions 2 to 4 may be sold by the commissioner of natural resources or his agent at private sale at not less than the appraised price as determined by state appraisers. Conveyance of these tracts shall be on a form approved by the attorney general.*

*Subd. 2. That part of the Northeast Quarter of the Southwest Quarter of Section 13, Township 107 North, Range 8 West, Winona County, Minnesota; Beginning at the Southwest corner of Lot 28, Block 1 Woodhaven Estates, according to the recorded plat thereof on file and of record in the Office of County Recorder, Winona County, Minnesota; thence southerly deflecting to the right 90 degrees 00 minutes 00 seconds from the south line of said lot 28 a distance of 62 feet; thence northeasterly, deflecting to the left 94 degrees 54 minutes 30 seconds a distance of 241.11 feet to the south line of said lot 28; thence westerly deflecting to the left 165 degrees 05 minutes 57 seconds a distance of 233 feet along the south line of said lot 28 to the point of beginning containing .17 acres.*

*Subd. 3. That part of the Northwest Quarter of the Southeast Quarter and the Southwest Quarter of the Southeast Quarter, Section 10, Township 104 North, Range 4 West, Houston County, Minnesota, described as follows:*

*Commencing at a point 12 feet west of the southeast corner of Lot 7 of Block 12 of the original plat of Manton (now La Crescent) according to the plat thereof on file and of record in the office of the Register of Deeds in and for Houston County; thence southwesterly parallel with the west right of way line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company 380 feet; thence south 30 feet to said west right of way line; thence south 280.10 feet to the east right of way line of said railroad company; thence southwesterly along said east right of way line 275 feet to a concrete monument which is the point of beginning of Line 1; thence deflect to the left at an angle of 111 degrees 00 minutes 00 seconds and run along said Line 1 to a line drawn parallel with and distant 500 feet southeasterly of the center line of the westerly main track of said railroad company; thence run southwesterly on said 500 foot parallel line to its intersection with a line drawn parallel with and distant 600 feet southerly of said Line 1; thence run westerly on said 600 foot parallel line and its westerly extension to an intersection with the easterly right of way line of said railroad company and the point of beginning; thence deflect to the left 109 degrees 28 minutes 45 seconds a distance of 323.15 feet; thence deflect right 13 degrees 24 minutes 51 seconds a distance of 116.73 feet to the easterly right of way of said railroad company; thence northwesterly along said easterly right of way line a distance of 437.53 feet to the point of beginning; containing 0.1 acres.*

*Subd. 4. That part of the East Half of the Northeast Quarter of the Southwest Quarter, the Northwest Quarter of the Northeast Quarter of the Southwest Quarter and the Southeast Quarter of the Northwest Quarter of Section 32, Township 104 North, Range 8 West, Fillmore County, Minnesota, described as follows:*

*Commencing at the northwest corner of said East Half of the Northeast Quarter of the Southwest Quarter; thence on an assumed bearing of North 89 degrees 03 minutes 59 seconds East, 84.21 feet along the north line of said East Half of the Northeast Quarter of the Southwest Quarter to the point of beginning;*

*thence South 39 degrees 47 minutes 47 seconds East, 148.84 feet;*

*thence South 86 degrees 44 minutes 50 seconds West, 354.40 feet;*

*thence North 03 degrees 48 minutes 58 seconds West, 389.43 feet;*

*thence South 89 degrees 39 minutes 18 seconds East, 731 feet, more or less, to the center line of County State Aid Highway 25;*

*thence southerly along said center line 255 feet, more or less, to the north line of said East Half of the Northeast Quarter of the Southwest Quarter;*

*thence South 89 degrees 03 minutes 59 seconds West, 529.31 feet along the north line of said East Half of the Northeast Quarter of the Southwest Quarter to the point of beginning; containing 5.3 acres, more or less.*

Sec. 28. [CONVEYANCE OF STATE LANDS TO RENVILLE COUNTY.]

*Subdivision 1. [PICNIC GROUNDS AREA OF BIRCH COULEE BATTLEFIELD STATE HISTORIC SITE.] The director of the Minnesota historical society shall transfer and convey, by quit claim deed in the form the attorney general approves, to Renville county the picnic grounds area of Birch Coulee battlefield state historic site described in subdivision 2. The conveyance shall contain a provision that the land shall revert to the state if the county fails to maintain and operate the area as a public park without jeopardy to the historical integrity of the battlefield area.*

*Subd. 2. [DESCRIPTION.] The land authorized to be conveyed in subdivision 1 is situated in the state of Minnesota, county of Renville, and is further described as follows:*

*All that part of the NW 1/4 of the SW 1/4, Section 20, Township 113 North, Range 34 West, Renville County lying East of a line described as follows:*

*Starting at the West 1/4 corner Section 20 thence East 440' along the 1/4 line to the point of beginning of a line to be described; thence S 3:-30' W, 717'; thence S 54:-30' E, 281'; thence S 2:-50' W, 448' to a point on the South line of the NW 1/4 of the SW 1/4, Section 20 and there terminating. Said tract contains 25.1 acres, more or less.*

Sec. 29. [RESOURCE RECOVERY FACILITIES.]

*Subdivision 1. A resource recovery facility that reclaims, burns, uses, processes, or disposes of more than 1,000 tons average daily throughput of mixed municipal solid waste may not be constructed within the boundaries of a city of the first class having a population in excess of 300,000 unless the city council approves the construction by a four-fifths vote.*

*Subd. 2. Provided all environmental laws or regulations administered by the Minnesota pollution control agency or federal agencies are followed, and notwithstanding any ordinance or municipal land use plan to the contrary, Hennepin County may acquire land and construct one or two resource recovery facilities, each not to exceed 1,000 tons average daily throughput within the county; provided however, a resource recovery facility shall not be built at the "west riverbank" site in the city of Minneapolis as identified in the final 1983 report of the city-county resource recovery siting committee. In choosing the two sites, Hennepin County shall fully consult in good faith with any affected municipality. In selecting sites, the county board shall evaluate reasonable alternatives for the resource recovery facilities, including any outside the city of Minneapolis.*

Sec. 30. Minnesota Statutes 1982, section 3.099, subdivision 2, is amended to read:

Subd. 2. ~~The compensation of each member of the legislature until the start of the legislative session in 1979 shall be \$8,400 per year. Commencing with the start of the legislative session in 1979, the compensation of each member of the legislature shall be \$16,500 per year. Effective January 1, 1980, the compensation of each member of the legislature will be \$18,500 per year. Commencing with the start of the legislative session in 1985, the compensation of each member of the legislature shall be \$21,140 per year. Effective January 1, 1986, the compensation of each member of the legislature will be \$22,350 per year.~~

Sec. 31. Minnesota Statutes 1982, section 3.3005, is amended to read:

### 3.3005 [FEDERAL MONEY; EXPENDITURE REVIEW.]

Subdivision 1. As used in this section, the term "state agency" means all agencies in the executive branch of state government, but does not include the Minnesota historical society, the University of Minnesota, state universities, or community colleges.

Subd. 2. ~~Except as provided in subdivision 4,~~ A state agency shall not expend money received by it under any federal law for any purpose unless a request to spend federal money from that source for that purpose in that fiscal year has been submitted by the governor to the legislature as a part of his biennial budget request or as part of a supplementary or deficiency budget request, or unless specifically authorized by law *or as provided by this section.*

Subd. 3. When a request to spend federal money has been included in the governor's budget or authorized by law as described in subdivision 2, but the amount of federal money received will require a state match greater than that included in the governor's budget request or authorized by law, the federal money that will require an additional state match shall not be allotted for expenditure until the state agency has first presented to the legislative advisory commission a request in the manner of a budget request and has received the recommendation of the commission on it. ~~Failure or refusal of the commission to make a recommendation promptly is deemed a negative recommendation~~ *requirements of subdivision 5 are met.*

Subd. 4. If federal money becomes available to the state for expenditure while the legislature is not in session, and the availability of money from that source or for that purpose or in that fiscal year could not reasonably have been anticipated and included in the governor's budget request, and an urgency requires that all or a portion of the money be allotted before the legislature reconvenes, all or a portion of the money may be allotted to a state agency after it has submitted to the legislative advisory commission a request in the manner of a budget request and has received the commission's recommendation on it. ~~Failure or refusal of the commission to make a recommendation within 30 days is deemed a negative recommendation~~ *the requirements of subdivision 5 are met.*

Subd. 5. *Federal money that becomes available under subdivisions 3 and 4 may not be allotted until the commissioner of finance has first submitted the request to the members of the legislative advisory commission for their review and recommendation for further review. If a recommendation is not made within ten days, no further review by the legislative advisory commission is required, and the commissioner shall approve or disapprove the request. If the recommendation by any member is for further review the gov-*

*ernor shall submit the request to the legislative advisory commission for its review and recommendation. Failure or refusal of the commission to make a recommendation promptly is a negative recommendation.*

Sec. 32. Minnesota Statutes 1983 Supplement, section 3.3026, subdivision 5, is amended to read:

Subd. 5. [PUBLICATION.] The legislative reference library shall prepare a directory by ~~January~~ *June 30, 1985*. The directory shall be prepared in a format which the legislative reference library, in its descretion, believes is most efficient and beneficial to the user.

Sec. 33. Minnesota Statutes 1982, section 3.351, is amended to read:

3.351 [LEGISLATIVE COMMISSION ON ENERGY.]

Subdivision 1. [COMPOSITION.] The legislative commission on energy is composed of five senators of the majority party and three senators of the minority party appointed by the subcommittee on committees of the committee on rules and administration, and five representatives of the majority party and three representatives of the minority party appointed by the speaker of the house. The commission shall be appointed by June 1, 1980. The commission shall elect a chairman from among its members.

Subd. 2. [GENERAL DUTIES.] The commission shall:

(a) Make a continuing study of matters relating to energy supply and use in the state;

(b) Identify the potential for enhanced economic growth and job creation from increased energy efficiency and the production and utilization of renewable energy systems.

(c) Identify ways to assure the provision of necessary energy supplies to all Minnesotans;

(d) Coordinate resources and programs on energy conservation; ~~and~~

(e) Review overall legislative policy concerning energy; *and*

(f) *Review and comment on receipt and expenditure of money received by the state under federal law for energy programs.*

Subd. 3. [REVIEW OF PLANS TO RECEIVE AND SPEND FEDERAL ENERGY MONEY.] *The plan for receipt and expenditure of money resulting from litigation or settlements of alleged violations of federal petroleum pricing regulations shall be submitted to the commission for review and comment prior to submission to the federal government; provided that, if the commission fails to review and comment within 30 days, the plan may be submitted without commission review. The commission by resolution may request the governor or any state agency eligible to receive money from the federal government for other energy programs to submit a plan for expenditure to the commission for review and comment prior to submission to the federal government. If the governor or the agency is required to submit a request to spend the money to the legislative advisory commission under section 3.3005, the commission shall forward its comments to the legislative advisory commission for consideration during its preparation of a recommendation.*

*Subd. 4. [ENERGY PLAN; REPORT TO LEGISLATURE.]* The commission shall develop legislative energy plans based on the provisions of subdivision 2 and consistent with appropriate long term energy goals for Minnesota. The plans shall be reported to the legislature no later than February 15 of each year.

*Subd. 4 5. [STAFF.]* The commission shall use existing legislative facilities and staff.

Sec. 34. Minnesota Statutes 1982, section 10.12, is amended to read:

10.12 [UNCOLLECTIBLE DRAFTS CANCELED.]

*Subdivision 1.* When any draft or account for a sum in excess of \$100 due to the state is found to be uncollectible by any department, it shall report such fact to the executive council, and the executive council may cancel such draft or account upon the approval of the attorney general.

*Subd. 2.* When any draft or account for a sum of not more than \$100 due to the state is found to be uncollectible by an agency, the agency head may cancel the draft or account upon the approval of the attorney general. When drafts or accounts are canceled under this subdivision the head of the canceling agency shall send a certified list of them to the commissioner of finance, who shall enter the cancellations on the department of finance's records.

Sec. 35. Minnesota Statutes 1982, section 10.14, is amended to read:

10.14 [CERTIFICATION BY EXECUTIVE SECRETARY.]

When any drafts or accounts are canceled by the executive council under sections 10.12 to 10.15 the executive secretary shall make a certified list thereof to the commissioner of finance and treasurer, whose duty it shall be to cancel the record thereof in their offices.

Sec. 36. Minnesota Statutes 1982, section 10.15, is amended to read:

10.15 [TIME OF CANCELLATION.]

No draft or account for a sum in excess of ~~\$100~~ \$500 shall be canceled until more than ~~six~~ three years after the issuance of such draft or the due date of such account, and nothing in sections 10.12 to 10.15 shall be construed as a cancellation or abandonment of the state's claim against the person or corporation against whom the canceled draft was drawn or account held, but the state shall nevertheless have authority to make collection thereof.

Sec. 37. Minnesota Statutes 1983 Supplement, section 10A.04, subdivision 4, is amended to read:

*Subd. 4.* The report shall include such information as the board may require from the registration form and the following information for the reporting period:

(a) The lobbyist's total disbursements on lobbying and a breakdown of those disbursements into categories specified by the board, including but not limited to the cost of publication and distribution of each publication used in lobbying; other printing; media, including the cost of production; postage; travel; fees, including allowances; entertainment; telephone and telegraph; and other expenses:

(b) The amount and nature of each honorarium, gift, loan, item or benefit, excluding contributions to a candidate, equal in value to ~~\$20~~ \$50 or more.

given or paid to any public official by the lobbyist or any employer or any employee of the lobbyist. The list shall include the name and address of each public official to whom the honorarium, gift, loan, item or benefit was given or paid and the date it was given or paid; and

(c) Each original source of funds in excess of \$500 in any year used for the purpose of lobbying. The list shall include the name, address and employer, or, if self-employed, the occupation and principal place of business, of each payer of funds in excess of \$500.

Sec. 38. Minnesota Statutes 1982, section 11A.08, subdivision 3, is amended to read:

Subd. 3. [OFFICERS; MEETINGS.] The council shall annually elect a chairman and vice chairman from among its members, and may elect other officers as necessary. The council shall meet ~~at least every other month and~~ upon the call of the chairman of the council or the chairman of the state board.

Sec. 39. [13.88] [COMMUNITY DISPUTE RESOLUTION CENTER DATA.]

*The guidelines shall provide that all files relating to a case in a community dispute resolution program are to be classified as private data on individuals, pursuant to section 13.02, subdivision 12, with the following exceptions:*

*(1) When a party to the case has been formally charged with a criminal offense, the data are to be classified as public data on individuals, pursuant to section 13.02, subdivision 15.*

*(2) Data relating to suspected neglect or physical or sexual abuse of children or vulnerable adults are to be subject to the reporting requirements of sections 626.556 and 626.557.*

Sec. 40. Minnesota Statutes 1983 Supplement, section 15A.081, subdivision 1, is amended to read:

Subdivision 1. The governor shall set the salary rate within the ranges listed below for positions specified in this subdivision, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

	Salary Range Effective July 1, 1983
Commissioner of education;	\$57,500-\$70,000
Commissioner of finance;	
Commissioner of transportation;	
Commissioner of public welfare;	
Chancellor, community college system;	
Chancellor, state university system;	
Director, vocational technical education;	
Executive director, state board of investment;	



Commissioner of administration;	\$50,000-\$60,000
Commissioner of agriculture;	
Commissioner of commerce;	
Commissioner of corrections;	
Commissioner of economic security;	
Commissioner of employee relations;	
Commissioner of energy and economic development;	
Commissioner of health;	
Commissioner of labor and industry;	
Commissioner of natural resources;	
Commissioner of revenue;	
Commissioner of public safety;	
<i>Chairperson, waste management board;</i>	
Chief hearing examiner; office of administrative hearings;	
Director, pollution control agency;	
Director, state planning agency;	
Executive director, higher education coordinating board;	
Executive director, housing finance agency;	
Executive director, teacher's retirement association;	
Executive director, state retirement system;	
Commissioner of human rights;	\$40,000-\$52,500
Director, department of public service;	
Commissioner of veterans' affairs;	
Executive director, educational computing consortium;	
<del>Executive director, environmental quality board;</del>	
Director, bureau of mediation services;	
Commissioner, public utilities commission;	
Member, transportation regulation board;	
<del>Chairperson, waste management board;</del>	
Director, zoological gardens.	

Sec. 41. Minnesota Statutes 1983 Supplement, section 15A.081, subdivision 6, is amended to read:

Subd. 6. The following salaries are provided for the constitutional officers of the state:

	Effective July 1 1983	<i>Effective January 1 1985</i>
Governor	\$75,000	\$84,560
Attorney general	62,500	66,060
Lieutenant governor	44,000	46,510
Auditor	48,000	50,740
Secretary of state	44,000	46,510
Treasurer	44,000	44,000

The salaries of the chief deputy attorney general, deputy auditor, deputy secretary of state and deputy treasurer shall be set by their superior constitutional officer and may be up to 95 percent of the salaries of their respective superior constitutional officers.

Sec. 42. Minnesota Statutes 1983 Supplement, section 15A.082, is amended to read:

15A.082 [COMPENSATION COUNCIL.]

Subdivision 1. [CREATION.] A compensation council is created *each even-numbered year* to assist the legislature in establishing the compensation of constitutional officers, members of the ~~Minnesota~~ legislature, justices of the supreme court, and judges of the court of appeals, district court, county court, and county municipal court.

Subd. 2. [MEMBERSHIP.] The compensation council consists of 16 members: two members of the house of representatives appointed by the speaker of the house of representatives; two members of the senate appointed by the majority leader of the senate; one member of the house of representatives appointed by the minority leader of the house of representatives; one member of the senate appointed by the minority leader of the senate; two nonjudges appointed by ~~and serving at the pleasure of~~ the chief justice of the supreme court; and one member from each congressional district appointed by ~~and serving at the pleasure of~~ the governor, of whom no more than four may belong to the same political party. The compensation and removal of members appointed by the governor or the chief justice shall be as provided in section 15.059, subdivisions 3 and 4. The legislative coordinating commission shall provide the council with administrative and support services.

Subd. 3. [SUBMISSION OF ~~PLAN RECOMMENDATIONS.~~] By January 1, ~~1984~~ *in each odd-numbered year*, the compensation council shall submit to the speaker of the house of representatives and the president of the senate ~~recommended salary plans~~ *recommendations* for constitutional officers, legislators, justices of the supreme court, and judges of the court of appeals, district court, county court, and county municipal court. ~~Unless the plans for constitutional officers and legislators are expressly modified or rejected in a bill passed by the legislature and signed by the governor, the salary plans shall take effect on January 1, 1985 if prior to that date an appropriation of funds to pay salaries as recommended in the plan is enacted. Unless the plan for judges is expressly modified or rejected in a bill passed by the legislature, the plan shall take effect on July 1, 1984, if the legislature appropriates funds to pay the salaries proposed in the plan. The recommended salary adjustments must occur only once, on the effective date of the plan. They may not include periodic adjustments. The salary recommendations for legislators, judges, and constitutional officers take effect on the first Monday in January of the next odd-numbered year, if an appropriation of money to pay the recommended salaries is enacted after the recommendations are submitted and before their effective date. Recommendations may be expressly modified or rejected by a bill enacted into law. The salary plan recommendations for legislators shall be~~ *are* subject to additional terms that may be adopted according to section 3.099, subdivisions 1 and 3.

Subd. 4. [CRITERIA.] In making compensation recommendations, the council shall consider the amount of compensation paid in government serv-

ice and the private sector to persons with similar qualifications, the amount of compensation needed to attract and retain experienced and competent persons, and the ability of the state to pay the recommended compensation. In making recommendations for legislative compensation, the council shall also consider the average length of a legislative session, the amount of work required of legislators during interim periods, and opportunities to earn income from other sources without neglecting legislative duties.

Subd. 5. [CONFLICTS.] Salaries established by the legislature under the procedures specified in subdivision 3 shall take precedence over salaries listed in ~~Minnesota Statutes~~, sections 3.099, 15A.081, and 15A.083 ~~in the event of conflict~~.

Subd. 6. [EXPIRATION.] ~~The~~ Each compensation council shall expire ~~on June 30, 1984~~ upon submission of the recommendations required by subdivision 3.

Sec. 43. Minnesota Statutes 1983 Supplement, section 15A.083, subdivision 1, is amended to read:

Subdivision 1. [ELECTIVE JUDICIAL OFFICERS.] The following salaries shall be paid annually to the enumerated elective judicial officers of the state:

	Effective July 1, 1983	Effective July 1, <del>1984</del> January 1, 1985
(1) Chief justice of the supreme court	\$70,000	\$73,700
(2) Associate justice of the supreme court	65,000	\$68,400
(3) Chief judge of the court of appeals	62,500	\$65,800
(4) Judge of the court of appeals	60,000	\$63,100
(5) District judge, judge of county court probate court, and county municipal court	55,000	\$60,500

Sec. 44. Minnesota Statutes 1982, section 16.02, is amended by adding a subdivision to read:

*Subd. 30. [ENERGY CONSERVATION INCENTIVES.] Notwithstanding any other law to the contrary, fuel cost savings resulting from energy conservation actions shall be available at the managerial level at which the actions took place for expenditure for other purposes within the biennium in which the actions occur or in the case of a shared savings agreement for the contract period of the shared savings agreement. For purposes of this subdivision "shared savings agreement" means a contract meeting the terms and conditions of subdivision 29.*

Sec. 45. Minnesota Statutes 1982, section 16.026, subdivision 3, is amended to read:

Subd. 3. [PRESCRIBE FEES.] The commissioner of administration may prescribe a schedule of fees to be charged for services rendered by the state or any department or agency thereof in furnishing to applicants therefor cer-

tified copies of records or other documents, certifying as to the nonexistence of such records or documents, and for such other reports, publications, or related material as may be applied for. The fees so prescribed by the commissioner of administration, unless the same are otherwise prescribed by law, shall be in an amount as nearly as may be to the fees prescribed by chapter 357, for like or similar services; if there are no fees so prescribed by said chapter for a like or similar service, then the commissioner may establish a fee which shall be commensurate with the cost of furnishing such service may be fixed at the market rate. The commissioner of finance shall approve the estimated market rates if the resulting fees, in total, are estimated to produce receipts in the appropriate fund greater than costs. Nothing herein contained shall authorize the commissioner of administration to furnish any service which is now prohibited or unauthorized by law.

Sec. 46. Minnesota Statutes 1982, section 16.026, subdivision 7, is amended to read:

Subd. 7. [RULES.] The powers conferred herein to the commissioner of administration are in addition to those powers and duties prescribed by section 16.02. The commissioner of administration shall promulgate rules and regulations for the purposes of carrying out the duties herein imposed upon him, except for prescribing the schedule of fees, but no such rule or regulation shall in any way limit the subject matter of any report or publication of any department or agency required to be made or authorized by law.

Sec. 47. Minnesota Statutes 1982, section 16.081, is amended to read:

16.081 [CITATION AND PURPOSE.]

Sections 16.081 to 16.086 may be cited as the "Minnesota small business procurement act." *These sections prescribe procurement practices and procedures to assist in the economic development of small businesses and small businesses owned and operated by socially or economically disadvantaged persons.*

Sec. 48. Minnesota Statutes 1983 Supplement, section 16.083, is amended to read:

16.083 [PROCUREMENT DESIGNATION OF PROCUREMENTS FROM SMALL BUSINESSES.]

Subdivision 1. [SMALL BUSINESS AND MINNESOTA CORRECTIONAL INDUSTRIES SET ASIDES PROCUREMENTS.] The commissioner of administration shall for each fiscal year designate and set aside for awarding to ensure that small businesses and Minnesota correctional industries receive a total of approximately at least 25 percent of the value of anticipated total state procurement of goods and services, including printing and construction. The commissioner shall divide the procurements so designated into contract award units of economically feasible production runs in order to facilitate offers or bids from small businesses and Minnesota correctional industries. In making his the annual designation of set-aside such procurements the commissioner shall attempt (1) to vary the included procurements so that a variety of goods and services produced by different small businesses shall be set aside are obtained each year, and (2) to designate set-aside small business procurements in a manner that will encourage proportional distribution of set-aside such awards among the geographical re-

gions of the state. To promote the geographical distribution of set-aside awards, the commissioner may designate a portion of the small business set-aside procurement for award to bidders from a specified congressional district or other geographical region specified by the commissioner. The failure of the commissioner to ~~set aside~~ *designate* particular procurements shall not be deemed to prohibit or discourage small businesses or ~~Minnesota correctional industries~~ from seeking the procurement award through the normal solicitation and bidding processes.

Subd. 1a. [CONSULTANT, PROFESSIONAL AND TECHNICAL PROCUREMENTS.] Every state agency shall for each fiscal year designate ~~and set aside~~ for awarding to small businesses with their principal place of business in Minnesota ~~approximately~~ *at least* 25 percent of the value of anticipated procurements of that agency for consultant services or professional and technical services. The set-aside under this subdivision is in addition to that provided by subdivision 1, but shall otherwise comply with section 16.098 ~~and the set aside for businesses owned and operated by socially or economically disadvantaged persons. At least six percent of all these procurements for consultant services or professional or technical services shall be set aside for small businesses owned and operated by socially or economically disadvantaged persons.~~

Subd. 2. [NEGOTIATED PRICE OR BID CONTRACT.] The commissioner may elect to use either a negotiated price or bid contract procedure *as may be appropriate* in the awarding of a procurement contract under the set-aside or preference program established in sections 16.081 to 16.086. The amount of an award shall not exceed by more than five percent the commissioner's estimated price for the goods or services, if they were to be purchased on the open market and not under this set-aside program. Surety bonds guaranteed by the federal small business administration and second party bonds shall be acceptable security for a construction award under this section.

Subd. 3. [DETERMINATION OF ABILITY TO PERFORM.] Before ~~announcing a set-aside making an award under the set-aside or preference programs for small businesses owned and operated by socially or economically disadvantaged persons,~~ the commissioner shall evaluate whether the small business or ~~Minnesota correctional industry~~ scheduled to receive the award is able to perform the set-aside contract. ~~This shall be done in consultation with an authorized agent of the Minnesota correctional industries program.~~ This determination shall include consideration of production and financial capacity and technical competence.

Subd. 4. [PREFERENCE ~~TO~~ AND SET-ASIDE PROGRAM FOR SMALL BUSINESSES OWNED AND OPERATED BY SOCIALLY OR ECONOMICALLY DISADVANTAGED PERSONS.] At least ~~24~~ *six* percent of the value of the ~~all~~ procurements ~~designated for set-aside awards~~ shall be ~~awarded set-aside,~~ if possible, *for award* to businesses owned and operated by socially or economically disadvantaged persons. *In addition, three percent of the value of all procurements shall be designated for award under the preference program provided for below.* The commissioner shall designate set-aside procurements in a manner that will encourage proportional distribution of set-aside awards among the geographical regions of the state. To promote the geographical distribution of set-aside awards, the

commissioner may designate a portion of the set-aside for small businesses owned and operated by socially or economically disadvantaged persons for award to bidders from a specified congressional district or other geographical region specified by the commissioner. *The commissioner may allow small businesses owned and operated by socially or economically disadvantaged persons a five percent preference in the bid amount on selected state procurements. The commissioner may promulgate rules relative to the set-aside and preference programs provided for in this subdivision.* In the event small businesses owned and operated by socially or economically disadvantaged persons are unable to perform at least 24 percent of the set-aside awards, the commissioner shall award the balance of the set-aside contracts to other small businesses. At least 50 percent of the value of the procurements awarded to businesses owned and operated by socially or economically disadvantaged persons shall actually be performed by the business to whom the award is made or another business owned and operated by a socially or economically disadvantaged person or persons. The commissioner shall not designate more than 20 percent of any commodity class for set-aside to businesses owned and operated by socially or economically disadvantaged persons. A business owned and operated by socially or economically disadvantaged persons that has been awarded more than ~~five percent~~ *three-tenths of one percent* of the value of the total anticipated ~~set-aside~~ procurements for a fiscal year under this subdivision is disqualified from receiving further set-aside ~~awards or preference advantages~~ for that fiscal year.

Subd. 4a. [CONTRACTS IN EXCESS OF \$200,000; SET-ASIDE.] The commissioner as a condition of awarding state procurements for construction contracts or approving contracts for consultant, professional, or technical services pursuant to section 16.098 in excess of \$200,000 shall require that at least ten percent of the contract award to a prime contractor be subcontracted to a business owned and operated by a socially or economically disadvantaged person or persons. Any subcontracting pursuant to this subdivision shall not be included in determining the total amount of ~~set-aside~~ awards required by subdivisions 1, 1a, and 4, ~~or any preference program authorized by the commissioner pursuant to section 16.085.~~ In the event small businesses owned and operated by socially and economically disadvantaged persons are unable to perform ten percent of the prime contract award, the commissioner shall require that other small businesses perform at least ten percent of the prime contract award. The commissioner may determine that small businesses owned and operated by socially and economically disadvantaged persons are unable to perform at least ten percent of the prime contract award prior to the advertising for bids. Each construction contractor bidding on a project over \$200,000 shall submit with the bid a list of the businesses owned and operated by socially or economically disadvantaged persons that are proposed to be utilized on the project with a statement indicating the portion of the total bid to be performed by each business. The commissioner shall reject any bid to which this subdivision applies that does not contain this information. Prime contractors receiving construction contract awards in excess of \$200,000 shall furnish to the commissioner the name of each business owned and operated by a socially or economically disadvantaged person or persons or other small business that is performing work on the prime contract and the dollar amount of the work performed *or to be performed.*

*This subdivision does not apply to prime contractors that are themselves small businesses owned and operated by socially or economically disadvantaged persons, as duly certified pursuant to section 16.085.*

Subd. 4b. [PREFERENCE TO MINNESOTA CORRECTIONAL INDUS-

~~TRIES.] At least 15 percent of the value of procurements designated for set-aside awards shall be awarded, if possible, to Minnesota correctional industries, established and under the control of the commissioner of corrections under section 241-27, for the variety of goods and services produced by the Minnesota correctional industries, unless the commissioner of corrections acting through an authorized agent certifies that Minnesota correctional industries cannot provide them. If the correctional industries are unable to perform at least 15 percent of the set-aside awards, the commissioner shall award the balance of the set-aside contracts to small businesses.~~

Subd. 5. [RECOURSE TO OTHER BUSINESSES.] In the event that subdivisions 1 to 4b 4a do not operate to extend a contract award to a small business ~~of the Minnesota correctional industries~~, the award shall be placed pursuant to the normal solicitation and award provisions set forth in this chapter. The commissioner shall thereupon designate ~~and set aside~~ for small businesses ~~of the Minnesota correctional industries~~ additional state procurements corresponding in approximate value to the contract unable to be awarded pursuant to subdivisions 1 to 4b 4a.

Subd. 6. [PROCUREMENT PROCEDURES.] All laws and rules pertaining to solicitations, bid evaluations, contract awards and other procurement matters shall apply as consistent to procurements ~~set aside designated~~ for small businesses ~~of Minnesota correctional industries~~. In the event of conflict with other rules, the provisions of sections 16.081 to 16.086 and rules promulgated pursuant thereto shall govern.

Sec. 49. Minnesota Statutes 1983 Supplement, section 16.28, subdivision 2, is amended to read:

Subd. 2. [PURCHASES OVER \$100.] Purchases may also be made under subdivision 1, clause (17) when the amount involved exceeds \$100 if:

(1) ~~the purchases are made in accordance with rules adopted pursuant to section 16.085;~~

~~(2) the agency making the purchases has adopted a plan to make ten percent of the purchases on an annual basis from businesses owned and operated by socially and economically disadvantaged persons and to make purchases from vendors throughout the state for any agency that has offices located statewide, and to make purchases from local vendors by agency offices. If an agency plan does not provide for making the ten percent of purchases required, it must submit to the commissioner written evidence of the agency's good faith effort to locate vendors that are businesses owned and operated by socially or economically disadvantaged persons. The commissioner of administration may promulgate temporary rules that will define, for purposes of this section, what constitutes a "good faith effort." Before the commissioner approves any agency plan that provides for less than ten percent purchases from socially and economically disadvantaged vendors, the plan must be provided to the small business advisory council for its review;~~

~~(3) (2) the amount involved does not exceed \$1,000 from July 1, 1983 to June 30, 1984, and \$1,500 on and after July 1, 1984; and~~

~~(4) (3) the purchases are made after solicitation of at least three price quotations, whenever possible, which may be oral quotations, but of which the agency must keep a written record.~~

Sec. 50. Minnesota Statutes 1982, section 16.80, subdivision 1, is amended to read:

Subdivision 1. All fees prescribed pursuant to section 16.026, subdivision 3, for the rendering of the services therein provided shall be deposited in the state treasury by the collecting department or agency and credited to the general services revolving fund.

All moneys in the state treasury credited to the general services revolving fund and any moneys which may hereafter be deposited therein are appropriated annually to the commissioner of administration for the following purposes:

- (a) The operation of a central store and equipment service;
- (b) The operation of a central duplication and reproduction service;
- (c) The purchase of postage and related items, and the refund of postage deposits, necessary to the operation of a central mailing service;
- (d) The operation of a documents service as prescribed by section 16.026;
- (e) The performing of services for any other state department or agency. Money shall be expended for this purpose only when directed by the governor. The department or agency receiving the services shall reimburse the fund for their cost, and the commissioner shall make the appropriate transfers when requested. The term "services" as used in this clause means compensation paid officers and employees of the state government; supplies, materials, equipment and other articles and things used by or furnished to any department or agency of the state government; and utility services, including telephone, telegraph, postal, electric light and power, and other services for the maintenance, operation and upkeep of buildings and offices of the state government. All moneys in the computer services revolving fund are appropriated annually to the commissioner of administration for the operation of the division of computer services.

Except as specifically provided for by other statutory provisions, each department or agency shall reimburse the computer services and general services revolving funds for the cost of all services, supplies, materials, labor and depreciation of equipment including reasonable overhead costs which the commissioner of administration is authorized and directed to furnish a department or agency. The cost of all publications or any other materials which may be produced by the commissioner of administration and financed from the general services revolving fund shall include reasonable overhead costs. The commissioner of finance shall make appropriate transfers to the revolving funds described in this section when requested by the commissioner of administration. The commissioner of administration may make allotments, encumbrances, and, with the approval of the commissioner of finance, disbursements in anticipation of such transfers. In addition, the commissioner of administration, *with the approval of the commissioner of finance*, may require a department or agency to make advance payments to any of the ~~fore-~~~~said~~ revolving funds sufficient to cover the department's or agency's estimated obligation for a period of at least 60 days. All such reimbursements and any other moneys received by the commissioner of administration under this section shall be deposited in the appropriate revolving fund. *Earnings in the fund established to account for the documents service prescribed by sec-*



tion 16.026 at the end of a fiscal year, not otherwise needed for present or future operations, as determined by the commissioners of administration and finance, shall be transferred to the general fund.

Sec. 51. Minnesota Statutes 1982, section 16A.04, subdivision 1, is amended to read:

Subdivision 1. The department of finance shall prepare a biennial budget and a ~~ten four year cash receipts and disbursement projection in consultation with the commissioner of administration~~ *projections on revenues and expenditures* under the supervision of the governor. In even numbered years immediately before the inauguration of a new governor, ~~such the budget and a ten four year cash receipts and disbursement projection~~ *projections on revenues and expenditures* shall be prepared under the supervision of the governor-elect.

Sec. 52. Minnesota Statutes 1982, section 16A.04, subdivision 4, is amended to read:

Subd. 4. The ~~department~~ *commissioner* of finance may make rules and regulations governing the powers, duties, and responsibilities ~~transferred given to it the department of finance or the commissioner under the terms of Laws 1973, Chapter 492 state law.~~

Sec. 53. Minnesota Statutes 1982, section 16A.06, is amended to read:

#### 16A.06 [OTHER POWERS.]

The commissioner of finance:

(1) Shall require each department in the executive branch to prepare financial reports in such form, and to be made at such intervals, as he may prescribe which will permit administrative and legislative comparisons of spending plans in relation to appropriations for programs and activities;

(2) Shall formulate and prescribe a system of measuring the effect of fund expenditures which will permit the evaluation and comparisons of the cost of functions or programs;

(3) Shall require each department to state in writing objectives of each activity or function authorized against which performance may be measured. The objectives shall be specific as to amount and time and for a period including the current and the following biennium and reported at such times and in such form as the commissioner shall direct;

(4) Shall require the department of revenue and other departments in the executive branch to report at his designated intervals concerning estimates of income and receipts whether from taxes or otherwise, and use such information in evaluating the financial condition and affairs of the state;

(5) Shall make such reports concerning the financial affairs of the state as the governor ~~or the commissioner of administration~~ may direct in addition to such reporting as may be otherwise prescribed by law;

(6) Shall require such reports and other information of the state treasurer and other departments and agencies in the executive branch as will permit formulation of policy on all fiscal and financial matters of state government.

Sec. 54. Minnesota Statutes 1982, section 16A.065, is amended to read:

## 16A.065 [ADVANCE PAYMENTS AND DEPOSITS.]

Notwithstanding any other law to the contrary, the commissioner of finance may allow advance deposits or payments by any department for the procurement of software or software maintenance services for state-owned or leased electronic data processing equipment *and for newspaper, magazine, and other subscription fees customarily paid for in advance.*

Sec. 55. Minnesota Statutes 1983 Supplement, section 16A.125, subdivision 5, is amended to read:

Subd. 5. The term "state forest trust fund lands" as used in this subdivision, means any state school lands or other public lands subject to trust provisions under the state constitution and heretofore or hereafter set apart as forest lands under the authority of the commissioner as defined by section 89.001, subdivision 13.

The commissioner of finance and the state treasurer shall keep a separate account of all receipts from the sale of timber or other revenue from such state forest trust fund lands, to be known as the state forest suspense account, specifying the trust funds interested in such lands and the receipts therefrom, respectively.

As soon as practicable after the close of each fiscal ~~quarter~~ *year*, upon information which shall be supplied by the commissioner of natural resources, the commissioner of finance shall determine and certify the total costs incurred by the state during that ~~quarter~~ *year* under appropriations made for the protection, improvement, administration, and management of state forest trust fund lands for forestry purposes as authorized by law, specifying the trust funds interested in such lands.

As soon as practicable after the end of each fiscal year, the commissioner of finance and the state treasurer shall distribute the receipts credited to the state forest suspense account during that fiscal year as follows:

(1) The total costs incurred by the state for forest management purposes during the fiscal year as certified in this subdivision shall be transferred to the state forest development account, except that if the total costs exceed \$500,000, the costs in excess of \$500,000 shall be transferred to the forest management fund established under section 89.04.

(2) The balance of said receipts shall be transferred to the state trust funds concerned in accordance with their respective interests in the lands from which the receipts were derived.

All moneys accruing and credited to the state forest development account are appropriated to the division of forestry in the department of natural resources, subject to the supervision and control of the commissioner of natural resources, for the purpose of implementing the state forest resource management policy and plan on state forest trust fund lands, to remain available until expended.

All appropriations under this subdivision shall be expended subject to the provisions of law. No appropriation shall become available for expenditure until any estimates required by law are approved by the commissioner of finance. No obligation involving expenditure of money shall be entered into unless there is a balance in the appropriation available not otherwise encum-

bered to pay obligations previously incurred.

Sec. 56. Minnesota Statutes 1982, section 16A.125, subdivision 6, is amended to read:

Subd. 6. The term "state trust fund lands," as used in this section, means any state school lands or other public lands subject to trust provisions under the state constitution.

Beginning July 1, 1955, the commissioner of finance and the state treasurer shall keep a separate account of all receipts derived from the royalties on, or the sale or lease of, any minerals from such trust fund lands to be known as the state lands and minerals suspense account, specifying the trust funds interested in such lands and the receipts therefrom, respectively.

As soon as practicable after the close of each fiscal ~~quarter~~ year after July 1, 1955, the commissioner of finance, upon the information supplied by the commissioner of natural resources, which the commissioner of natural resources is herewith directed to furnish, shall determine and certify to the commissioner of finance and the state treasurer the total costs incurred by the state during such ~~quarter~~ year under appropriations heretofore made for the administration and management of such trust fund lands by the division of lands and forestry, or any other agency so administering and managing, specifying the trust funds interested in such lands, respectively.

As soon as practicable after the end of each fiscal year beginning with the year ending June 30, 1956, the commissioner of finance and the state treasurer shall distribute the receipts credited to the state lands and minerals suspense account during such fiscal year as follows:

All of the costs incurred by the state for the purposes aforesaid during such fiscal year and certified as hereinbefore provided, shall be transferred to the general fund as reimbursement for appropriations heretofore made for the purposes aforesaid. The balances of said receipts shall be transferred to the state trust funds concerned in accordance with their respective interests in the minerals from which the receipts were derived.

Sec. 57. Minnesota Statutes 1983 Supplement, section 16A.127, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section the following terms shall have the meanings given them:

(a) "State agency" means a state department, board, council, committee, authority, commission or other entity in the executive branch of state government;

(b) "Nongeneral fund moneys" means any moneys any state agency is authorized to receive and expend from a source other than the general fund;

(c) "Statewide indirect costs" means all operating costs incurred by the state treasurer and all departments and agencies which are attributable to the provision of services to any other state agency; except as prohibited by federal law, ~~"statewide indirect costs"~~ *these operating costs include all operating their proportionate share of costs incurred by the legislative and judicial branches of state government;*

(d) "Commissioner" means the commissioner of finance.

Sec. 58. Minnesota Statutes 1982, section 16A.13, subdivision 1, is amended to read:

Subdivision 1. [~~CREATION TREASURER AS CUSTODIAN; BOND.~~] ~~There is hereby created and established the Victory Tax Fund in which shall be deposited all deductions made pursuant to this section. The state treasurer shall be ex-officio is the custodian of all moneys deposited with him to the credit of the victory tax fund and his general for federal tax withheld from the pay of any officer or employee of the state of Minnesota. The treasurer's bond to the state shall cover all the liability for his the custodian's acts as eustodian thereof. Such moneys shall be The deposits are subject to all provisions of law governing the laws on keeping and disbursement of paying out state moneys, so far as applicable, except as otherwise herein provided money.~~

Sec. 59. Minnesota Statutes 1982, section 16A.13, subdivision 2, is amended to read:

Subd. 2. [~~COMMISSIONER TO ACT AS FEDERAL AGENT FOR THE UNITED STATES.~~] ~~The commissioner of finance is authorized and empowered to may cooperate with and act as agent for the United States of America in the collection of any collecting federal tax now or hereafter imposed by the United States of America upon any officer or employee of the state of Minnesota or his salary or wages which is to be collected by withholding it from the salary or wages of the officer or employee from the pay of employees. The head of each department of the state commissioner of finance is hereby required to cause such tax to be withheld by causing the necessary deduction to be made from the salary or wages of each of said persons on every payroll abstract and to approve one voucher warrant payable to the state treasurer, eustodian, victory tax fund, for the aggregate amount so deducted from the salaries or wages covered by said payroll abstract, provided that deductions from salaries or wages of officers or employees paid direct by any institution or agency of the state shall be made by the officer or employee authorized by law to pay such salaries or wages. Whenever an error has been made with respect to a deduction hereunder, proper adjustment shall be made by decreasing or increasing subsequent deductions. All warrants and checks for deductions hereunder shall be remitted promptly to the state treasurer who shall deposit the amount thereof to the credit of the victory tax fund. The money so deposited with the state treasurer shall be paid out upon authorization of the commissioner of finance by state warrant payable to the proper federal authority or such other person as may be authorized by law of the United States of America to receive the same. Such portion of said fund as may be The money necessary to discharge the obligation of the State of Minnesota to the United States of America now or hereafter imposed by any law of the United States of America requiring deductions from salaries or wages is hereby appropriated for such purpose.~~

Sec. 60. Minnesota Statutes 1982, section 16A.131, subdivision 1, is amended to read:

Subdivision 1. Every officer and employee of the state may purchase and pay for bonds, ~~stamp~~, and other securities issued by the federal government by directing in writing to the appropriate officer of the department where he is employed that deductions of the amount specified by him be made from his salary. The head of each department of the state commissioner of finance is hereby required to cause such deduction to be made from the salary of each said persons on every payroll abstract and to approve one ~~voucher~~ warrant payable to the state treasurer for the aggregate amount so deducted from the

salaries covered by said payroll abstract, provided that deductions from salaries of officers or employees paid direct by any institution or agency of the state shall be made by the officer or employee authorized by law to pay such salaries, and remitted by him to the director by check payable to the state treasurer with a statement showing the amount of each of such deductions and the names of the officers and employees on whose account the same have been made. The money so deposited with the state treasurer shall be paid out on authorization of the ~~governor~~ *commissioner* by state warrant payable to the proper federal authority or to the officer or employee from whose salary the money was deducted, as the case may require.

Sec. 61. Minnesota Statutes 1982, section 16A.14, subdivision 2, is amended to read:

Subd. 2. [FUNDS TO WHICH SYSTEM APPLIES.] Except as otherwise expressly provided therein, the provisions of this chapter relating to the allotment system and to the encumbering of funds shall apply to appropriations and funds of all kinds, including standing or annual appropriations and dedicated funds from which expenditures are to be made, from time to time, by or under the authority of any agency, but shall not apply to appropriations for the courts or the legislature, nor to payment of unemployment compensation benefits ~~nor to the funds deposited in the state treasury for disbursement by the commissioner of transportation when acting as the agent of a political subdivision pursuant to law.~~ In the case of construction or other permanent improvement contracts and transactions for the acquisition of real estate, equipment, repair, rehabilitation, appurtenances or utility systems to be used for public purposes, where periodical allotments are impracticable, the commissioner may dispense therewith and prescribe such regulations as will insure proper application and encumbering of funds. Contingent funds appropriated for the governor or the attorney general shall not be subject to the provisions thereof relating to allotment, but shall be subject to the other provisions thereof relating to expenditure and encumbering of funds.

Sec. 62. Minnesota Statutes 1982, section 16A.28, is amended to read:

#### 16A.28 [APPROPRIATIONS TO REVERT TO STATE TREASURY.]

Except as specifically provided for in appropriation acts, every appropriation or part thereof of any kind hereafter made subject to the provisions of this section remaining unexpended and unencumbered at the close of any fiscal year shall lapse and the commissioner shall cause same to be returned to the fund from which such appropriation was made; provided, that the commissioner, ~~with the approval of the governor,~~ may reinstate a lapsed appropriation within three months after the date the appropriation lapsed. An appropriation reinstated pursuant to this section shall lapse no later than three months after the date the appropriation has lapsed. No payment may be made pursuant to a reinstated appropriation except as provided under section 16A.15, subdivision 3. Notwithstanding the foregoing, an appropriation for construction or other permanent improvement shall not lapse until the purposes for which the appropriation was made ~~shall have been~~ *are determined by the commissioner of finance, after consultation with the affected agencies, to be accomplished or abandoned unless such appropriation has stood during the entire fiscal biennium without any expenditure therefrom or encumbrances thereon.*

~~On October 16~~ *By September 1* of each year all allotments and encumbrances for the preceding fiscal year shall be cancelled unless an agency certifies to the commissioner that there is an encumbrance incurred pursuant to law for services rendered or goods ordered in the preceding fiscal year. The commissioner may reinstate that portion of the cancellation needed to meet the certified encumbrance or he may charge the certified encumbrance against the current year's appropriation.

Except as otherwise expressly provided by law, the provisions of this section shall apply to every appropriation of a stated sum for a specified purpose or purposes heretofore or hereafter made, but shall not, unless expressly so provided by law, apply to any fund or balance of a fund derived wholly or partly from special taxes, fees, earnings, fines, federal grants, or other sources which are by law appropriated for special purposes by standing, continuing, or revolving appropriations.

Sec. 63. Minnesota Statutes 1983 Supplement, section 16A.36, is amended to read:

16A.36 [GRANTS FROM AND ADVANCES TO UNITED STATES-USE.]

*Subdivision 1. [USE OF GRANTS.] All funds Money* received by the state from the federal government of the United States as grants in aid for the financing of aid to dependent children, or for maternal and child health services, or for the care of crippled children, or for the care of neglected children and child welfare generally, or for vocational rehabilitation, or for the extension of public health services, or for any other public assistance or public welfare purpose federal assistance shall be used solely for the purpose for which the grant was made money is received. ~~Any~~ If required by the proper federal authorities, interest or income arising from the funds so granted shall money received may be credited by the state treasurer commissioner of finance to the particular account for which the grant was made money is received and used solely for the purpose of that grant federal assistance program, or may be repaid to the United States federal treasury if the proper authorities or the government of the United States so require, or otherwise. If not so required, the interest or income shall be credited to the general fund or to another fund authorized to receive the interest or income.

*Subd. 2. [RECIPROCAL INTEREST POLICY.] The commissioner of finance may, by agreement with the proper federal authorities, establish an equitable policy providing for the state to pay interest on undisbursed federal money, and providing for the federal government to pay interest to the state on state funds advanced for a federal assistance program.*

Sec. 64. Minnesota Statutes 1982, section 16A.45, is amended to read:

16A.45 [OUTSTANDING UNPAID WARRANTS, CANCELATION.]

*Subdivision 1. [CANCEL; CREDIT.] At the beginning of Once* each fiscal year the commissioner of finance and the state treasurer shall cancel upon their books all outstanding unpaid commissioner of finance's warrants, except warrants issued for the medical assistance program, that have been issued and delivered for more than ~~six~~ five years prior to that date and credit to the general fund the respective amounts of the canceled warrants. *Once each fiscal year the commissioner of finance and the state treasurer shall cancel*

*upon their books all outstanding unpaid commissioner of finance's warrants issued for the medical assistance program that have been issued and delivered for more than one year and credit to the general fund and the appropriate account in the federal fund, the amount of the canceled warrants.*

*Subd. 2. [PRESENTMENT OF CANCELED WARRANT.] When any a canceled warrant is presented for payment it shall be taken up by the commissioner and a new warrant for the same amount, payable to the lawful holder thereof, but bearing a current number, shall be issued against the general fund from which the amount necessary to pay the new warrant is hereby appropriated paid by the state treasurer and charged by the commissioner of finance to the fund credited with the amount of the canceled warrant.*

*Subd. 3. [APPROPRIATION.] The amounts needed to pay canceled warrants presented for payment are appropriated from the charged funds to the commissioner of finance.*

Sec. 65. [16B.01] [MINNESOTA TELECOMMUNICATIONS COUNCIL.]

*Subdivision 1. [POLICY.] The legislature finds that telecommunications and information communication technologies involving Minnesota citizens, businesses, units of government, and educational institutions constitute an increasingly important aspect of life in the state. Minnesota should take full advantage of the emerging high technology advances in communications to spur both rural and urban economic development. Therefore, it is in the public interest for Minnesota to promote coordination and to establish leadership in the use of advanced telecommunications resources in the public and private sectors.*

*Subd. 2. [CREATION; MEMBERSHIP.] The Minnesota telecommunications council is created in the executive branch. The council consists of 23 members, as follows:*

*(1) four members, appointed by the governor, representing elementary and secondary education, vocational technical education, public and private higher education, and librarians;*

*(2) four members, appointed by the governor, representing state agencies;*

*(3) the chair of the public utilities commission, or a designee of the chair;*

*(4) the chair of the cable communications board, or a designee of the chair;*

*(5) one member appointed by and serving at the pleasure of the chief justice of the supreme court;*

*(6) two members, appointed by the governor, representing the telecommunications industry and two members, appointed by the governor, of labor organizations which represent telecommunications workers;*

*(7) two public members, appointed by the governor, who are not employed in the telecommunications industry; and*

*(8) six members appointed by the governor from the general public. In making these appointments the governor shall seek to include, but is not limited to, persons who represent private sector businesses, public broadcasting, commercial broadcasting, nonbroadcast communication systems,*

*and local and regional government. The governor shall attempt to appoint persons who represent various geographical regions of the state.*

*Subd. 3. [TERMS OF MEMBERSHIP APPOINTED BY GOVERNOR; COMPENSATION.] Terms and compensation of members are governed by section 15.059, but the provisions of that section governing expiration of advisory groups do not apply to this council.*

*Subd. 4. [STAFF.] The council shall hire an executive director who shall serve in the unclassified service. The council may hire or contract for other staff.*

*Subd. 5. [DUTIES.] The council has the following duties:*

*(1) advise the governor, the legislature, state agencies, institutions of higher education, and political subdivisions on matters of telecommunications policy that may affect the state and its citizens;*

*(2) foster and stimulate the use of telecommunications services and systems by public agencies for the improvement of the performance of governmental functions;*

*(3) serve as a clearinghouse of information for the public and private sector about innovative projects, programs, or demonstrations in telecommunications;*

*(4) assist in the development of state plans for development of telecommunication systems, both public and private;*

*(5) serve as a means of acquiring governmental and private funds for use in the development of services through telecommunications;*

*(6) review, assess, and report to the governor and the legislature annually on the telecommunications needs and services of state and local government, and on effectiveness of state laws relating to telecommunications;*

*(7) study and evaluate all existing or proposed laws pertinent to the council's duties at all levels of federal, state and local government affecting telecommunications policies, services, and systems, including the relationship of current regulatory structures to new telecommunications technology, and advise the appropriate officials on any needed improvements;*

*(8) make recommendations regarding the development of coordinated telecommunications networks in the state; and*

*(9) survey existing telecommunication providers and users to determine if existing services must be improved to meet state economic development goals. In performing this duty the council shall make use of existing surveys and resources.*

*The council may accept gifts and grants in furtherance of the purposes of this section.*

Sec. 66. Minnesota Statutes 1982, section 17.03, is amended by adding a subdivision to read:

*Subd. 5. [INTERNATIONAL INVESTMENT.] The commissioner may create a program to assess the potential of international investment in Minnesota and promote international investment that results in the infusion of*



*new capital and the creation of new jobs to the benefit of the state.*

Sec. 67. [TRANSFER.]

*The duties of the export information office under Minnesota Statutes 1983 Supplement, section 17.106, except subdivision 2, clause (3), are transferred under Minnesota Statutes, section 15.039 to the world trade center board, except that no appropriations or positions are transferred. The commissioner of agriculture shall cooperate fully with the board until this transfer is accomplished.*

Sec. 68. Minnesota Statutes 1982, section 43A.30, is amended by adding a subdivision to read:

*Subd. 4. The commissioner of employee relations may direct that all or a part of the amounts paid for life insurance and hospital, medical, and dental benefits coverage for eligible employees and other eligible persons be deposited by the state in a separate fund in the state treasury, from which the approved claims of eligibles are to be paid. Investment income and investment losses attributable to the investment of the separate fund shall be credited to the fund. There is appropriated from the separate fund to the commissioner of finance amounts needed to pay the approved claims of eligibles, related service charges, insurance premiums, and refunds.*

Sec. 69. Minnesota Statutes 1982, section 43A.27, is amended by adding a subdivision to read:

*Subd. 5. [EMPLOYEES OF EXCLUSIVE REPRESENTATIVES.] Upon request of an exclusive representative of state employees listed in section 179.741, subdivision 1, those employees of exclusive representatives whose duties involve representing state employees for at least 75 percent of their time and their dependents may elect to enroll at their own expense in the appropriate life insurance, hospital, medical and dental benefits, and optional coverages at the time, in the manner, and under the conditions of eligibility the commissioner prescribes and otherwise approves.*

Sec. 70. [44A.01] [WORLD TRADE CENTER BOARD.]

*Subdivision 1. [MEMBERSHIP.] (a) A world trade center board is created to facilitate and support Minnesota world trade center programs and services and promote the growth of international trade in Minnesota. The world trade center board consists of nine voting members and four legislators serving as nonvoting members. Three members are representatives of the membership of the Minnesota world trade center, one member is a representative of the international business community, and one member is a representative of the agricultural community.*

*(b) The initial voting members are appointed by the governor with the advice and consent of the senate for a term expiring the first Monday in January 1987. A vacancy is filled in the same manner as the appointment.*

*(c) Legislator members are two members of the senate appointed under the rules of the senate and two members of the house of representatives appointed by the speaker. Except for the initial members, who are to be appointed following enactment, they are appointed at the beginning of each regular session of the legislature for two-year terms. A legislator who remains a member of the body from which he was appointed may serve until a*

successor is appointed and qualifies. A vacancy in a legislator member's term is filled for the unexpired portion of the term in the same manner as the original appointment.

*Subd. 2. [TERMS; COMPENSATION; REMOVAL.] Except as provided in this section, terms, compensation, and removal of members who are not legislators are as provided in section 15.059.*

*Subd. 3. [ORGANIZATION.] The chair of the world trade center board is selected by the board members.*

**Sec. 71. [44A.02] [EXECUTIVE DIRECTOR.]**

*Subdivision 1. [SELECTION.] The executive director of the world trade center board is selected by a majority of the board and serves at the pleasure of the board. The executive director must be familiar with the international business community, and have demonstrated proficiency in communication skills, administration and management, and public and private joint ventures. The salary of the executive director is set by the board within the limit set by sections 15A.081, subdivision 1, and 43A.17.*

*Subd. 2. [DUTIES.] The executive director is the chief administrative officer of the board and is responsible for performing the executive duties of the board. The executive director is not a member of the board.*

*Subd. 3. [EMPLOYEES.] The executive director may appoint unclassified employees in accordance with chapter 43A and prescribe their duties. The executive director may delegate to a subordinate the exercise of specified statutory powers or duties as the executive director deems advisable, subject to the control of the executive director.*

**Sec. 72. [44A.03] [WORLD TRADE CENTER FUND.]**

*There is established in the state treasury a world trade center fund. All money collected and gifts received by the world trade center board shall be deposited in the fund. Money in the fund including interest earned is annually appropriated to the board for the operation of services and programs through the world trade center.*

**Sec. 73. [44A.04] [GIFT ACCEPTANCE.]**

*The world trade center board may accept gifts without regard to sections 7.09 to 7.12 if the board determines that the gift will serve the purposes of the world trade center.*

**Sec. 74. [44A.05] [CONTRACTING AUTHORITY.]**

*The world trade center board may contract for the development, financing, construction, and management of the world trade center facility and park.*

**Sec. 75. [44A.06] [WORLD TRADE CENTER COSTS.]**

*If a world trade center project of the kind contemplated by Laws 1983, chapter 301, section 29, is carried out, the participation of the state government is limited as provided in this section.*

*(a) The state shall not own space in the center.*

*(b) The state shall not rent more than ten percent of the gross space in the center.*

*(c) The state shall not incur debt to assist the project.*

*(d) The state shall not provide a special property tax classification that would give the center a more favorable property tax treatment than other office buildings.*

Sec. 76. [44A.07] [WORLD TRADE CENTER SERVICES.]

*Subdivision 1. [SERVICES.] The world trade center board may:*

*(1) define, formulate, administer, and deliver programs and services through the world trade center;*

*(2) provide and contract for services and programs through the world trade center, including: a library and research service providing information on world trade; a trade lead service, providing and authenticating information about international trade opportunities; a club for world trade center club members; telecommunications services; translation and interpretation services; temporary secretarial and other business services; language instruction; educational conferences and seminars; and other programs and services that serve the purposes of the world trade center, in the determination of the board;*

*(3) establish and charge fees for services and programs provided without regard to chapter 14;*

*(4) establish membership requirements for Minnesota world trade center operations without regard to chapter 14;*

*(5) establish satellite operations of the Minnesota world trade center;*

*(6) maintain active membership in the world trade center association;*

*(7) create an international communication network to coordinate international trade information and activities;*

*(8) compile international trade information from, among other places, the United States Department of Commerce and private sources, and provide marketing information to business persons;*

*(9) assist public and private universities or colleges to develop undergraduate or graduate level education programs to train persons regarding export trading; and*

*(10) coordinate the international trading activities of state and local agencies and organizations.*

*Subd. 2. [JOINT PROJECTS, CONTRACTS, EXPENDITURES.] In order to implement the authorities of subdivision 1, the board may participate jointly with private persons and public entities in appropriate programs and projects and may enter into contracts to carry out those programs and projects. In making any expenditure or contract the board is not subject to chapter 16.*

Sec. 77. [GOVERNOR'S COUNCIL.]

*The governor's council on the world trade center has all the powers granted to the board in this act until the entire board has been appointed.*

Sec. 78. [84.026] [CONTRACTS FOR PROVISION OF NATURAL RE-

## SOURCES SERVICES.]

*The commissioner of natural resources is authorized to enter into contractual agreements with any public or private entity for the provision of statutorily prescribed natural resources services by the department. The contracts shall specify the services to be provided and the amount and method of reimbursement. Funds generated in a contractual agreement made pursuant to this section shall be deposited in the special revenue fund and are appropriated to the department for purposes of providing the services specified in the contracts. All such contractual agreements shall be processed in accordance with the provisions of section 16.098. The commissioner shall report revenues collected and expenditures made under this section to the chairmen of the committees on appropriations in the house and finance in the senate by January 1 of each odd-numbered year.*

Sec. 79. Minnesota Statutes 1982, section 84.085, is amended to read:

## 84.085 [ACCEPTANCE OF GIFTS.]

The commissioner of natural resources may accept for and on behalf of the state any gift, bequest, devise, or grants of lands or interest in lands or personal property of any kind or of money tendered to the state for any purpose pertaining to the activities of the department or any of its divisions. Any money so received is hereby appropriated and dedicated for the purpose for which it is granted. *Lands and interests in lands so received may be sold or exchanged as provided in chapter 94.*

Sec. 80. Minnesota Statutes 1982, section 84A.53, is amended to read:

## 84A.53 [CERTAIN FUNDS RECEIPTS NOT CREDITED TO GENERAL CONSOLIDATED FUND.]

*Subdivision 1. [TAX LEVIES.] All moneys heretofore or hereafter collected from tax levies heretofore made pursuant to Minnesota Statutes 1945, Chapter 84A, shall be deposited in the state treasury to the credit of the general fund. Upon completion of the payment provided for in section 84A.52 the commissioner of finance shall make the appropriate entries. None of the moneys referred to in this section shall be used for the payments provided for in section 84A.52 until all other moneys in the consolidated fund have been expended.*

*Subd. 2. [LAND SALES.] The portion of the money received from the sale of tax-forfeited lands that are held by the state pursuant to section 84A.07, 84A.26, or 84A.36, that would not be paid to the counties if all of the sale proceeds were deposited in the consolidated conservation fund, shall be deposited in the land acquisition account. The remaining amount shall be paid to the counties under section 84A.51 as if all of the sale proceeds were deposited in the consolidated conservation fund.*

Sec. 81. Minnesota Statutes 1982, section 84A.54, is amended to read:

## 84A.54 [CERTAIN COLLECTIONS DEPOSITED IN CONSOLIDATED FUND.]

Except as provided in section 84A.53, all moneys hereafter received from any source pursuant to Minnesota Statutes 1945, chapter 84A, ~~or from the sale of tax-forfeited lands which are held by the state pursuant to Minnesota~~

~~Statutes 1945, Sections 84A.07, 84A.26 or 84A.36~~ shall be deposited in the consolidated fund.

Sec. 82. Minnesota Statutes 1982, section 84A.55, subdivision 9, is amended to read:

Subd. 9. The commissioner may make necessary investigations and surveys for and may undertake projects for the drainage of any state owned lands within any game preserve, conservation area, or other area subject to the provisions hereof so far as he shall determine that such lands will be benefited thereby in furtherance of the purposes for which the area was established, and may pay the cost thereof out of any funds appropriated and available therefor. If the commissioner shall determine after investigation that any project for the construction, repair, or improvement of any public ditch or ditch system undertaken by any county or other public agency as otherwise provided by law will benefit such lands in furtherance of said purposes, he may cooperate in such project by joining in the petition therefor or consenting thereto or approving the same upon such conditions as he shall determine, and ~~may~~ shall authorize the imposition of assessments therefor upon such lands in such amounts as he shall determine, or may make lump sum contributions to the county or other public funds established for the payment of the cost of the project; provided, such assessments or contributions shall not in any case exceed the value of such benefits to such state owned lands as determined by the commissioner and specified by his written certificates or other statement filed in the proceedings, and shall be payable only out of funds appropriated and available therefor in such amounts as the commissioner may determine. *The commissioner of natural resources shall establish by rule before January 1, 1986, the criteria for determining benefits to state-owned lands held or used for the purpose of protecting or propagating wildlife, providing hunting or fishing for the public, or other purposes relating to conservation, development, or use of soil, water, forests, wild animals, or related natural resources.*

Sec. 83. [84A.56] [CONSOLIDATED CONSERVATION LAND ACQUISITION AND DISPOSITION.]

*Subdivision 1. [CONSOLIDATED CONSERVATION LAND ACQUISITION AND DISPOSITION PLAN.] Before the commissioner may acquire or dispose of land in the game preserves, areas and projects established under Minnesota Statutes 1945, section 84A.01, 84A.20, or 84A.31, in any county, the commissioner must prepare a county land acquisition and disposition plan. The plan must identify the general areas where the commissioner intends to acquire or dispose of land and their accompanying reasons. The plan must emphasize a balance of uplands and wetlands.*

*Subd. 2. [REVIEW BY COUNTY BOARD.] The plan must be submitted to the county board for review and comment. The board must notify the commissioner of natural resources of any concerns or disagreements with the plan within 90 days after receiving the plan or proposal.*

*Subd. 3. [DEPARTMENT REVIEW OF APPRAISALS.] The county board must submit appraisals for land offered for sale under this section to the commissioner for review at least 30 days before the date of the sale.*

Sec. 84. [84A.57] [CERTAIN TAX-FORFEITED LAND HELD IN

## TRUST FOR COUNTY.]

*Notwithstanding any law to the contrary, land that forfeits to the state for nonpayment of taxes and is in a game preserve, areas or projects established under Minnesota Statutes 1945, section 84A.01, 84A.20, or 84A.31 shall be held in trust for the taxing district as land outside a game preserve, area, or project. The lands shall be disposed of and managed, and have income from the land allocated, in the same manner as land that is outside a game preserve, area, or project.*

Sec. 85. Minnesota Statutes 1982, section 84B.03, is amended by adding a subdivision to read:

*Subd. 4. [CONVEYANCE.] In furtherance of boundary adjustments to Voyageurs National Park authorized by Congress in Public Law 97-405, and notwithstanding any other law to the contrary, the governor, after consulting the commissioner of natural resources, shall donate and convey to the United States of America, for Voyageurs National Park, the state's interest in the following described lands:*

*Lot 7, Section 4, Township 68 North, Range 18 West.*

*The lands shall be donated and conveyed only after \$30,000 has been paid by the commissioner of natural resources to the city of Tower in return for a conveyance to the state of all right, title, and interest of the city of Tower in the land. All conveyances required by this subdivision shall comply with subdivision 1, except for the provision required by clause (1)(a) of that subdivision.*

Sec. 86. Minnesota Statutes 1983 Supplement, section 85.40, subdivision 5, is amended to read:

*Subd. 5. [CROSS COUNTRY SKI TRAIL.] "Cross country ski trail" means a public pathway designated and promoted for cross country skiing, excluding trails that have not received state acquisition or betterment funds for recreational purposes.*

Sec. 87. Minnesota Statutes 1983 Supplement, section 85.41, subdivision 3, is amended to read:

*Subd. 3. [EXEMPTIONS.] Participants in cross country ski races and official school activities and residents of a state or local government operated correctional facility are exempt from the license requirement in subdivision 1 if a special use permit has been obtained by the organizers of the event or those in an official capacity in advance from the agency with jurisdiction over the cross country ski trail. Permits shall require that permit holders return the trail and any associated facility to its original condition if any damage is done by the permittee. Limited permits for special events may be issued and shall require the removal of any trail markers, banners, and other material used in connection with the special event.*

Sec. 88. Minnesota Statutes 1983 Supplement, section 85.41, subdivision 4, is amended to read:

*Subd. 4. [FORM.] The department shall provide forms and blanks to all agents authorized to issue licenses and daily permits by the commissioner. The license and daily permit shall attach to the skier's clothing to visibly*

identify the holder as a licensed skier, and be easily transferable from garment to garment by means of a device prescribed by the commissioner in consultation with the advisory task force. *The annual license shall be with the skier and a sticker shall be placed on the skier's ski poles to identify the holder as a licensed skier.* The license and permit shall include the applicant's name and other information deemed necessary by the commissioner.

Sec. 89. Minnesota Statutes 1983 Supplement, section 85.41, subdivision 5, is amended to read:

Subd. 5. [AGENT'S FEE.] The fee for an annual cross country ski license and a daily permit shall be increased by the amount of an issuing fee of 50 cents per license. The issuing fee may be retained by the ~~county auditor or his agent or subagent who sells~~ seller of the license or permit. A license or permit shall indicate the amount of the fee that is retained by the ~~agent~~ seller. This subdivision does not apply to any license or permit sold by the state, ~~or at a park.~~

Sec. 90. Minnesota Statutes 1982, section 94.16, is amended to read:

94.16 ~~[FUNDS, HOW DISPOSED OF DISPOSITION OF PROCEEDS FROM SURPLUS STATE-OWNED LAND.]~~

*Subdivision 1. [PAYMENT OF EXPENSES.] All ~~moneys~~ Money received from the sale of ~~such lands or lots surplus state-owned land~~ shall be credited to the general fund of the state, except that as provided in this section.*

*Subd. 2. [PAYMENT OF EXPENSES.] A portion of the proceeds from the sale equal in amount to the survey, appraisal, legal, advertising, and other expenses incurred by the commissioner of administration or other state official in rendering the property saleable shall be remitted to the account from which the expenses were paid, and are appropriated and immediately available for expenditure in the same manner as other money in the account.*

*Subd. 3. [PROCEEDS FROM NATURAL RESOURCES LAND.] The remainder of the proceeds from the sale of lands that were under the control and supervision of the commissioner of natural resources shall be credited to the land acquisition account.*

Sec. 91. [94.165] [LAND ACQUISITION ACCOUNT.]

*There is created in the state treasury a land acquisition account. Subject to appropriation by law, money in the account is available to the commissioner of natural resources for the acquisition of natural resource lands or interests in lands within the outdoor recreation system established in chapter 86A.*

Sec. 92. [115A.90] [DEFINITIONS.]

*Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 92 to 98.*

*Subd. 2. [AGENCY.] "Agency" means the pollution control agency.*

*Subd. 3. [COLLECTION SITE.] "Collection site" means a permitted site, or a site exempted from permit, used for the storage of waste tires.*

*Subd. 4. [COMMISSIONER.] "Commissioner" means the commissioner of energy and economic development.*

*Subd. 5. [PERSON.] "Person" has the meaning given in section 116.06.*

subdivision 8.

Subd. 6. [PROCESSING.] "Processing" means producing or manufacturing usable materials, including fuel, from waste tires including necessary incidental temporary storage activity.

Subd. 7. [TIRE.] "Tire" means a pneumatic tire or solid tire for motor vehicles as defined in section 169.01.

Subd. 8. [TIRE COLLECTOR.] "Tire collector" means a person who owns or operates a site used for the storage, collection, or deposit of more than 50 waste tires.

Subd. 9. [TIRE DUMP.] "Tire dump" means an establishment, site, or place of business without a required tire collector or tire processor permit that is maintained, operated, used, or allowed to be used for storing, keeping, or depositing unprocessed waste tires.

Subd. 10. [TIRE PROCESSOR.] "Tire processor" means a person engaged in the processing of waste tires.

Subd. 11. [WASTE TIRE.] "Waste tire" means a tire that is no longer suitable for its original intended purpose because of wear, damage, or defect.

Sec. 93. [115A.902] [PERMIT; TIRE COLLECTORS, PROCESSORS.]

Subdivision 1. [PERMIT REQUIRED.] A tire collector or tire processor with more than 500 waste tires shall obtain a permit from the agency unless exempted in subdivision 2. The agency may by rule require tire collectors or tire processors with less than 500 waste tires to obtain permits unless exempted by subdivision 2.

Subd. 2. [EXEMPTIONS.] A permit is not required for:

(1) a retail tire seller for the retail selling site if no more than 500 waste tires are kept on the business premises;

(2) an owner or operator of a tire retreading business for the business site if no more than 3,000 waste tires are kept on the business premises;

(3) an owner or operator of a business who, in the ordinary course of business, removes tires from motor vehicles if no more than 500 waste tires are kept on the business premises;

(4) a permitted landfill operator with less than 10,000 waste tires stored above ground at the permitted site; or

(5) a person using waste tires for agricultural purposes if the waste tires are kept on the site of use.

Subd. 3. [LOCAL AUTHORITY.] The issuance of an agency permit does not replace a permit or license required under section 400.16 or 473.811.

Subd. 4. [PERMIT FEE.] The revenue from permit fees shall be credited to the general fund.

Sec. 94. [115A.904] [LAND DISPOSAL PROHIBITED.]

The disposal of waste tires in the land is prohibited after July 1, 1985. This does not prohibit the storage of unprocessed waste tires at a collection or processing facility.



**Sec. 95. [115A.906] [WASTE TIRE NUISANCE; ABATEMENT.]**

*Subdivision 1. [NUISANCE.] A tire dump unreasonably endangers the health, safety, and comfort of individuals and the public and is a nuisance.*

*Subd. 2. [ABATEMENT.] The agency may abate a nuisance by processing and removing the tires. Before taking any action to abate a nuisance, the agency shall give notice to the tire collector responsible for the nuisance that the tires to be processed and removed constitute a nuisance and demand that the tires be shredded or chipped or removed within a specified period. Failure of the tire collector to take the required action within the specified period shall result in the issuance of an agency order to abate the nuisance. The abatement order may include entering the property where the nuisance is located, taking tires into public custody, and providing for their processing and removal. The agency order may be enforced pursuant to the provisions of section 115.071.*

*Subd. 3. [RECOVERY OF EXPENSES.] Any reasonable and necessary expenses incurred by the agency for abatement costs, and administrative and legal expenses, may be recovered in a civil action brought by the attorney general against any tire collector responsible for the nuisance. The agency's certification of expenses shall be prima facie evidence that the expenses are reasonable and necessary.*

*Subd. 4. [OTHER ABATEMENT.] This section does not change the existing authority of a person or political subdivision to abate a tire dump nuisance. The agency may reimburse a person or political subdivision for the costs of abatement.*

**Sec. 96. [115A.908] [MOTOR VEHICLE TRANSFER FEE.]**

*Subdivision 1. [FEE CHARGED.] A fee of \$4 shall be charged on the initial registration and each subsequent transfer of title within the state, other than transfers for resale purposes, of every motor vehicle weighing more than 1,000 pounds. The fee shall be collected in an appropriate manner by the motor vehicle registrar. Registration plates or certificates may not be issued by the motor vehicle registrar for the ownership or operation of a motor vehicle subject to the transfer fee unless the fee is paid. The fee may not be charged on the transfer of:*

- (1) previously registered vehicles if the transfer is to the same person;*
- (2) vehicles subject to the conditions specified in section 297A.25, subdivision 1, clause (j); or*
- (3) vehicles purchased in another state by a resident of another state if more than 60 days have elapsed after the date of purchase and the purchaser is transferring title to this state and has become a resident of this state after the purchase.*

*Subd. 2. [DEPOSIT OF REVENUE.] Revenue collected shall be credited to the general fund.*

*Subd. 3. [REPEALER.] This section is repealed on December 31, 1994.*

**Sec. 97. [115A.912] [WASTE TIRE COLLECTION.]**

*Subdivision 1. [PURPOSE.] Money appropriated to the agency for waste*

*tire collection may be spent for elimination of health and safety hazards of tire dumps and collection sites, tire dump abatement, collection, and clean up of waste tires.*

*Subd. 2. [PRIORITIES FOR SPENDING.] The agency shall apply the following criteria to establish priorities: (1) tire dumps or collection sites determined by the agency to contain more than 1,000,000 tires; (2) abatement of fire hazard nuisances; (3) abatement of nuisance in densely populated areas; and (4) collection and clean up of waste tires including abatement of tire dumps.*

*Subd. 3. [CONTRACTS WITH COUNTIES.] The agency may contract with counties for the abatement of waste tire nuisances.*

Sec. 98. [115A.914] [RULES; COUNTY PLANNING; ORDINANCES.]

*Subdivision 1. [AGENCY RULES.] The agency shall adopt rules for administration of waste tire collector and processor permits, waste tire nuisance abatement, and waste tire collection.*

*Subd. 2. [COUNTY PLANNING; ORDINANCES.] Counties shall include collection and processing of waste tires in the solid waste management plan prepared under sections 115A.42 to 115A.46 and shall adopt ordinances under sections 400.16 and 473.811 for management of waste tires that embody, but may be more restrictive than, agency rules.*

Sec. 99. Minnesota Statutes 1983 Supplement, section 116J.09, is amended to read:

116J.09 [DUTIES.]

The commissioner shall:

(a) manage the department as the central repository within the state government for the collection of data on energy;

(b) prepare and adopt an emergency allocation plan specifying actions to be taken in the event of an impending serious shortage of energy, or a threat to public health, safety, or welfare;

(c) undertake a continuing assessment of trends in the consumption of all forms of energy and analyze the social, economic, and environmental consequences of these trends;

(d) carry out energy conservation measures as specified by the legislature and recommend to the governor and the legislature additional energy policies and conservation measures as required to meet the objectives of sections 116J.05 to 116J.30;

(e) collect and analyze data relating to present and future demands and resources for all sources of energy, and specify energy needs for the state and various service areas as a basis for planning large energy facilities;

(f) evaluate policies governing the establishment of rates and prices for energy as related to energy conservation, and other goals and policies of sections 116J.05 to 116J.30, and make recommendations for changes in energy pricing policies and rate schedules;

(g) study the impact and relationship of the state energy policies to inter-

national, national, and regional energy policies;

(h) design and implement a state program for the conservation of energy; this program shall include but not be limited to, general commercial, industrial, and residential, and transportation areas; such program shall also provide for the evaluation of energy systems as they relate to lighting, heating, refrigeration, air conditioning, building design and operation, and appliance manufacturing and operation;

(i) inform and educate the public about the sources and uses of energy and the ways in which persons can conserve energy;

(j) dispense funds made available for the purpose of research studies and projects of professional and civic orientation, which are related to either energy conservation, resource recovery, or the development of alternative energy technologies which conserve nonrenewable energy resources while creating minimum environmental impact;

(k) charge other governmental departments and agencies involved in energy related activities with specific information gathering goals and require that those goals be met;

*(l) report to the legislature by February 1 of each year both the processes and results of efforts to communicate the statutory requirements concerning energy efficiency standards under section 116J.27 and the extent of compliance with the requirements design a comprehensive program for the development of indigenous energy resources. The program shall include, but not be limited to, providing technical, informational, educational, and financial services and materials to persons, businesses, municipalities, and organizations involved in the development of solar, wind, hydropower, peat, fiber fuels, biomass, and other alternative energy resources. The program shall be evaluated by the alternative energy technical activity.*

Further, the commissioner may participate fully in hearings before the public utilities commission on matters pertaining to rate design, cost allocation, efficient resource utilization, utility conservation investments, small power production, cogeneration, and other rate issues. The commissioner shall support the policies stated in section 116J.05 and shall prepare and defend testimony proposed to encourage energy conservation improvements as defined in section 216B.241.

Sec. 100. Minnesota Statutes 1983 Supplement, section 116J.18, subdivision 1, is amended to read:

~~Subdivision 1. [STATE ENERGY POLICY AND CONSERVATION REPORT.] By July 1 of each even-numbered year 1988 and every four years thereafter, the commissioner shall transmit to the governor and the legislature a comprehensive report designed to identify emerging trends related to energy supply, demand, conservation, public health and safety factors, and to specify the level of statewide and utility service area energy need. The report shall include, but not be limited to, all of the following:~~

~~(a) A final report on the accuracy and acceptability of the energy forecasts received under section 116J.17 and the alternatives to meeting that demand;~~

~~(b) An estimate of statewide and utility service area energy need for the forthcoming 20 year period which, in the judgment of the commissioner, will~~

reasonably balance requirements of state economic growth and development, protection of public health and safety, preservation of environmental quality, and conservation of energy resources;

(c) The anticipated level of statewide energy demand for 20 years, which shall serve as the basis for long range action;

(d) The identification of potential adverse social, economic, or environmental effects caused by a continuation of the present energy demand trends;

(e) An assessment of the state's energy resources, including examination of the availability of commercially developable and imported fuels;

(f) The estimated reduction in annual energy consumption resulting from various energy conservation measures;

(g) The cost of energy to residential and rental consumers in relation to their socio-economic status;

(h) An assessment of the economic and employment implications of proposed state energy policies;

(i) The status of the department's ongoing studies;

(j) Recommendations to the governor and the legislature for administrative and legislative actions to accomplish the purposes of sections 116J.05 to 116J.30: *issue a comprehensive report designed to identify major emerging trends and issues in energy supply, consumption, conservation, and costs. The report shall include the following:*

(1) *projections of the level and composition of statewide energy consumption under current government policies and an evaluation of the ability of existing and anticipated facilities to supply the necessary energy for that consumption;*

(2) *projections of how the level and the composition of energy consumption would be affected by new programs or new policies;*

(3) *projections of energy costs to consumers, businesses, and government;*

(4) *identification and discussion of key social, economic, and environmental issues in energy;*

(5) *explanations of the department's current energy programs and studies; and*

(6) *recommendations.*

Sec. 101. Minnesota Statutes 1982, section 116J.19, subdivision 13, is amended to read:

Subd. 13. ~~Beginning January 1, 1978,~~ No new room air conditioner or room air conditioner heat pump shall be sold or installed or transported for resale into Minnesota unless it has an energy efficiency ratio of 7.0 or higher. ~~Beginning January 1, 1985,~~ the energy efficiency ratio must be 7.8 or higher. For purposes of this subdivision, "energy efficiency ratio" means the ratio of the cooling capacity of the air conditioner in British thermal units per hour to the electrical input in watts. ~~To determine the energy efficiency ratio, all room air conditioner models shall be tested in accordance with the methods and conditions specified in American National Standard Z234-1, and American~~

~~Society of Heating, Refrigerating, and Air Conditioning Engineers Standard 16-69~~ The cooling capacity, electrical input, and energy efficiency ratio of room air conditioners and room air conditioning heat pumps is determined by using the standard for room air conditioners, approved by the American National Standards Institute on April 20, 1982, known as ANSIIAHAM RAC-1, with ASHRAE 58-74 used in lieu of ASHRAE 58-65. The method of sampling of room air conditioners shall be that required by the Department of Energy and found in 44 Federal Register 22410-22418 (April 13, 1979). A new room air conditioner having dual voltage ratings shall conform to the energy efficiency ratio requirements at each rating. ~~This subdivision shall not apply to air conditioners in Minnesota on October 1, 1977.~~

Sec. 102. [116J.261] [ALTERNATIVE ENERGY ENGINEERING ACTIVITY.]

*Subdivision 1. [CREATION, GOALS.] To further the development of indigenous energy resources and energy conservation, the commissioner shall establish an alternative energy engineering activity. The activity shall facilitate the development of specific projects in the public and private sectors and provide a broad range of information, education, and engineering assistance services necessary to accelerate energy conservation and alternative energy development in the state.*

*Subd. 2. [DUTIES.] The alternative energy engineering activity shall:*

- (1) provide on-site technical assistance for alternative energy and conservation projects;*
- (2) develop information materials and educational programs to meet the needs of engineers, technicians, developers, and others in the alternative energy field;*
- (3) conduct feasibility studies when the results of the studies would be of benefit to others working in the same area;*
- (4) facilitate development of energy projects through assistance in finding financing, meeting regulatory requirements, gaining public and private support, limited technical consultation, and similar forms of assistance; and*
- (5) work with and use the services of Minnesota design professionals.*

Sec. 103. [116J.262] [OPTIMAL LOW-INCOME WEATHERIZATION.]

*The commissioner shall contract with the Building Energy Research Center at the University of Minnesota for the purpose of determining optimal weatherization for low-income weatherization programs. The alternative energy engineering activity shall provide technical assistance.*

Sec. 104. Minnesota Statutes 1983 Supplement, section 116J.31, is amended to read:

116J.31 [ENERGY AUDITS.]

The commissioner shall develop and administer state programs of energy audits of residential and commercial buildings including those required by United States Code, title 42, ~~section 8214, et seq. sections 8211 to 8222 and section sections 8281 to 8284.~~ The attorney general may release information

~~on consumer complaints about the operation of the program to the commissioner. The commissioner shall continue to administer the residential energy audit program as originally established under the provisions of United States Code, title 42, sections 8211 to 8222; through July 1, 1986 irrespective of any prior expiration date provided in United States Code, title 42, section 8216. The commissioner may approve temporary programs if they are likely to result in the installation of as many conservation measures as would have been installed had the utility met the requirements of United States Code, title 42, sections 8211 to 8222. The consumer services division and the attorney general may release information on consumer comments about the operation of the program to the commissioner.~~

Sec. 105. Minnesota Statutes 1982, section 116J.36, as amended by Laws 1983, chapter 301, section 129, is amended to read:

**116J.36 [DISTRICT HEATING AND QUALIFIED ENERGY IMPROVEMENT LOANS.]**

Subdivision 1. [POLICIES.] Developing and improving efficient and economical district heating systems *and certain public works capital improvements that conserve energy or substitute a lower cost, more plentiful, or indigenous fuel* is a public purpose for state and local financing and a proper function of state and local government. Climate and geography make a reliable, economic supply of energy essential for ~~industrial, commercial~~ *industry, commerce,* and residential heating. Imported supplies of *certain fuels* are increasingly costly, unreliable, and environmentally disadvantageous. District heating systems employing cogeneration techniques and innovative technology offer an important means of increasing the efficiency of Minnesota's energy systems and reducing the state's reliance on imported energy supplies. The combination of the large initial capital cost and investors' lack of familiarity with district heating has made the private market reluctant to provide the necessary capital for district heating projects. As a result, public leadership, cooperation, and aid are needed to demonstrate the feasibility of district heating systems by establishing economically viable municipal district heating systems as demonstration projects. *Qualified energy improvements may offer municipalities opportunities for reducing energy costs or generating revenues from wastes.* Municipal district heating systems *and other qualified improvements* may be financed by loans from the state and from other sources available to municipalities.

Subd. 2. [DEFINITIONS.] In this section:

(a) "Construction costs" means all costs associated with the construction, modification or expansion of a district heating system except for preliminary planning costs and detailed design costs. Construction costs include the cost of debt service from the time a construction loan is made until five years after the beginning of the operation of the district heating system constructed or the part of the system being modified or expanded.

b) "District heating" means the use of a central energy conversion facility to produce hot water or steam for a district heating system. District heating facilities may also produce electricity in addition to hot water or steam.

(c) "Municipality" means any county, city, town, *school district or a municipal power agency; or formed pursuant to sections 453.53 to 453.62. Mu-*

*municipality also means a public utility, as defined in section 452.01, subdivision 3, owned and operated by a city, however organized ~~or~~. For purposes of a district heating system only, municipality also means a nonprofit corporation organized pursuant to the provisions of chapter 317 whose membership is limited to the mayor and governing body of the city in which the district heating system is located.*

(d) "District heating system" means any existing or proposed facility for (1) the production, through cogeneration or otherwise, of hot water or steam to be used for district heating, or (2) the transmission and distribution of hot water or steam for district heating either directly to heating consumers or to another facility or facilities for transmission and distribution, or (3) any part or combination of the foregoing facilities.

(e) "Qualified energy improvement" means a cost-effective capital improvement to public land, buildings, or energy using systems, other than a district heating system, including the purchase or installation of equipment to reduce the usage of conventional energy sources or to use alternative energy resources. Qualified energy improvements also include waste-to-energy facilities that meet the criteria specified in subdivision 8a and any rule adopted under that subdivision. Qualified energy improvements shall meet all environmental and permitting standards established by state and federal law.

Subd. 3. [ELIGIBILITY, DISTRICT HEATING.] The commissioner of finance, upon ~~request~~ recommendation of the ~~governor~~ authority, may make loans to municipalities for the acquisition, construction, expansion, or modification of district heating systems. A loan shall be made only to a municipality that has demonstrated to the authority that:

(a) The municipality has the financial capability to sponsor the project;

(b) The project is technologically feasible;

(c) The district heating project will become a cogeneration facility or the project will utilize hot water or, if the project involves an existing district steam heating system, the project will become integrated with a hot water district heating system, or the project will allow the use of nonpetroleum fuels or will construct an efficient heat transmission system; and

(d) The municipality has made adequate provision to assure proper and efficient operation and maintenance of the project after construction is completed.

Subd. 3a. [ELIGIBILITY, QUALIFIED ENERGY IMPROVEMENTS.] *The commissioner of finance, upon recommendation of the authority, may make loans to a municipality for the acquisition, construction, or expansion of a qualified energy improvement. A loan shall be made only to a municipality that has demonstrated that:*

(a) *The municipality has the financial capability to sponsor the qualified energy improvement;*

(b) *The improvement is technologically feasible;*

(c) *The improvement conforms to criteria specified in subdivision 8a and any rule adopted under it; and*

(d) *The municipality has made adequate provision to assure proper and*

*efficient operation and maintenance of the improvement after construction is completed.*

*Subd. 3b. [GRANT ELIGIBILITY, DISTRICT HEATING.]* The commissioner of energy, ~~planning~~ and *economic* development may provide planning grants to municipalities for planning related to the development of district heating systems. The municipality must demonstrate that a community heatload survey and map have been successfully completed, that potential district heating load is sufficiently large to justify further consideration, and that sufficient resources are available for the municipality to meet its financial requirements. Eligible planning grant costs include project definition, development of preliminary financing and distribution system plans, and obtaining commitment for detailed planning or design and preparation of a final report. The amount of the grant to a municipality is limited to 90 percent of eligible planning costs and shall not exceed \$70,000 as established by rule or temporary rule.

*Subd. 3c. [GRANT ELIGIBILITY, QUALIFIED ENERGY IMPROVEMENTS.]* *The commissioner of energy and economic development may provide planning grants to municipalities for planning related to the development of qualified energy improvements. The municipality must demonstrate that sufficient resources are available for the municipality to meet its financial requirements. Eligible planning grant costs include definition of the improvement, development of preliminary financing plans, and obtaining commitment for detailed planning or design and preparation of a final report. The amount of a grant to a municipality is limited to 90 percent of eligible planning costs and must not exceed \$100,000 as established by rule or temporary rule.*

*Subd. 4. [PRIORITIES, DISTRICT HEATING.]* The ~~commissioner of energy, planning and development~~ authority shall give higher priority to a project that does more to achieve the following goals:

(a) The district heating conversion facility employs cogeneration techniques;

(b) The facility uses renewable or nonpetroleum sources of energy;

(c) The district heating facility will save petroleum or natural gas;

(d) The operation of the district heating facility will not have an adverse impact on the environment;

(e) The district heating facility may readily be expanded to serve additional customers or to supply additional amounts of energy, and market demand for the energy exists;

(f) The project has obtained additional financing from the federal government, private sources, or other sources of capital; and

(g) Other goals the ~~commissioner of energy, planning and development~~ authority finds desirable for district heating systems.

*Subd. 4a. [PRIORITIES, ENERGY IMPROVEMENTS.]* *The authority shall give higher priority to qualified energy improvements that best meet the following goals:*

(a) *to increase the proportion of a municipality's energy needs that are met*



by renewable or indigenous energy resources;

- (b) to provide a cost reduction or revenue source for the municipality;
- (c) to provide multiple benefits to residents within the municipality; and
- (d) to demonstrate technologies for solid waste treatment.

Subd. 5. [APPLICATION.] Application for a loan to be made pursuant to subdivision 6 or 7 shall be made by a municipality to the ~~commissioner of energy, planning and development~~ authority on a form prescribed by the ~~commissioner of energy, planning and economic development by rule authority~~. The ~~commissioner of energy, planning and development~~ authority shall review each application and determine:

- (a) Whether or not the project or proposed energy improvement is eligible for a loan;
- (b) The priority of the project or qualified energy improvement when ranked with all other eligible projects or improvements for which a loan application has been submitted;
- (c) The total estimated cost of the project or improvement;
- (d) The amount of the loan for which the project or improvement is eligible;
- (e) The terms upon which the loan would be made; and
- (f) The means by which the municipality proposes to finance the project or improvement, including:
  - (1) A loan authorized by state law; or
  - (2) A grant of money appropriated by state law; or
  - (3) A grant to the municipality by an agency of the federal government within the amount of money then appropriated to that agency and allocated by it to projects or improvements within the state; or
  - (4) The appropriation of proceeds of bonds or other money of the municipality to an account for the construction of the project or improvement; or
  - (5) User charges, franchise fees, special assessments or taxes; or
  - (6) Any or all of the means referred to in clauses (1) to (5).

Subd. 6. [LOANS, DISTRICT HEATING AND QUALIFIED ENERGY IMPROVEMENTS.] Upon the recommendation of the ~~governor~~ authority pursuant to subdivision 8, the commissioner of finance shall make loans to municipalities on the following terms:

- (a) In the case of loans for design costs, the maximum amount of the loan shall be limited by the provisions of this clause. For cities of the first class and counties containing a city of the first class, individually or through the exercise of joint powers agreements, the amount of the loan shall not exceed 40 percent of the design costs. For cities of the second, third and fourth class, and other municipalities, the amount of the loan shall not exceed 90 percent of the design costs;
- (b) In the case for loans for construction costs, a municipality must demonstrate that all design activities have been completed; that the project or

*improvement* is economically and technologically feasible; that the district heating system or qualified energy improvement will be constructed, and that it has made adequate provisions to assure proper and efficient operation and maintenance of the project or improvement. For cities of the first class and counties containing a city of the first class, individually or through the exercise of joint powers agreements, the amount of the loan shall be up to 50 percent of the construction costs. For cities of the second class, the amount of the loan shall be up to 80 percent of the construction costs. For cities of the third or fourth class, and other municipalities, the amount of the loan shall be up to 90 percent of the construction costs.

(c) A loan made pursuant to this section is repayable over a period of not more than 20 years; with interest payments beginning the first year from the date the loan is made. Interest shall accrue from the date of the loan at a rate of interest assigned at the date of loan commitment, but the first payment of interest shall not be due until one year after the loan was made. Principal payments shall begin in the sixth year after the receipt of the loan on a 25 year level payment schedule with the balance of the principal to be retired with the payment due 20 years after receipt of the loan. Interest attributable to the first year of deferred payment shall be amortized in equal periodic payments over the remainder of the term of the loan. For each loan, the initial deposit to the state bond fund required by section 16A.65, subdivision 1, shall be made by the commissioner of finance, and no loan may be refused solely because the municipality does not provide the initial deposit.

(d) The authority may also pledge a segregated portion of the energy development fund to guarantee or insure bonds and notes, or the interest rate thereon, issued by the commissioner of finance on behalf of the state of Minnesota for purposes of section 116J.36 or 116J.37.

Subd. 7. [MODERN STEAM SYSTEMS.] (a) A municipality which has operating within its boundaries a modern steam district heating system owned by a district heating utility may apply for a loan or grant under this section even though the district heating project for which the loan or grant application is made may be planned, constructed, or owned by a district heating utility. The loan or grant application shall be treated in the same manner as loan or grant applications for district heating projects where the projects are to be planned, constructed, or owned by a municipality.

All or a portion of the proceeds of a loan made to a municipality described in this subdivision may be used to make loans to a district heating utility to provide financial assistance for the planning, modification, expansion or construction of a district heating project. Prior to making the loan to the district heating utility, the municipality shall:

(1) Adopt a district heating plan which identifies the areas of the city to be served by district heating; a time schedule indicating when service would be available in different areas of the city and the type of service to be offered; and

(2) Enter into a written agreement with the district heating utility which includes a requirement that the district heating utility restrict expansion of its existing steam system within its current geographic boundaries as determined by the municipality and develop a hot water system on a specific time schedule.

(b) The powers, authority and obligations granted to a municipality under this subdivision are supplemental to the powers, authority and obligations granted all municipalities under this section.

(c) As used in this subdivision, "modern steam district heating system" means a steam district heating system with condensate return built after 1970 and before May 30, 1981. "District heating utility" means any person, corporation, or other legal entity which owns or operates or plans to own or operate a district heating system. "District heating project" means a new district heating system, or the expansion or modification of the existing modern steam district heating system.

Subd. 8. [LOAN APPROVAL.] The commissioner of energy, ~~planning and economic development~~ shall prepare and submit to the ~~legislative advisory commission~~ a list of energy and economic development authority separate lists of loan requests for district heating ~~loan requests~~ systems and qualified energy improvements. The list for district heating loans shall contain the supporting information required by subdivisions 3, 4, 5, 6, and 7. The list for qualified energy improvements shall contain the supporting information required by subdivisions 3a, 3c, 4a, 5, and 6. The recommendation of the ~~legislative advisory commission~~ authority shall be transmitted to the ~~governor commissioner of finance~~. The ~~governor commissioner of finance~~ shall ~~approve or disapprove, or return for further consideration, each project recommended for approval by the legislative advisory commission. Loans may be disbursed only upon approval by the governor sell bonds and make loans for district heating projects and qualified energy improvements only upon the recommendation of the authority.~~

Subd. 8a. [CRITERIA FOR QUALIFIED ENERGY IMPROVEMENTS.] Qualified energy improvements eligible for loans must meet criteria established in rule by the commissioner of energy and economic development. Rules shall include criteria for analyzing the cost-effectiveness of improvements. Rules relating to qualified energy improvements involving a waste-to-energy facility must be adopted in consultation with the waste management board and the pollution control agency. An improvement involving a waste-to-energy facility must be part of a solid waste management plan approved by the pollution control agency or a plan approved under section 473.803.

Subd. 9. [PAYMENT; OBLIGATION.] The commissioner of finance shall not pay money to a municipality pursuant to an approved loan until he has determined that:

(a) Financing of the project or improvement as proposed by the municipality is assured by an irrevocable undertaking, by resolution of the governing body of the municipality, to use all money made available by the financing plan exclusively for the eligible costs of the project or improvement, and to pay any additional amount by which the cost of the project or improvement exceeds the estimate by the appropriation to the construction account of additional ~~municipal~~ money of the municipality or the proceeds of additional bonds to be issued by the municipality; and that

(b) The governing body of the municipality has adopted a resolution obligating the municipality to repay the loan according to the terms in the loan. The obligation may be payable from user charges, franchise fees, special

assessments or other money available to the municipality. The resolution shall obligate the municipality to annually impose and collect user charges, franchise fees, special assessments, or to use any other money available to it from any other specified source, in amounts and at times that if collected in full will annually produce at least five percent in excess of the amount needed for all annual costs of the system, including annual repayment on state loans. A municipality may also pledge to levy an ad valorem tax to guarantee the payments under the loan agreement. For the purpose of repaying the loan, the municipality by resolution of its governing body may fix the rates and charges for district heating system *or qualified energy improvement* service and products, may enter into contracts for the payment by others of costs of construction, maintenance, and use of the project *or improvement* in accordance with section 444.075 and may pledge the revenues derived therefrom. The commissioner of finance shall condition a loan upon the establishment of rates and charges or the execution of contracts sufficient to produce annually the revenues pledged for repayment of all annual costs of the system, including annual repayment of the state loan.

Subd. 10. [RECEIPTS.] All principal and interest payments received by the commissioner of finance in repayment of the loans authorized by this section shall be deposited in the state treasury and credited to the state bond fund and are appropriated to the commissioner of finance for the purposes of that account.

Subd. 11. [RULES.] The commissioner of energy, ~~planning~~ and economic development shall adopt rules necessary to carry out *the programs* of this section. The commissioner of energy, ~~planning~~ and economic development ~~shall~~ may adopt temporary rules pursuant to sections 14.29 to 14.36, meeting the requirements of this section. The rules shall contain as a minimum:

- (a) Procedures for application by municipalities; and
- (b) Criteria for reviewing grant and loan applications.

Sec. 106. [116J.381] [COMMUNITY ENERGY PROGRAM.]

*Subdivision 1. [FINDINGS.] The legislature finds that community based energy programs are an effective means of implementing improved energy practices including conservation, greater efficiency in energy use, and the use of alternative resources. Further, community based energy programs are found to be a public purpose for which public money may be spent.*

*Subd. 2. [COMMUNITY ENERGY COUNCILS; CREATION.] Cities or counties, individually or through the exercise of joint powers agreements, may create community energy councils. Membership on a council shall include representatives of labor, small business, voluntary organizations, senior citizens, and low and moderate income residents, and may include city and county officials, and other interested parties.*

*Subd. 3. [POWERS AND DUTIES.] In order to develop and implement community based energy programs, a community energy council may:*

- (1) analyze social and economic impacts caused by energy expenditures;*
- (2) plan, coordinate, advertise, and provide energy programs to minimize negative social and economic impacts;*
- (3) seek, accept, and disburse grants and other aids from public or private*

*sources for purposes authorized in this subdivision; and*

*(4) exercise other powers and duties imposed on it by statute, charter, or by ordinance.*

*Subd. 4. [DEPARTMENT ASSISTANCE.] The commissioner may provide professional and financial assistance to communities to establish community energy councils, and develop and implement community energy programs, within available resources.*

**Sec. 107. [116J.873] [ECONOMIC RECOVERY GRANTS.]**

*Subdivision 1. [ADMINISTRATION.] Economic recovery grants shall be made available to local communities and recognized Indian tribal governments in accordance with the rules adopted for economic development grants in the small cities community development block grant programs, except that all units of general purpose local government are eligible applicants for economic recovery grants. The commissioner of energy and economic development shall administer the economic recovery grant program as a part of the small cities development program.*

*Subd. 2. [ECONOMIC RECOVERY GRANT DEFINED.] "Economic recovery grant" means an agreement between the state and an eligible recipient through which the state provides money to carry out specified programs, services, or activities designed to create new employment, maintain existing employment, increase the local tax base, or otherwise increase economic activity in a community.*

*Subd. 3. [GRANT EVALUATION.] The division of community development in the department shall accept, review, and evaluate applications for grants to local units of government made in accordance with rules adopted for economic development grants in the small cities development program. Applications recommended for funding, including recommended grant awards, shall be submitted by the division to the commissioner for approval.*

*Subd. 4. [GRANT LIMITS.] An economic recovery grant may not be approved for an amount over \$500,000. The division may recommend less funding than requested if, in the opinion of the division, the amount requested is more than is necessary to meet the applicant's needs. If the amount of the grant is reduced, the reasons for the reduction shall be given to the applicant. The portion of an economic recovery grant that exceeds \$100,000 must be repaid to the state when it is repaid to the local community or recognized Indian tribal government by the person or entity to which it was loaned by the local community or Indian tribal government. Money repaid to the state is appropriated to the commissioner of energy and economic development for the purpose of making additional economic recovery grants.*

Sec. 108. Minnesota Statutes 1982, section 116J.88, is amended by adding a subdivision to read:

*Subd. 8a. [WASTE TIRE RECYCLING LOAN.] "Waste tire recycling loan" means a loan to a business to finance acquisition of land, buildings, or equipment, installation of equipment, construction of buildings, and capital improvements for waste tire processing.*

Sec. 109. Minnesota Statutes 1982, section 116J.89, is amended by adding a subdivision to read:

*Subd. 1d. [WASTE TIRE RECYCLING ACCOUNT.] There is created within the economic development fund a waste tire recycling account for the purpose of making waste tire recycling loans and grants.*

Sec. 110. Minnesota Statutes 1983 Supplement, section 116J.90, is amended by adding a subdivision to read:

*Subd. 2a. [WASTE TIRE RECYCLING LOANS AND GRANTS.] The authority may make waste tire recycling loans to businesses. Applications for the loans are not complete unless the waste tire recycling project for which the loan is to be made is certified to be technically feasible by the director of the pollution control agency. The authority may make grants from the waste tire recycling account for studies necessary to demonstrate the technical and economic feasibility of a proposed waste tire recycling project. A grant must be less than \$30,000 and may not exceed 75 percent of the costs of the study. The commissioner shall adopt rules for administration of waste tire recycling grants and loans.*

Sec. 111. Minnesota Statutes 1983 Supplement, section 116J.91, subdivision 4, is amended to read:

Subd. 4. It may adopt, amend, and repeal rules not inconsistent with the provisions of sections ~~116J.88~~ 116J.875 to 116J.91 as necessary to effectuate its purposes.

Sec. 112. Minnesota Statutes 1982, section 138.025, subdivision 11, is amended to read:

Subd. 11. [BIRCH COULEE BATTLEFIELD STATE HISTORIC SITE.] In accordance with the terms and provisions of this section and the laws relating to Birch Coulee *battlefield state park historic site*, the Minnesota historical society shall administer and control the historic site comprising the Birch Coulee state *park historic site* in Renville county and described as follows:

The NE 1/4 of the SE 1/4, Section 19, and *part of* the NW 1/4 of the SW 1/4, Section 20, Township 113, North, Range 34 West, fifth principal meridian, Renville county, Minnesota and containing ~~80~~ 55 acres.

~~Birch Coulee state park is renamed Birch Coulee battlefield state historic site.~~

Sec. 113. Minnesota Statutes 1982, section 144.414, is amended to read:

144.414 [PROHIBITIONS.]

No person shall smoke in a public place or at a public meeting except in designated smoking areas. This prohibition does not apply in cases in which an entire room or hall is used for a private social function and seating arrangements are under the control of the sponsor of the function and not of the proprietor or person in charge of the place. Furthermore, this prohibition shall not apply to factories, warehouses and similar places of work not usually frequented by the general public, except that ~~the department of labor and industry shall, in consultation with~~ the state commissioner of health, shall establish rules to restrict or prohibit smoking in those places of work where the close proximity of workers or the inadequacy of ventilation causes smoke pollution detrimental to the health and comfort of nonsmoking employees.

Sec. 114. Minnesota Statutes 1982, section 158.07, is amended to read:

158.07 [QUARTERLY REPORT BY BOARD OF REGENTS; PAYMENT.]

The board of regents of the University of Minnesota shall file a verified quarterly report with the commissioner of finance containing an itemized statement of the expense charged against each patient received on certification of any board of county commissioners, together with the name of the county from which the patient was certified, *the amount of the expense charged against the patient that is to be paid by the county under section 158.04*, and a statement of any sums paid by the patient, or by any person in his behalf. *On the date that the board of regents files the quarterly report, it shall also submit requests for payment in amounts authorized in section 158.04 to each county from which expense amounts are due.*

Sec. 115. Minnesota Statutes 1982, section 158.08, is amended to read:

158.08 [EXPENSES PAID BY COUNTIES.]

~~The commissioner of finance shall audit the quarterly reports submitted by the board of regents and draw his draft for the proper amount against each county from which expense charges are due and deliver it to the treasurer for collection. The treasurer shall notify the auditor of each county against whom a draft has been issued of the amount due. Upon receipt of such notice the invoice specified in section 158.07 a county auditor shall issue his warrant on the poor fund for the amount due, except that in any county now or hereafter caring for the poor under a county poor commission, the notice shall be given to the county poor commission, which shall issue its warrant on the poor fund of the county for the amount due. The warrant shall be delivered to the county treasurer, who shall, if funds are available, issue his check payable to the state treasurer University of Minnesota for the amount of the warrant. If no funds are available in the poor fund for the payment of the warrant, it shall be registered. The check or registered warrant shall be mailed to the state treasurer University of Minnesota. All payments hereunder shall be credited to the general fund, and are appropriated to the university of Minnesota.~~

Sec. 116. Minnesota Statutes 1983 Supplement, section 179.70, subdivision 1, is amended to read:

Subdivision 1. A written contract or memorandum of contract containing the agreed upon terms and conditions of employment and such other matters as may be agreed upon by the employer and exclusive representative shall be executed by the parties. The duration of the contract shall be negotiable except in no event shall contracts be for a term exceeding three years. Any contract between employer school board and an exclusive representative of teachers shall in every instance be for a term of two years beginning on July 1 of each odd-numbered year. For contracts effective July 1, 1979 or thereafter, the written contract executed by an employer school board and an exclusive representative of teachers shall contain the teachers' compensation including fringe benefits for the entire two-year term and shall not contain a wage reopening clause or any other provision for the renegotiation of the teachers' compensation for the second year of the contract. All contracts shall include a grievance procedure which shall provide compulsory binding arbitration of grievances including all disciplinary actions. *Notwithstanding any home rule charter to the contrary, after the probationary period of employment, any disciplinary action, other than the termination of a teacher*

*contract or the discharge of a teacher under section 125.12 or 125.17, is subject to the grievance procedure and compulsory binding arbitration.* In the event that the parties cannot reach agreement on the grievance procedure, they shall be subject to the grievance procedure promulgated by the director pursuant to section 179.71, subdivision 5, clause (h). Employees covered by civil service systems created pursuant to chapters 43A, 44, 375, 387, 419 or 420, or by provision of a home rule charter pursuant to chapter 410, or by Laws 1941, chapter 423, may pursue a redress of their grievances through the grievance procedure established pursuant to this section. When the resolution of a grievance is also within the jurisdiction of appeals boards or appeals procedures created by chapters 43A, 44, 375, 387, 419 or 420, or by provision of a home rule charter pursuant to chapter 410, or by Laws 1941, chapter 423, the aggrieved employee shall have the option of pursuing redress through the grievance procedure or the civil service appeals procedure, but once a written grievance or appeal has been properly filed or submitted by the employee or on the employee's behalf with his consent the employee's right to pursue redress in the alternative manner is terminated. This section does not require employers or employee organizations to negotiate on matters other than terms and conditions of employment as defined in section 179.63, subdivision 18.

Sec. 117. Minnesota Statutes 1982, section 179.741, subdivision 2, is amended to read:

Subd. 2. [STATE EMPLOYEE SEVERANCE.] Each of the following groups of employees ~~shall have~~ *has* the right, as specified in this subdivision, to separate from the general professional, health treatment or general supervisory units provided for in subdivision 1: attorneys, physicians, professional employees of the higher education coordinating board who are compensated pursuant to section 43A.18, subdivision 4, state patrol-supervisors, *regional enforcement officers employed by the department of natural resources*, and criminal apprehension investigative-supervisors. This right shall be exercised by petition ~~during the period commencing on April 25, 1980 and concluding 30 days after that date or, after January 1, 1981, during the 60 day period commencing 270 days prior to the termination of a contract covering the units.~~ If one of these groups of employees exercises the right to separate from the units they shall have no right to meet and negotiate, but shall retain the right to meet and confer with the commissioner of employee relations and with the appropriate appointing authority on any matter of concern to them. The manner of exercise of the right to separate shall be as follows: An employee organization or group of employees claiming that a majority of any one of these groups of employees on a state-wide basis wish to separate from their units may petition the director for an election during the petitioning period. If the petition is supported by a showing of at least 30 percent support for the petitioner from the employees, the director shall hold an election to ascertain the wishes of the majority with respect to the issue of remaining within or severing from the units provided in subdivision 1. This election shall be conducted within 30 days of the close of the petition period. If a majority of votes cast endorse severance from the unit in favor of separate meet and confer status for any one of these groups of employees, the director shall certify that result. This election shall, where not inconsistent with other provisions of this section, be governed by section 179.67. If a group of employees elects to sever they may rejoin that unit by following the same procedures specified above for severance, but may only do so during the periods provided for severance.

Sec. 118. Minnesota Statutes 1983 Supplement, section 179.7411, is



amended to read:

**179.7411 [LIMITATION ON THE CONTRACTING-OUT OF SERVICES PROVIDED BY MEMBERS OF A STATE OF MINNESOTA OR UNIVERSITY OF MINNESOTA BARGAINING UNIT.]**

Any contract entered into after March 23, 1982 by the state of Minnesota or the University of Minnesota involving services, any part of which, in the absence of the contract, would be performed by members of a unit provided in section 179.741, subdivision 1 or 3, shall be subject to section 16.07 and shall provide for the preferential employment by such a party of members of that unit whose employment with the state of Minnesota or the University of Minnesota is terminated as a result of that contract.

Contracts entered into by the state of Minnesota for the purpose of providing court reporter services or transcription of the record of a hearing which was recorded by means of an audio magnetic recording device shall be subject to section 16.098 and the preferential employment provisions enumerated in this section. Any court reporter seeking a contract pursuant to the preferential employment provisions of this section shall be given preference when the services are needed only if that court reporter's charges for the services requested are no greater than the average of the charges made for the identical services by other court reporters in the same locality who are also under contract with the state for those services.

Sec. 119. Minnesota Statutes 1983 Supplement, section 180.03, subdivision 2, is amended to read:

Subd. 2. Every person, firm or corporation that is or has been engaged in the business of mining or removing iron ore, taconite, semitaconite or other minerals except sand, crushed rock and gravel by the open pit method in any county which has appointed an inspector of mines pursuant to section 180.01 shall erect two inch by four inch mesh fencing along the outside perimeter of the excavation, open pit, or shaft of any mine in which mining operations have ceased for a period of six consecutive months or longer. The top and bottom wire shall not be less than 9 gauge and the filler wire shall not be less than 11 gauge. The fencing shall be not less than five feet in height with two strands of barbed wire six inches apart affixed to the top of the fence. The fence posts shall be no more than ten feet apart. In the case of open pit mines in which mining operations cease after November 1, 1979, and before March 1, 1980, the fencing shall be erected as soon as possible after March 1, 1980. Where mining operations cease on or after March 1, 1980, the fencing shall be erected forthwith. In the case of open pit mines in which mining operations had ceased for a period of six consecutive months or longer before November 1, 1979, and not resumed, the fencing shall be erected within five seven years after November 1, 1979. Any fencing required by an inspector of mines pursuant to subdivision 3 or other applicable law shall meet the standards of this section as a minimum. This subdivision does not apply to any excavation, open pit, or shaft, or any portion thereof, exempted from its application by the commissioner of natural resources pursuant to laws relating to mineland reclamation or exempted from its application by the county mine inspector pursuant to subdivision 4.

Sec. 120. [190.32] [FEDERAL REIMBURSEMENT RECEIPTS.]

*The department of military affairs may deposit federal reimbursement re-*

*ceipts into the general fund account, maintenance of military training facilities. These receipts are for services, supplies, and materials initially purchased by the Camp Ripley maintenance account.*

Sec. 121. Minnesota Statutes 1983 Supplement, section 298.296, subdivision 1, is amended to read:

Subdivision 1. [PROJECT APPROVAL.] The board shall by August 1 of each year prepare a list of projects to be funded from the northeast Minnesota economic protection trust with necessary supporting information including description of the projects, plans, and cost estimates. These projects shall be consistent with the priorities established in section 298.292 and shall not be approved by the board unless it finds that:

(a) the project will materially assist, directly or indirectly, the creation of additional long-term employment opportunities;

(b) the prospective benefits of the expenditure exceed the anticipated costs; and

(c) in the case of assistance to private enterprise, the project will serve a sound business purpose.

To be proposed by the board, a project must be approved by at least eight iron range resources and rehabilitation board members and the commissioner of iron range resources and rehabilitation. The list of projects shall be submitted to the legislative advisory commission for its review. The list with the recommendation of the legislative advisory commission shall be submitted to the governor, who shall, by November 15 of each year, approve or disapprove, or return for further consideration, each project. The money for a project may be expended only upon approval of the project by the governor.

The board may submit supplemental projects for approval at any time. *Supplemental projects must be submitted to the members of the legislative advisory commission for their review and recommendations of further review. If a recommendation is not provided within ten days, no further review by the legislative advisory commission is required, and the governor shall approve or disapprove each project or return it for further consideration. If the recommendation by any member is for further review the governor shall submit the request to the legislative advisory commission for its review and recommendation. Failure or refusal of the commission to make a recommendation promptly is a negative recommendation.*

Sec. 122. Minnesota Statutes 1982, section 325F.20, subdivision 1, is amended to read:

Subdivision 1. The commissioner shall adopt rules pursuant to chapter 14 regarding quality, information, and product safety specifications for the manufacture, labeling, installation, and thermographing of insulation. The specifications and any amendments to them shall conform as far as is practical to federal standards or other standards generally accepted and in use throughout the United States. The standards, with modifications as may be deemed necessary, may be adopted by reference. The specifications adopted and any amendments shall be based on the application of scientific principles, approved tests, and professional judgment. *For purposes of this subdivision, the commissioner may adopt temporary rules, which may remain in*

effect for 360 days.

Sec. 123. Minnesota Statutes 1982, section 329.099, is amended to read:

329.099 [DEFINITION.]

The term "transient merchant" includes any person, individual, copartnership, and corporation, both as principal and agent, who engage in, do, or transact any temporary and transient business in this state, either in one locality, or in traveling from place to place in this state, selling goods, wares, and merchandise; and who, for the purpose of carrying on such business, hire, lease, occupy, or use a building, structure, vacant lot, or railroad car for the exhibition and sale of such goods, wares, and merchandise. *The term "transient merchant" does not include a seller or exhibitor in a firearms collector show involving two or more sellers or exhibitors.*

Sec. 124. Minnesota Statutes 1983 Supplement, section 352D.02, subdivision 1, is amended to read:

Subdivision 1. [~~COVERED EMPLOYEES~~ *COVERAGE.*] The following employees, if they are in the unclassified service of the state and are eligible for coverage under the Minnesota state retirement system, shall participate in the unclassified program unless an employee gives notice to the executive director of the state retirement system within one year following the commencement of employment in the unclassified service that the employee desires coverage under the regular employee plan. For the purposes of this chapter, an employee who does not file notice with the executive director shall be deemed to have exercised the option to participate in the unclassified plan.

(1) Any employee in the office of the governor, lieutenant governor, secretary of state, state auditor, state treasurer, attorney general or the state board of investment,

(2) The head of any department, division, or agency created by statute in the unclassified service, an acting department head subsequently appointed to the position, or any employee enumerated in sections 15A.081, subdivision 1 or 15A.083, subdivision 4,

(3) Any permanent, full-time unclassified employee of the legislature or any commission or agency of the legislature or a temporary legislative employee having shares in the supplemental retirement fund as a result of former employment covered by this chapter, whether or not eligible for coverage under the Minnesota state retirement system,

(4) Any person employed in a position established pursuant to section 43A.08, subdivision 1, clause (c), or subdivision 1a or in a position authorized under a statute creating or establishing a department or agency of the state, which is at the deputy or assistant head of department or agency or director level,

(5) The chairman, chief administrator, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan waste control commission as designated by the commission, and the chairman, executive director, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan council as designated by the council; provided that upon initial designation of all positions provided for in

this clause, no further designations or redesignations shall be made without approval of the board of directors of the Minnesota state retirement system,

(6) The executive director, associate executive director, and not to exceed nine positions of the higher education coordinating board in the unclassified service, as designated by the higher education coordinating board; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations shall be made without approval of the board of directors of the Minnesota state retirement system,

(7) The clerk of the appellate courts appointed pursuant to Article VI, Section 2, of the Constitution of the state of Minnesota,

(8) The chief executive officers of correctional facilities operated by the department of corrections and of hospitals and nursing homes operated by the department of welfare, and

(9) Any employee whose principal employment is at the state ceremonial house, and

(10) Any employee of the world trade center board.

Sec. 125. Minnesota Statutes 1982, section 352E.02, is amended to read:

352E.02 [PEACE OFFICERS BENEFIT FUND.]

There is hereby created in the state treasury an account to be known as peace officers benefit fund. Funds in the peace officers benefit fund shall consist of moneys appropriated to that fund. *The administrator of the fund is the commissioner of labor and industry, who shall follow the procedures specified in section 176.541, subdivisions 2, 3, and 4.*

Sec. 126. Minnesota Statutes 1982, section 352E.04, is amended to read:

352E.04 [DISBURSEMENTS.]

Upon certification to the governor by the administrator of ~~any state or governmental subdivision employing peace officers~~ *the fund* that a peace officer employed by ~~that~~ a state or governmental subdivision within this state has been killed in the line of duty, leaving a spouse or one or more eligible dependents, the commissioner of finance shall, subject to the approval of the workers' compensation court of appeals, pay \$50,000 as follows:

- (a) If there is no dependent child, to the spouse;
- (b) If there is no spouse, to the dependent child or children in equal shares;
- (c) If there are both a spouse and one or more dependent children, one-half to the spouse and one-half to the child or children, in equal shares;
- (d) If there is no surviving spouse or dependent child or children, to the parent or parents dependent for support on the decedent, in equal shares;
- (e) If there is no surviving spouse or dependent child, children or parent, then there shall be no payment made from the peace officers benefit fund.

*"Killed in the line of duty" does not include deaths from natural causes or deaths that occur during employment for a private employer.*

Sec. 127. Minnesota Statutes 1982, section 398.09, is amended to read:

398.09 [SPECIFIC POWERS.]

Park district boards in addition to the foregoing general powers shall have these specific powers:

(a) The power to regulate by ordinance the use of the waters of any lake lying wholly within a park established under this chapter and the use of any lake shore which is within a park established under this chapter and the waterfront immediately abutting such lake shore for not to exceed 300 feet therefrom, by all persons, including persons boating, swimming, fishing, skating or otherwise, in, upon or about said lake, lake shore and abutting waterfront, subject to regulation by the state of Minnesota.

(b) The power to acquire lands either within or without the park district for conversion into forest reserves and for the conservation of the natural resources of the state, including streams, lakes, submerged lands and swamp-lands, and to these ends may create parks, parkways, forest reservations and other reservations and afforest, develop, improve, protect and promote the use of the same in such manner as is conducive to the general welfare. These lands may be acquired by the board, on behalf of the district, by gift or devise, by purchase or by condemnation. In furtherance of the use and enjoyment of the lands controlled by it, the board may accept donations of money or other property, or may act as trustee of land, money or other property and use and administer the same as stipulated by the donor, or as provided in the trust agreement. The terms of each such donation or trust shall first be approved by the district court before acceptance by the board. If the park district includes all or part of more than one court district, approval shall be by the district court of the court district having the largest area within the park district. In case of condemnation the proceedings are to be instituted in the name of the district and conducted in the manner provided in chapter 430 and acts now in effect and hereafter adopted amendatory thereof and supplemental thereto. Either the fee or any lesser interest may be acquired as the board deems advisable. All awards not set aside as therein provided shall be a charge upon the district for which its credit shall be pledged. The duties specified to be performed in said sections by the city council, the city clerk and the city engineer, respectively, shall be performed by the commissioners, the secretary and the superintendent of the district. Appeals to the district court shall be taken to the district court of the county in which the land lies. The notices required to be published shall be published in every case in a newspaper of general circulation published in the county or counties wherein the land lies. All reports and papers required by said sections to be filed with the city clerk shall be filed with the secretary of the district. Unless a lesser estate be designated, an absolute estate in fee simple, unqualified in any way whatsoever, shall vest in the district in every case of taking by the exercise of the power of eminent domain, and such estate shall not be limited or qualified in any way by construction. Nothing herein contained shall authorize the board to:

1. Acquire real estate by purchase or condemnation which is located within the boundaries of an incorporated statutory city or city unless the governing body of such statutory city or city shall have consented thereto by resolution duly adopted, or

2. Acquire real estate by condemnation which is located outside the park district unless the board of county commissioners of the county in which such property is located has consented thereto by resolution duly adopted.

(c) The power, if the board finds that any lands which it has acquired are not necessary for the purposes for which acquired, to dispose of such lands upon such terms as are advisable, including the power to transfer such lands to other public corporations. Where lands which were acquired by condemnation less than 20 years before are to be sold to private parties, the former owners, or their heirs, successors or assigns, shall be notified in writing of the board's intent to dispose of the properties and shall be given 20 days to purchase the property taken from them at such price as the board shall deem fair compensation to the district for such property. The board may lease any of its lands or permit their use for purposes consistent with the purposes for which the lands were acquired upon such terms as are advisable. No such lands shall be sold without the approval of the district court of the county in which the lands are situated.

(d) The power to fix, alter, charge and collect fees, tolls and charges for the use of facilities of the park district, for services rendered by, or for any commodities furnished by, or for licenses issued by, the board pursuant to ordinances authorized hereunder. All fines collected for any violation of a board's ordinance shall be paid into the treasury of such park district board.

(e) The power to borrow, make and issue negotiable bonds, notes and other evidences of indebtedness, subject to the provisions of sections 398.16 and 398.17, and to pledge its full faith, credit and taxing power to the payment thereof, and/or to secure the payment of such obligations or any part thereof by mortgage, lien, pledge, deed of trust otherwise, on all or any of its property, contracts, franchises or revenues and to make such agreements with the purchasers or holders of such notes, bonds or other evidences of indebtedness or with others in connection with the same, whether issued or to be issued.

(f) The power to cooperate with or borrow from any governmental organization, state or federal, or from any agency of the state or federal government for any purpose within the scope of the authority of this corporation.

(g) The power to cooperate with any public or municipal corporation, with the counties and with any private or public organization engaged in conservation, recreational activities, protection of the public health and safety, prevention of water pollution, sanitation, and/or mosquito abatement for any constructive purpose, and the power, upon request, to assume control of all or a portion of any existing parks or park lands owned by any county government or municipal corporation in the park district; such control shall be assumed only at the request of and by agreement with the public authority in control of such parks or park lands. Thereupon such parks or park lands may be developed, improved, protected and operated as a park as in case of lands otherwise acquired by the board. Such acquisition or assumption of control or operation of a municipal park system by a park district shall in no way impair the authority and power of such municipality to levy and collect taxes for park, playground and recreational purposes, all or part of such tax funds to be transferred to the park district for such uses as may be agreed upon between the district and the municipality.

(h) The power to designate employees as police officers within the parks under the jurisdiction and control of the board, and employees so designated may exercise all the powers of police officers within the park lands under the

jurisdiction and control of the board. Before exercising these powers, each such employee shall take an oath and give a bond to the state in such sum as the board prescribes for the proper performance of his duties in such respect. The board may contract with municipalities or with the county or counties for the policing of park properties.

*(i) The power, upon a four-fifths vote of the board, to enter into an agreement under section 471.59 with any political subdivision, governmental unit, or agency, including an elected park and recreation board in a city of the first class, to expend public money, including bond proceeds, in its possession for any metropolitan regional park purposes, including transferring money in its possession as a grant to other political subdivisions, governmental units, or agencies, including an elected park and recreation board in a city of the first class.*

Sec. 128. Minnesota Statutes 1982, section 462A.05, subdivision 20, is amended to read:

Subd. 20. The agency may make grants solely to non-profit sponsors, as defined by the agency, for residential housing to be used to provide temporary ~~shelter~~ housing to low and moderate income persons and families having an immediate need for temporary ~~shelter~~ housing as a result of natural disaster, resettlement, condemnation, displacement, lack of habitable housing or other cause defined by the agency. Grants pursuant to this subdivision shall not be used for residential care facilities *or for facilities that provide housing available for occupancy on less than a 24-hour continuous basis*. To the extent possible, a nonprofit sponsor shall combine the grant with other funds obtained from public and private sources. In making grants, the agency shall determine the circumstances under which and the terms and conditions under which all or any portion thereof will be repaid and the appropriate security should repayment be required.

Sec. 129. Minnesota Statutes 1982, section 359.01, is amended to read:

359.01 [COMMISSION.]

The governor may appoint and commission as notaries public, by and with the advice and consent of the senate, as many citizens of this state, over the age of 18 years, resident in the county for which appointed, as he deems necessary. The fee for each commission shall not exceed \$10; ~~and shall be paid to the governor's private secretary.~~

Sec. 130. Minnesota Statutes 1983 Supplement, section 462A.07, subdivision 15, is amended to read:

Subd. 15. It may engage in housing programs for low and moderate income American Indians as that term is defined in section 254A.02, subdivision 11, residing in the metropolitan area defined in section 473.121, subdivision 2, and cities with a population greater than 50,000 persons. The programs shall demonstrate innovative methods of providing housing for urban Indians, may involve the construction, purchase, and rehabilitation of residential housing, and may be administered through any other provision of this chapter. To the extent possible, the programs shall combine appropriated money with other money from both public and private sources, except that interest earned on the portion of an appropriation to be expended for Indian housing programs in the city of Duluth does not have to be combined with money from other

sources. *Effective June 30, 1985, all money allocated by the agency under this subdivision to programs for urban Indian housing that are not subject to active contracts shall be reallocated by the agency to programs to fulfill the purposes of this subdivision.* The agency shall consult with the advisory council on urban Indians created pursuant to section 3.922, subdivision 8, in the development of programs allocated to this subdivision.

Sec. 131. Minnesota Statutes 1982, section 484.545, subdivision 1, is amended to read:

Subdivision 1. The district judges regularly assigned to hold court in each judicial district except for the second, fourth, and tenth judicial districts may by orders filed with the clerk of court and county auditor of each county in the district appoint a competent law clerk for every two district court judges of the judicial district. The district judges regularly assigned to hold court in the *first and tenth judicial district districts* may by orders filed with the clerk of court and county auditor of each county in the district appoint a competent law clerk for each district court judge of the district. ~~In addition, the Dakota county board of commissioners may authorize the district judges regularly assigned to hold court in the first judicial district to appoint three competent law clerks, whose salaries shall be paid by the county.~~

Sec. 132. Minnesota Statutes 1983 Supplement, section 486.06, is amended to read:

486.06 [CHARGE FOR TRANSCRIPT.]

~~Subdivision 1. [FEE.]~~ In addition to the salary specified in section 486.05, the court reporter may charge for a transcript of his or her record ordered by any person other than the judge ~~35~~ 50 cents per original folio thereof and ~~seven and one-half~~ ten cents per folio for each manifold or other copy thereof when so ordered that it can be made with the original transcript.

~~Subd. 2. [ANNUAL FEE CHANGE AUTHORIZED.]~~ Beginning August 1, 1983, and annually after that, the chief judge of the judicial district may by order establish new transcript fee ceilings per folio.

Sec. 133. [494.01] [COMMUNITY DISPUTE RESOLUTION PROGRAM.]

*Subdivision 1. [DEFINITION.] For the purposes of sections 133 through 136 "dispute resolution" means a process voluntarily entered by parties in disagreement using mediation or arbitration to reconcile the parties' differences.*

*Subd. 2. [ESTABLISHMENT; ADMINISTRATION.] The dispute resolution program shall be established and administered by the state court administrator's office.*

*Subd. 3. [GUIDELINES.] The state court administrator shall develop guidelines for use by community dispute resolution programs and training programs for mediators and arbitrators for those community dispute resolution programs. The guidelines shall provide a method for insuring that participation in dispute resolution is voluntary and shall include procedures for case processing and program certification criteria which must be met in order to receive court referrals. The guidelines shall include standards for training mediators and arbitrators to recognize matters involving violence against a*



person. Any guidelines developed under this subdivision shall be submitted to the chairmen of the judiciary committees in the house of representatives and senate by February 1, 1985. The guidelines shall not constitute a rule nor shall they be a substantive or procedural law nor shall they take effect until the guidelines are enacted by the legislature. This shall not limit the existing authority of the state court administrator.

*Subd. 4. [REPORTS.] The state court administrator shall compile statistical data regarding community dispute resolution programs, including the operation budget, the number of referrals, categories or types of cases referred, number of parties served, number of disputes resolved, nature of resolution, amount and type of awards, rate of compliance, returnees to the dispute resolution process, duration and estimated costs of proceedings, and any other pertinent information.*

Sec. 134. [494.02] [CONFIDENTIALITY OF COMMUNICATIONS.]

*Any communication relating to the subject matter of the dispute by any participant during dispute resolution shall not be used as evidence against a participant in a judicial or administrative proceeding. This shall not preclude the use of evidence obtained by other independent investigation.*

Sec. 135. [494.03] [EXCLUSIONS.]

*The guidelines shall exclude:*

*(1) any dispute involving violence against persons, including incidents arising out of situations that would support charges under sections 609.342 to 609.345, 609.3641 to 609.3644, or 609.365;*

*(2) any matter involving a person who has been adjudicated incompetent or relating to guardianship, conservatorship, or civil commitment;*

*(3) any matter involving neglect or dependency, or involving termination of parental rights arising under sections 260.221 to 260.245; and*

*(4) any matter arising under section 626.557 or sections 144.651 to 144.652, or any dispute subject to chapters 518, 518A, 518B, and 518C, whether or not an action is pending. This shall not restrict the present authority of the court or departments of the court from accepting for resolution a dispute arising under chapters 518, 518A, and 518C, or from referring disputes arising under chapters 518, and 518A to for-profit mediation.*

Sec. 136. [STATE COURT ADMINISTRATOR REPORT.]

*By January 1, 1986, the state court administrator shall report to the chairmen of the judiciary committees in the house and in the senate the experience to date with the dispute resolution program established pursuant to this act and shall make recommendations for any changes that may be deemed desirable in the dispute resolution program.*

Sec. 137. Laws 1983, chapter 290, section 172, is amended to read:

Sec. 172. [APPROPRIATIONS; COMPLEMENT INCREASE.]

*Subdivision 1. [DEPARTMENT OF LABOR AND INDUSTRY.] (a) There is appropriated to the department of labor and industry for the fiscal years ending June 30 of the year indicated from the general fund in the state treasury:*

\$1,947,500

\$2,142,400

\$1,907,500

The approved complement of the department of labor and industry is increased by 90 of which two shall be federally funded and 19 shall be from the special compensation fund. The increased complement shall be allocated as follows:

- (1) workers' compensation administration, 1;
- (2) records and compliance, 15;
- (3) rehabilitation service, 20;
- (4) legal services, 1;
- (5) settlement and docket, 3;
- (6) mediation and arbitration, 6;
- (7) research and education, 8;
- (8) information management service, 6;
- (9) state employee fund, 6;
- (10) general support, 8; and
- (11) special compensation fund, 19.

The appropriation provided by this clause (a) is for the purpose of paying for the increased general fund complement and expenses related to their duties except that ~~\$100,000~~ 60,000 shall be used for the recodification of chapter 176 or related purposes, including but not limited to the preparation of indices, development and preparation of manuals or other educational materials designed to explain the workers' compensation law to employees, employers, insurers and other interested parties. This \$60,000 remains available until June 30, 1985.

The authorized complement for the records and compliance section shall be reduced by four positions by June 30, 1985.

(b) There is appropriated to the department of labor and industry for the fiscal years ending June 30 of the year indicated from the general fund in the state treasury:

1984	1985
\$437,500	\$875,000

The appropriation provided by this clause (b) is for the purpose of paying the state's premium to the workers' compensation reinsurance association. The commissioner of finance shall transfer to the general fund from each federal fund, dedicated or special revenue fund, or revolving fund the proportion of premium costs attributable to that fund as calculated pursuant to section 10. The amounts necessary for this transfer are appropriated from the various funds in the state treasury from which salaries are paid.

(c) There is appropriated to the department of labor and industry for the fiscal years ending June 30 of the year indicated from the special compensation fund in the state treasury:

1984	1985
------	------

\$614,000          \$646,400

The funds appropriated by this clause (c) are to pay the expenses of the increased complement provided for the fund by clause (a) and expenses related to their duties and to reimburse the general fund for legal services performed on behalf of the fund by the attorney general.

Sec. 138. Laws 1983, chapter 301, section 38, is amended to read:

Sec. 38. INDIAN AFFAIRS COUNCIL                                  205,100          208,900

Approved Complement - 7

General - 6

Federal - 1

Ten percent of the funding in the second year, or \$20,900, shall be available for allotment upon demonstration of dollar for dollar match with nonstate contributions.

*Contributions received in the first year may be counted as match for the second year.*

Those dollars, up to the \$20,900, not receiving a match shall cancel to the general fund. The agency shall report to the senate finance committee and house of representatives appropriations committee by March 1, 1984 its accomplishments for the first six months of the biennium and its work program, including its goals, objectives, timelines, and structure, for the remainder of the biennium. ~~The appropriation for the second year is available for expenditure only with the approval of the governor after consultation with the legislative advisory commission, pursuant to Minnesota Statutes, section 3-30.~~

Sec. 139. Laws 1983, chapter 301, section 39, is amended to read:

Sec. 39. COUNCIL ON AFFAIRS  
OF SPANISH-SPEAKING PEOPLE                                  104,600          105,500

Approved Complement - 3

Ten percent of the funding in the second year, or \$10,600, shall be available for allotment upon demonstration of dollar for dollar match with nonstate contributions.

*Contributions received in the first year may be counted as match for the second year.*

Those dollars, up to the \$10,600, not receiving a nonstate match shall cancel to the general fund. The agency shall report to the senate finance committee and house of representatives

appropriations committee by March 1, 1984 its accomplishments for the first six months of the biennium and its work program, including its goals, objectives, timelines, and structure, for the remainder of the biennium. ~~The appropriation for the second year is available for expenditure only with the approval of the governor after consultation with the legislative advisory commission, pursuant to Minnesota Statutes, section 3.30.~~

Sec. 140. Laws 1983, chapter 301, section 40, is amended to read:

Sec. 40. COUNCIL ON BLACK  
MINNESOTANS

104,400

105,600

Approved Complement - 3.5

Ten percent of the funding in the second year, or \$10,600, shall be available for allotment upon demonstration of dollar for dollar match with nonstate contributions.

*Contributions received in the first year may be counted as match for the second year.*

Those dollars, up to the \$10,600, not receiving a nonstate match shall cancel to the general fund. The agency shall report to the senate finance committee and house of representatives appropriations committee by March 1, 1984 its accomplishments for the first six months of the biennium and its work program, including its goals, objectives, timelines, and structure, for the remainder of the biennium. ~~The appropriation for the second year is available for expenditure only with the approval of the governor after consultation with the legislative advisory commission, pursuant to Minnesota Statutes, section 3.30.~~

Sec. 141. Laws 1983, chapter 301, section 41, is amended to read:

Sec. 41. COUNCIL FOR THE  
HANDICAPPED

330,700

336,700

Approved Complement - 10

Ten percent of the funding in the second year, or \$33,700, shall be available for allotment upon demonstration of dollar for dollar match with nonstate contributions.

*Contributions received in the first year may be counted as match for the second year.*

Those dollars, up to the \$33,700, not receiving

a nonstate match shall cancel to the general fund. The agency shall report to the senate finance committee and house of representatives appropriations committee by March 1, 1984 its accomplishments for the first six months of the biennium and its work program, including its goals, objectives, timelines, and structure, for the remainder of the biennium. ~~The appropriation for the second year is available for expenditure only with the approval of the governor after consultation with the legislative advisory commission, pursuant to Minnesota Statutes, section 3.30.~~

Sec. 142. Laws 1983, chapter 301, section 42, is amended to read:

Sec. 42. HUMAN RIGHTS

General Operations and Management	1,363,400	1,440,900
Approved Complement - 59		
General - 43		
Federal - 16		

The commissioner of administration shall assign a transition team to work with the commissioner of human rights in reviewing or developing charge intake and charge processing policies. Specific action plans shall be developed for the purpose of improving the administration and enforcement of the Human Rights Act. The commissioner of administration shall report to the legislature by February 1, 1984, on the action plans developed and an analysis of the resources needed to accomplish the statutory responsibilities of the commissioner of human rights. The commissioner of administration shall consult with the attorney general to ensure that the new enforcement alternatives being implemented are consistent with the objectives and requirements of Minnesota Statutes, chapter 363.

The amounts that may be expended from this appropriation for each program are as follows:

Enforcement		
\$ 900,400	\$ 979,300	

The commissioner of human rights may assign priority to the investigation of charges based on likelihood of early settlement, potential for widespread impact on discriminatory behavior, or other criteria as established by the commissioner by rule adopted pursuant to Minnesota

Statutes, chapter 14. By February 1, 1984, the commissioner shall report to the legislature on the charge-processing policies that have been adopted.

Planning, Public Information and Administrative Services

\$ 463,000            \$ 461,600

The commissioner of human rights with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the programs specified in this section. Transfers shall be reported immediately to the committee on finance of the senate and the committee on appropriations of the house of representatives.

The agency shall report to the senate finance committee and house of representatives appropriations committee by March 1, 1984 its accomplishments for the first six months of the biennium and its work program, including its goals, objectives, timelines, and structure, for the remainder of the biennium. ~~The appropriation for the second year is available for expenditure only with the approval of the governor after consultation with the legislative advisory commission, pursuant to Minnesota Statutes, section 3.30. If approval is obtained, the complement of the department of human rights is increased by six positions in fiscal year 1985.~~

Sec. 143. [AVAILABILITY OF APPROPRIATION.]

*The appropriation to the commissioner of finance of \$600,000 in fiscal year 1985 made by Laws 1983, chapter 301, section 53, for reimbursement of excess public employee pension contributions as provided by that act and notwithstanding anything to the contrary in that act is available for expenditure in both fiscal years 1984 and 1985.*

Sec. 144. [POLICE AND FIRE AID.]

*Notwithstanding any law to the contrary, payments to the general fund required of local police and salaried firefighters relief associations by Laws 1982, Third Special Session, chapter 1, article 2, section 2, subdivision 1, paragraph (v), clause (6) may be retained by the local relief associations.*

Sec. 145. [REALLOCATION OF APPROPRIATION BALANCE.]

*The unexpended balance of \$8,480,000 remaining in the appropriation to the commissioner of finance for pension fund reimbursements made by Laws 1982, Third Special Session, chapter 1, article 2, section 2, subdivision 1, paragraph (v), clause (9), as amended by Laws 1983, chapter 301, section 224, is reallocated for expenditure in the following manner:*

(a) \$317,000 for refund to local police and salaried firefighters relief asso-

*ciations of payments made by the associations pursuant to Laws 1983, Third Special Session, chapter 1, article II, section 2, subdivision 1.*

*(b) \$6,163,000 for the fiscal year ending June 30, 1984, for apportionment to the retirement associations governed by Minnesota Statutes, chapters 354 and 354A. Apportionment shall be made on the basis of each association's covered payroll in basic and coordinated retirement plans for the fiscal year ending June 30, 1983.*

*(c) \$2,000,000 shall cancel back to the general fund.*

Sec. 146. [AGRICULTURAL INTERPRETIVE CENTER.]

*(a) Notwithstanding Laws 1983, chapter 344, section 13, interest on funds not required for payments to the Agricultural Interpretive Center and required to be invested by the state board of investment, as well as payments back to the state of Minnesota by the center, shall be credited to the state bond fund and not to the general fund.*

*(b) Notwithstanding any contract with the operator of the Agricultural Interpretive Center, the operator need not repay the sum of \$1,500,000 plus interest, and need not make debt service payments to the state, except as provided in this section. The operator of the Agricultural Interpretive Center shall repay \$600,000 to the state over a period of not more than ten years from the date the last payment from the appropriation in Laws 1983, chapter 344, section 13 was made to the operator. Repayments shall be made in equal installments deposited in the state treasury and credited to the state bond fund before November 1 each year.*

Sec. 147. [RATIFICATION.]

*Subdivision 1. The labor agreement between the state of Minnesota and the American federation of state, county, and municipal employees, council 6, approved by the legislative commission on employee relations on July 22, 1983, is ratified.*

*Subd. 2. The labor agreement between the state of Minnesota and the Minnesota association of professional employees, approved by the legislative commission on employee relations on August 22, 1983, is ratified.*

*Subd. 3. The labor agreement between the state of Minnesota and the middle management association, approved by the legislative commission on employee relations on August 22, 1983, is ratified.*

*Subd. 4. The labor agreement between the state of Minnesota and the bureau of criminal apprehension agents' association, Minnesota conservation officers association, and Minnesota state patrol officers association, approved by the legislative commission on employee relations on August 22, 1983, is ratified.*

*Subd. 5. The labor agreement between the state of Minnesota and the Minnesota government engineers' council, approved by the legislative commission on employee relations on August 22, 1983, is ratified.*

*Subd. 6. The commissioner of employee relations' plan for unrepresented employees, approved by the legislative commission on employee relations on August 22, 1983, is ratified.*

*Subd. 7. The commissioner of employee relations' plan for managerial*

*employees, as amended and approved by the legislative commission on employee relations on October 3, 1983, is ratified.*

*Subd. 8. The salary plan for positions listed in section 15A.081, subdivision 1, approved by the legislative commission on employee relations on October 3, 1983, is ratified.*

*Subd. 9. The labor agreement between the state of Minnesota and the association of health treatment professionals, approved by the legislative commission on employee relations on October 3, 1983, is ratified.*

*Subd. 10. The labor agreement between the state of Minnesota and the Minnesota nurses association, approved by the legislative commission on employee relations on November 14, 1983, is ratified.*

*Subd. 11. The labor agreement between the state of Minnesota and the interfaculty organization, Minnesota education association, approved by the legislative commission on employee relations on January 31, 1984, is ratified.*

*Subd. 12. The labor agreement between the state of Minnesota and the Minnesota community college faculty association, Minnesota education association, approved by the legislative commission on employee relations on January 31, 1984, is ratified.*

*Subd. 13. The labor agreement between the state of Minnesota and the Minnesota state university association of administrative service faculty, international brotherhood of teamsters, local 320, approved by the legislative commission on employee relations on January 31, 1984, is ratified.*

*Subd. 14. The labor agreement between the state of Minnesota and the state residential schools education association is ratified.*

#### Sec. 148. [INTERIM APPROVAL.]

*After adjournment of the 1984 session but before the 1985 session of the legislature, the legislative commission on employee relations may give interim approval to any negotiated agreement, arbitration award, or compensation or salary plan submitted to it under other law. The commission shall submit the agreement, award, or plan to the entire legislature for ratification in the same manner and with the same effect as provided for agreements, awards, and plans submitted after adjournment of the legislature in an odd-numbered year.*

#### Sec. 149. [UNIT COMPOSITION SCHEDULE.]

*The unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980, as amended by the legislature and by action of the bureau of mediation services, is amended by deleting the job classification "heavy equipment service attendant" from unit 3, and inserting this job classification in unit 2.*

#### Sec. 150. [RED LAKE WATERSHED DISTRICT.]

*The Red Lake watershed district may study ways to improve the management of the Clearwater River.*

#### Sec. 151. [MANUFACTURING GROWTH COUNCIL.]

*Subdivision 1. [LEGISLATIVE FINDINGS AND PURPOSE.] The legis-*



lature finds that manufacturing is vital to the economic growth of Minnesota; that there is little knowledge or consensus of future economic policy orientation in manufacturing in Minnesota; that plant closings, job losses, and economic loss to communities continue to threaten economic life in our state; and that state and national business growth are undergoing patterns of change.

In response to these findings, Minnesota must provide leadership to examine issues relating to manufacturing by establishing a mechanism to encourage consensus, compromise, and broad support among diverse groups interested in Minnesota's economic growth. Representatives of manufacturing management, labor, and state government must work together to establish long-term goals for manufacturing growth through careful economic analysis. The legislature must clearly indicate to manufacturing labor and management that it is willing to address the problems of Minnesota manufacturers.

Subd. 2. [CREATION OF COUNCIL.] There is created the Minnesota Manufacturing Growth Council whose purpose is to address manufacturing concerns in Minnesota. The council shall consist of 21 members appointed by the governor. The governor shall serve as chairperson of the council. The governor shall appoint seven members who represent manufacturing labor; seven members who represent manufacturing management; the commissioners of economic security, energy and economic development, and labor and industry; one economist; and two members of the public-at-large. The governor shall seek to appoint at least one member representing manufacturing businesses owned or managed by women.

Subd. 3. [DUTIES.] The duties and responsibilities of the council are:

(1) to recommend realistic objectives and goals for state manufacturing growth;

(2) to collect and analyze manufacturing data necessary for state policy-making; the council shall monitor permanent plant closings, plant relocations to other states, out-of-state expansions by firms with headquarters or significant facilities in Minnesota, expansions within the state, and new plant start-ups; the council shall identify Minnesota's competitive position in the national and international marketplace in both general and industry-by-industry terms and shall forecast the current and long-term supply and demand by industry for Minnesota manufacturing labor and products;

(3) to devise a strategy for encouraging Minnesota-based firms to maintain or expand production and jobs in the state;

(4) to identify the kinds of manufacturing firms that may have a special economic advantage for locating in Minnesota;

(5) to provide a forum within state government to address concerns and problems of individual manufacturers;

(6) to make regularly scheduled advisory reports to the legislature that outline specific proposals for allocating state resources necessary to implement a manufacturing policy;

(7) to design systematic procedures for measuring the effect that proposed state policies will have on Minnesota's position in the competition for man-

ufacturing jobs;

(8) to create a center for productivity with the following responsibilities: to organize an adopt-a-company program designed to give small- to medium-sized companies assistance in productivity, planning, implementation, and review; to promote productivity improvements by acting as an information resource; to determine a research program to evaluate productivity processes and measure the improvements of various programs; to encourage additional productivity partnerships between manufacturing labor, management, and educational institutions; and to sponsor group roundtables to discuss technology, improved productivity, and concern for job security on a sector-by-sector basis; and

(9) to conduct a study to consider establishing a program to assist troubled manufacturing firms by determining the feasibility of a state assistance program, outlining how the program might work, and estimating its potential costs.

Subd. 4. [OFFICES, STAFF, SUPPORT.] *The commissioner of energy and economic development shall provide the council with suitable offices, staff, and general administrative support.*

Subd. 5. [REPEALER.] *This section is repealed June 30, 1986.*

#### Sec. 152. [CONVENTION FACILITY COMMISSION.]

Subdivision 1. [LEGISLATIVE POLICY; PURPOSE.] *The legislature finds that Minnesota does not have a convention facility that is competitive in the national and international convention market. The legislature also finds that establishing a world class convention center in Minnesota could be an economic development initiative of statewide significance that may make a major contribution to the state's economic development and employment objectives. It is therefore necessary to determine the potential for improving Minnesota's position in the national convention market, and to prepare a proposal for the construction, operation, maintenance, promotion, location, and financing of a world-class state convention facility.*

Subd. 2. [COMMISSION; MEMBERSHIP, ADMINISTRATION.] (a) *The Minnesota convention facility commission is established and shall be organized, structured, and administered as provided in this section.*

(b) *The commission consists of one member from each congressional district and up to seven additional members, including the chairman, appointed by the governor. Commission members shall be compensated as provided in Minnesota Statutes, section 15.0575, subdivision 3.*

(c) *The chairman of the commission shall be appointed by the governor. The chairman shall preside at all meetings of the commission, if present, and perform all other duties and functions assigned by the commission or by law. The commission may appoint from among its members a vice-chairman to act for the chairman during temporary absence or disability.*

Subd. 3. [POWERS OF COMMISSION.] (a) [GENERAL.] *The commission shall have all powers necessary or convenient to discharge the duties imposed by law, including those specified in this section.*

(b) [ACTIONS.] *The commission may sue and be sued and shall be a public*

body within the meaning of chapter 562.

(c) [EMPLOYEES; CONTRACTS FOR SERVICES.] *The commissioner of energy and economic development may employ persons and contract for services necessary to carry out the functions of the commission. Employees are in the unclassified service and members of the Minnesota State Retirement System.*

(d) [RESEARCH.] *The commission may conduct research studies and programs, collect and analyze data, prepare reports, maps, charts, and tables, and conduct all necessary hearings and investigations in connection with its functions.*

Subd. 4. [COMMISSION DUTIES.] (a) [COMMISSION'S REPORT.] *Not later than February 5, 1985, the commission shall make a report to the governor and legislature containing the commission's findings and recommendations and a proposal for the construction, operation, maintenance, promotion, location, and financing of a Minnesota state convention facility.*

(b) [SELECTION OF HOST CITY.] *By September 11, 1984, the commission shall choose the city in which the convention facility is to be located. The commission shall hold at least one hearing at which any city wishing to be considered as the location for the convention facility may give testimony. For the purposes of this section, the term "city" includes statutory and home rule charter cities.*

(c) [MARKET ANALYSIS.] *The commission's report shall contain a market analysis that evaluates Minnesota's potential to compete successfully for large national conventions and describes the type of convention, hotel, and related facilities and promotional efforts needed to be competitive in the national market.*

(d) [ECONOMIC BENEFIT ANALYSIS.] *The commission's report shall estimate the economic and other impact of the proposed facility.*

(e) [OWNERSHIP AND OPERATION.] *The commission's report shall contain a primary proposal for ownership, operation, and promotion of the facility along with a list of alternate proposals.*

(f) [LOCATION.] *The commission's report shall contain a listing of alternative sites considered for the convention facility, and the proposal shall recommend a specific site for the convention facility. The report shall indicate whether the host city for the convention facility supports the proposed site.*

(g) [FINANCING.] *The commission's report shall include a description of financing alternatives considered by the commission and a proposed method for financing the facility.*

Subd. 5. [TERMINATION.] *This section is repealed July 1, 1985.*

#### Sec. 153. [INDIAN COUNTRY LIQUOR LICENSES.]

Subdivision 1. [TOWN LIQUOR LICENSE.] *Notwithstanding any other provision of law, the town of Shingobee in Cass County and the town of Lake Edward in Crow Wing County may renew any off-sale intoxicating liquor licenses issued by it prior to the effective date of this act, and all licenses issued by the town prior to the effective date of this act may remain in effect.*

*Subd. 2. [ON-SALE AND OFF-SALE LICENSES; INDIAN RESERVATIONS.] Notwithstanding section 340.11 or any other law to the contrary, a license to sell off-sale or on-sale intoxicating liquor in effect on July 1, 1984, and issued by the governing body of an Indian tribe in accordance with United States Code, title 18, section 1161, is valid under chapter 340 without obtaining a license from a local unit of government. A valid license under this section may be renewed with the approval of the commissioner of public safety.*

*Subd. 3. [REPEALER.] This section is repealed July 1, 1985.*

**Sec. 154. [LINO LAKES ENERGY SERVICES.]**

*Notwithstanding any other law to the contrary, there shall be no shared energy services under Minnesota Statutes, section 16.02, subdivision 29, at the Minnesota correctional facility at Lino Lakes.*

**Sec. 155. [REPEALER.]**

*Minnesota Statutes 1982, sections 10.13; 16A.132; 16A.51; 16A.59; and 16A.73; 84.82, subdivision 1; Minnesota Statutes 1983 Supplement, section 17.106; and Laws 1983, chapter 301, section 233, are repealed.*

**Sec. 156. [EFFECTIVE DATE.]**

*This article is effective the day following final enactment, except that the motor vehicle transfer fee is effective for initial registrations and transfers that occur on and after September 1, 1984.*

**ARTICLE 3**

**AGRICULTURE, TRANSPORTATION AND OTHER AGENCIES**

**Section 1. TRANSPORTATION**

**Approved Complement**

**Trunk Highway - Add 9**

The appropriations in this section are from the trunk highway fund, except where another fund is designated.

(a) Trunk Highway Development	26,300,000	23,500,000
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It is estimated that this appropriation will be funded by Federal Highway Aid amounting to \$26,300,000 and the transfer of motor vehicle excise tax receipts amounting to \$23,500,000.

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 2, subdivision 2.

(b) County State Aids		11,300,000
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This appropriation is added to the appropriation in Laws 1983, chapter 293, section 2, subdivision 2.

This appropriation is from the county state-aid

highway fund and is available until expended.

(c) Municipal State Aids 3,400,000

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 2, subdivision 2.

This appropriation is from the municipal state-aid street fund and is available until expended.

(d) Equal Employment Opportunity 255,000

This appropriation is added to the appropriation for construction support in Laws 1983, chapter 293, section 2, subdivision 3.

(e) Maintenance Deficiency 1,000,000

This appropriation is added to the appropriation for maintenance in Laws 1983, chapter 293, section 2, subdivision 3.

Of the appropriation in Laws 1983, chapter 293, section 2, subdivision 3, for highway maintenance, \$930,000 of the appropriation for fiscal year 1985 is also available for fiscal year 1984.

(f) Expanded Program Delivery 6,500,000

This appropriation is added to the engineering services activity appropriation in Laws 1983, chapter 293, section 2, subdivision 4.

The commissioner of administration shall prepare a report to the chairman of the house appropriations committee and the chairman of the senate finance committee regarding the long-term staffing and financial needs required by the department of transportation in order to provide maximum cost effectiveness in the delivery of the projected highway construction improvement program. This report shall include, but is not necessarily limited to, an assessment of staffing needs in design and construction for a projected ten-year period, assumptions used in projecting the level of the highway improvement program, cost effectiveness of consultant work in all areas of project development, and recommendations on the criteria which should be used to guide decisions on the need for enhancing department complement levels or contracting for project development services. The commissioner of transportation shall cooperate in the preparation of this report. The commissioner of ad-

ministration shall submit the report along with recommendations to the chairman of the house appropriations committee and the chairman of the senate finance committee by November 1, 1984.

This appropriation shall not be considered the base appropriation for succeeding fiscal years. The commissioner of transportation shall incorporate the recommendations of the report as part of the department's 1985-1987 biennial budget submitted to the legislature.

The commissioner of transportation shall not alter the existing nine district departmental structure prior to June 30, 1985.

(g) Junkyard Regulation, Screening, and Removal

250,000

This appropriation is from the general fund to pay the costs incurred under Minnesota Statutes, section 161.242, subdivisions 3 and 4, and to make reimbursements to counties, on application by them, for the reasonable costs incurred by them in the enforcement of county ordinances regulating junkyards.

(h) Bicycle Transportation Program

66,600

This appropriation is added to the environmental services activity appropriation in Laws 1983, chapter 293, section 2, subdivision 4.

(i) Transit Assistance

12,600,000

This appropriation is from the transit assistance fund and is available only for distribution as provided in this paragraph.

The commissioner may distribute up to 100 percent of the receipts made available for the metropolitan area in the fiscal year ending June 30, 1985, for the planning and engineering design for light rail transit in the Hiawatha, University and Southwest Corridors. The commissioner may distribute up to 100 percent of the receipts made available for recipients outside of the metropolitan area in the fiscal year ending June 30, 1985, as he deems appropriate.

The commissioner of transportation shall submit to the chairman of the house appropriations committee and the chairman of the senate finance committee budget and proposed contract plans for the expenditure of this appropriation. The commissioner shall not expend this appro-

priation until the chairmen have made their recommendations on the expenditure plans and contracts. The recommendations are advisory only.

For the biennium ending June 30, 1985, the Metropolitan Transit Commission shall provide each month to the administrator of the Work Incentive Program in the Department of Economic Security no more than 575 monthly "All-You-Can-Ride" bus passes for use by the participants in the training and job replacement programs.

(j) Rail Service Improvements

17.500

This appropriation is from the general fund.

This appropriation is for the purpose of conducting a study of expanded railroad passenger service.

The commissioner of transportation shall study the feasibility and potential methods of expanding railroad passenger service in the state. The study must examine the following rail corridors: (1) St. Paul to Willmar to Morris to Breckenridge to Moorhead; (2) Moorhead to Grand Forks to Winnipeg; (3) St. Paul to Mankato to Worthington; (4) St. Paul to Northfield to Owatonna to Albert Lea to Austin; (5) Duluth to Virginia to International Falls to Winnipeg; (6) St. Paul to Rochester; and St. Paul to Alexandria to Fergus Falls to Moorhead to Winnipeg. The commissioner shall collect ridership data independent from AMTRAK data to analyze ridership and shall focus on local and intermediate stops. In analyzing the feasibility of expanding the railroad passenger service, the commissioner shall consider the following factors and any other factors deemed appropriate: (1) minimum train speed, service frequency, and performance standards; (2) station locations; (3) availability of equipment; (4) ridership forecasts; (5) track upgrading estimates; (6) fuel consumption; and (7) estimated fare recovery in relation to total operating costs. The commissioner shall report to the house and senate transportation committees by February 1, 1985, on his findings and recommendations.

This appropriation may not be expended until units of government along the proposed corridors have committed at least \$17,500 to match

it.

Notwithstanding any provision of Minnesota Statutes, chapter 16A or any other law; the total amount appropriated for rail service improvements by Laws 1983, chapter 293, section 2, subdivision 5(a), shall be available for expenditure in any fiscal year.

(k) General Support

169,100

\$147,400 of this appropriation is added to the finance and administration activity appropriation in Laws 1983, chapter 293, section 2, subdivision 7.

\$21,700 of this appropriation is added to the general services activity appropriation in Laws 1983, chapter 293, section 2, subdivision 7.

Sec. 2. PUBLIC SAFETY

Approved Complement

General - Add 5.25

Trunk Highway - Subtract 1

Federal - Add 1.25

(a) Capitol Security Position Transfer

40,900

This appropriation is added to the appropriation for capitol security in Laws 1983, chapter 293, section 4, subdivision 7. The trunk highway fund appropriation for the state patrol in Laws 1983, chapter 293, section 4, subdivision 6, is reduced by \$40,900 for the year ending June 30, 1985.

(b) Natural Gas Pipeline Safety

34,800

This appropriation is added to the appropriation for fire safety in Laws 1983, chapter 293, section 4, subdivision 5.

(c) Licensing and Regulation of Video Games of Chance

75,000

This appropriation is for the liquor control division to regulate the sale and operation of video games of chance in Minnesota.

(d) Local Grants for Buy Fund

100,000

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 4, subdivision 4, for grants to local officials for the cooperative investigation of cross-jurisdictional criminal activity. The commissioner of public



safety shall report to the legislature by March 1, 1985, on the expenditure of money from this appropriation.

Sec. 3. AGRICULTURE

Approved Complement

General Fund - Add 8

Seven of these positions are in the unclassified service.

(a) Quality Standards for Milk Manufacturers 40,000

This appropriation is added to the appropriation for agricultural protection services in Laws 1983, chapter 293, section 5.

The general fund appropriation for Milk for Manufacturing investment reimbursements in Laws 1983, chapter 232, section 3, subdivision 1, is reduced by \$40,000 for the biennium ending June 30, 1985.

(b) Claims for Livestock Depredation 30,000

This appropriation is added to the appropriation for administration and financial aids services in Laws 1983, chapter 293, section 5.

(c) Trade and Export Activity 108,000 142,000

This appropriation is added to the appropriation for the same purpose in Laws 1983, chapter 301, section 29.

Any unencumbered balance of this appropriation remaining in the first year shall not cancel, but is available for the second year of the biennium.

(d) International Trade 59,000

This appropriation is added to the appropriation for the trade and export office in Laws 1983, chapter 301, section 29.

\$180,000 of the appropriation made in Laws 1983, chapter 301, section 29, for the trade and export office shall not cancel but is available for fiscal year 1985.

(e) Family Farm Crisis Project 50,000

This appropriation shall be used to provide financial advice and counsel to farmers in financial crisis.

Individuals providing advice and counsel to farmers in financial crisis shall be knowledgeable.

able and qualified and shall be trained by the commissioner of agriculture before beginning their duties.

(f) Administration and Financial Aids Services 65,000

This appropriation is for the purpose of contracting for studies into the effects and abatement of animal health and production problems created by stray voltage. Results of the studies shall be reported to the legislature by March 1, 1985.

(g) Soil and Water Conservation 74,000

This appropriation is for the purpose of implementing the various agricultural land preservation and conservation programs provided for by this act.

(h) Availability of Certain Appropriations

Notwithstanding any contrary provision of Laws 1983, chapter 293, section 5, the appropriations made in that section for the southern Minnesota river basin study area 2 and for grants to soil and water districts for cost-sharing contracts for erosion control and water quality management are available until expended.

#### Sec. 4. COMMERCE

Approved Complement

General Fund - Add 12

(a) Real Estate Education and Research 25,000

This appropriation is added to the appropriation for investment protection in Laws 1983, chapter 293, section 7.

This appropriation is from the real estate education, research, and recovery account in the special revenue fund for the purpose of Minnesota Statutes, section 82.34, subdivision 6.

(b) Enforcement and Investigation 348,500

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 7.

Sec. 5. BOARD OF BOXING 22,800

Approved Complement - Add 1

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 8, subdivision 6.

Sec. 6. PUBLIC SERVICE 85,000

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 10, for the purpose of relocating the weights and measures division.

Of this amount no more than \$30,000 shall be recovered through the division's service fees and may be distributed equitably over a period not to exceed five years.

The attorney general shall pursue reimbursement to the general fund from the trunk highway fund and the federal government for costs associated with the relocation of the weights and measures division.

#### Sec. 7. RACING COMMISSION

The University of Minnesota shall prepare and present to the legislature by January 1, 1985, a plan for providing analytical laboratory services for medical testing of horses running at racetracks licensed by the Minnesota racing commission. If the racing commission, in cooperation with the University of Minnesota, finds it necessary to obtain funding for the racing analytical laboratory before January 1, 1985, in order for the laboratory to be operational for the 1985 racing season, the racing commission may apply to the legislative advisory commission for funding from the general contingent account.

#### Sec. 8. MINNESOTA HISTORICAL SOCIETY

- |  |        |
|--|--------|
| (a) Artists Exhibit in the State Capitol | 50,000 |
| (b) Acquire and restore Lind House       | 30,000 |

This appropriation is for payment to the City of New Ulm, but is available only to match contributions received from nonstate sources in the amount of \$30,000, dollar for dollar. This appropriation is available until June 30, 1985.

#### (c) Roy Wilkins Memorial

The Minnesota historical society shall prepare a proposal for the legislature recommending a suitable memorial in the state capitol area commemorating the life and works of Roy Wilkins. The Minnesota historical society shall solicit the advice of the National Association for the Advancement of Colored People and the capitol area architectural and planning board regarding the design and placement of the proposed memorial. The Minnesota historical society shall submit the proposal not later than February 1, 1985.

(d) State Archaeologist 26,500

This appropriation is for payment to the state archaeologist for the purpose of performing the duties relating to Minnesota Statutes, sections 138.31 to 138.42.

(e) Birch Coulee Battlefield State Historic Site 10,000

This appropriation is to repair park facilities and make road improvements related to conveyance of the picnic grounds area to Renville County.

Sec. 9. BOARD OF THE ARTS

(a) Administrative Services 5,000

(b) Grants 100,000

\$50,000 is to match a sponsorship program grant from the Northwest Area Foundation and may be used only for that purpose.

\$50,000 is to be granted to the regional arts councils to match sponsorship program grants from the Blandin Foundation and may be used only for that purpose.

The appropriations in (a) and (b) are added to the appropriations for the same purposes in Laws 1983, chapter 293, section 18.

Sec. 10. VOYAGEURS NATIONAL PARK  
CITIZENS COMMITTEE

11,500 22,000

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 15. This appropriation is for the purpose of seeking federal funds for the planning and development of the Voyageurs National Park and to promote Voyageurs National Park on a national level through designation of the Voyageurs National Park as a pilot project area for the national tourism and recreation industry program, except that \$5,000 in the second year is for planning, promoting, and implementing a Voyageurs recognition day and for general promotional purposes.

Any unencumbered balance remaining in the first year shall not cancel, but is available for the second year of the biennium.

Sec. 11. VETERANS OF FOREIGN WARS 5,000

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 25.

Sec. 12. UNIFORM LAWS COMMISSION 4,000

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 14.

Of this appropriation, \$500 may be used for the purpose of supporting the activities of the annual convention to be held in Minnesota.

Sec. 13. Minnesota Statutes 1983 Supplement, section 10A.01, subdivision 18, is amended to read:

Subd. 18. "Public official" means any:

- (a) member of the legislature;
- (b) constitutional officer in the executive branch and his chief administrative deputy;
- (c) member, chief administrative officer or deputy chief administrative officer of a state board or commission which has at least one of the following powers: (i) the power to adopt, amend or repeal rules, or (ii) the power to adjudicate contested cases or appeals;
- (d) commissioner, deputy commissioner or assistant commissioner of any state department as designated pursuant to section 15.01;
- (e) individual employed in the executive branch who is authorized to adopt, amend or repeal rules or adjudicate contested cases;
- (f) executive director of the state board of investment;
- (g) executive director of the Indian affairs intertribal board;
- (h) commissioner of the iron range resources and rehabilitation board;
- (i) director of mediation services;
- (j) deputy of any official listed in clauses (e) to (i);
- (k) judge of the workers' compensation court of appeals;
- (l) hearing examiner or compensation judge in the state office of administrative hearings or hearing examiner in the department of economic security;
- (m) solicitor general or deputy, assistant or special assistant attorney general;
- (n) individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher or attorney in the office of senate research, senate counsel, or house research; or
- (o) member or chief administrative officer of the metropolitan council, *regional transit board*, metropolitan transit commission, metropolitan waste control commission, metropolitan parks and open spaces commission, metropolitan airports commission or metropolitan sports facilities commission; or
- (p) executive director of the Minnesota educational computing consortium.

Sec. 14. Minnesota Statutes 1982, section 15.0597, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section, the following

terms shall have the meanings given them.

(a) "Agency" means (1) a state board, commission, council, committee, authority, task force or other similar multi-member agency created by statute and having statewide jurisdiction; and (2) the metropolitan council, ~~metropolitan transit commission~~ *regional transit board*, metropolitan airports commission, metropolitan parks and open space commission, metropolitan sports facilities commission, metropolitan waste control commission, capitol area architectural and planning board, and any agency with a regional jurisdiction created in this state pursuant to an interstate compact.

(b) "Vacancy" or "vacant agency position" means (1) a vacancy in an existing agency, or (2) a new, unfilled agency position; provided that "agency" shall not mean (1) a vacant position on an agency composed exclusively of persons employed by a political subdivision or another agency, or (2) a vacancy to be filled by a person required to have a specific title or position.

(c) "Secretary" means the secretary of state.

Sec. 15. Minnesota Statutes 1983 Supplement, section 15A.081, subdivision 7, is amended to read:

Subd. 7. The following salaries are provided for officers of metropolitan agencies:

	Effective July 1 1983	Effective July 1 1984
Chairman, metropolitan council	\$47,000	50,000
Chairman, metropolitan airports commission	14,000	16,000
Chairman, metropolitan transit commission	42,000	<del>46,000</del> -0-
<i>Chairman, regional transit board</i>	-0-	46,000
Chairman, metropolitan waste control commission	18,500	20,000

Fringe benefits for unclassified employees of the metropolitan waste control commission shall not exceed those fringe benefits received by unclassified employees of the metropolitan council.

Sec. 16. Minnesota Statutes 1982, section 17A.03, is amended by adding a subdivision to read:

*Subd. 13. [STATE LIVESTOCK WEIGHMASTER.] "State livestock weighmaster" means a person employed by the department and appointed by the commissioner to weigh livestock and issue official certificates of state weight.*

Sec. 17. Minnesota Statutes 1982, section 17A.03, is amended by adding a subdivision to read:

*Subd. 14. [PUBLIC LIVESTOCK WEAHER.] "Public livestock weigher" means a person employed by the company to be responsible and accountable for weighing and recording the weights of livestock.*

Sec. 18. Minnesota Statutes 1982, section 17A.03, is amended by adding a subdivision to read:

*Subd. 15. [COMMERCIAL LIVESTOCK SCALE.] "Commercial live-*

*stock scale*'' means a livestock scale or monorail scale used in the purchase or sale of livestock or livestock carcasses. For purposes of this subdivision, "livestock scale" means a scale equipped with stock racks and gates and adapted to weighing single or multiple heads of livestock standing on the scale platform, and "monorail scale" means a scale, also called an abattoir scale, a track scale, or a rail scale, the load receiving element of which is part of a monorail conveyor system and which is used primarily for the weighing of livestock carcasses.

Sec. 19. Minnesota Statutes 1982, section 17A.04, subdivision 1, is amended to read:

Subdivision 1. [LICENSING PROVISIONS.] Licenses shall be issued to livestock market agencies and public stockyards annually and shall expire on December 31 each year, renewable annually thereafter. The license issued to a livestock market agency and public stockyard shall be conspicuously posted at the licensee's place of business. Licenses shall be required for livestock dealers and their agents for the period beginning July 1 each year and ending June 30. The license issued to a livestock dealer or the agent of a livestock dealer shall be carried by the person so licensed. The livestock dealer shall be responsible for the acts of his agents. *Licensed livestock market agencies, public stockyards, and livestock dealers shall be responsible for the faithful performance of duty of the public livestock weighers at their places of business.* The license issued to a livestock market agency, public stockyard or a livestock dealer or agent of a livestock dealer is not transferable. The operation of livestock market agencies, livestock dealers, agents and packers at a public stockyard are exempt from sections 17A.01 to 17A.09, 17A.12 to 17A.15, and 239.27.

Sec. 20. Minnesota Statutes 1982, section 17A.04, subdivision 6, is amended to read:

Subd. 6. [REFUSAL TO LICENSE.] The commissioner shall refuse to issue a *livestock market agency or livestock dealer* license if the applicant has not filed a surety bond in the form and amount required under sections 17A.04 and 17A.05; the commissioner may refuse to issue a license if the applicant (1) has not satisfactorily demonstrated by a current balance sheet and financial statement that the applicant's assets exceed his liabilities; (2) has been found by the department to have failed to pay, without reasonable cause, obligations incurred in connection with livestock transactions; ~~or~~ (3) has failed to *maintain and operate livestock or monorail scales in a manner to ensure accurate and correct weights; or* (4) *has failed to comply with other statutes or, rules, or regulations enforced by the commissioner or, the board of animal health, the division of weights and measures of the department of public service, or the federal Packers and Stockyards Administration.*

Sec. 21. Minnesota Statutes 1982, section 17A.04, subdivision 7, is amended to read:

Subd. 7. [REVOCATION OF LICENSE.] Whenever the commissioner finds that any livestock market agency or livestock dealer has violated the provisions of ~~sections 17A.04, 17A.05, 17A.07, or 17A.08 this chapter,~~ *or has failed to comply with other laws, rules, or regulations enforced by the board of animal health, the division of weights and measures of the department of public service, or the federal Packers and Stockyards Administra-*

tion, the commissioner may, by order, pursuant to the provisions of chapter 14, and this subdivision, revoke the license of the offender. Before any such license shall be revoked, the licensee shall be furnished with a statement of the complaints made against him, and a hearing shall be had before the commissioner upon at least ten days notice to the licensee to determine whether such license shall be revoked, which notice may be served either by certified mail addressed to the address of the licensee as shown in his application or in the manner provided by law for the service of a summons. At the time and place fixed for hearing, the commissioner or any official, employee or agent of the department authorized by the commissioner, shall receive evidence, administer oaths, examine witnesses, hear the testimony and thereafter file an order either dismissing the proceedings or revoking the license.

Sec. 22. Minnesota Statutes 1982, section 17A.04, subdivision 8, is amended to read:

Subd. 8. [SUSPENSION OF LICENSE.] Whenever the commissioner finds that the licensee has violated the provisions of ~~sections 17A.04, 17A.05, 17A.07, or 17A.08 this chapter, or has failed to comply with other laws, rules, or regulations enforced by the board of animal health, the division of weights and measures of the department of public service, or the Federal Packers and Stockyards Administration~~, and that the continued activity of a licensee may cause irreparable injury or loss to persons engaged in business with the licensee, the commissioner may, without hearing, suspend the license of the licensee, provided that when a license is so suspended, the commissioner shall immediately initiate procedures to afford the licensee a hearing pursuant to subdivision 7 except that the ten days notice required in subdivision 7 may be waived by the licensee.

Sec. 23. Minnesota Statutes 1982, section 17A.05, is amended to read:

#### 17A.05 [AMOUNT OF BONDS.]

Subdivision 1. [LIVESTOCK MARKET AGENCIES.] The amount of each livestock market agency bond filed with the commissioner shall be not less than \$10,000 or such larger amount as required, based on the commissioner's consideration of the principal's financial statement, the volume of business he reports, or any other factor the commissioner deems pertinent for the protection of the public. Each such bond shall be executed on a Packers and Stockyards Act form and shall contain the condition clause applicable when the principal sells on commission. A bond equivalent ~~in the form of a trust fund agreement~~ executed in accordance with the Packers and Stockyards Act, 1921, as amended, (7 U.S.C. 181 et seq.) ~~shall be~~ is acceptable.

Subd. 2. [LIVESTOCK DEALERS.] The amount of each livestock dealer bond filed with the commissioner shall be not less than \$5,000 or such larger amount as required, based on the commissioner's consideration of the principal's financial statement, the volume of business he reports, or any other factor the commissioner deems pertinent for the protection of the public. Each such bond shall contain the condition clause applicable when the principal buys on commission or as a dealer. A livestock dealer's bond shall be executed on a form furnished by the commissioner or in accordance with the Packers and Stockyards Act, 1921, as amended, (7 U.S.C. 181 et seq.).

~~If the~~ When a bond is executed on a *state* form furnished by the commis-



sioner, the bond shall be for the protection of both the buyer and the seller named in the transaction when the principal fails to pay when due for livestock purchased or sold for his own account or the account of others and shall be limited to the protection of claimants whose residence or principal place of livestock business is in the state of Minnesota at the time of the transaction. If the bond is filed on a form in accordance with the Packers and Stockyards Act, the bond shall cover claimants regardless of place of residence.

Sec. 24. Minnesota Statutes 1983 Supplement, section 17A.06, subdivision 3, is amended to read:

Subd. 3. ~~LEGAL PUBLIC NOTICE.~~ Prior to a hearing, the commissioner shall ~~notify by certified mail all known potential claimants and~~ publish a notice setting forth the default of the licensee and requiring all claimants to file proof of claim with the commissioner within ~~three months~~ 45 days of the date such notice is published or be barred from participating in the proceeds of the bond. Such publication shall be made ~~for three consecutive weeks~~ in a newspaper published ~~at the county seat of~~ in the county in which the licensee has his principal place of business. The commissioner shall also fulfill any notice requirements prescribed by chapter 14 and rules of the office of administrative hearings. No claim shall be allowed unless it is filed with the commissioner within one year of the date of the transaction. If a livestock market agency or livestock dealer has on file a Packers and Stockyards Act bond and is registered with the Packers and Stockyards Administration, the terms of the bond or that federal agency's regulations will control ~~in determining the time for filing claims.~~

Sec. 25. Minnesota Statutes 1982, section 17A.07, is amended to read:

#### 17A.07 [PROHIBITED CONDUCT.]

It shall be unlawful for any person to (1) carry on the business of a livestock market agency or, livestock dealer, or public stockyard without a valid and effective license issued by the commissioner under the provisions of section 17A.04; (2) carry on the business of a livestock market agency or livestock dealer without filing and maintaining a valid and effective surety bond in conformity with sections 17A.04 and 17A.05; (3) carry on the business of a livestock market agency or livestock dealer if he cannot pay his debts as they become due or ceases to pay his debts in the ordinary course of business as they become due; (4) *use or allow to be used any livestock scale or monorail scale which has not been certified and approved for official use or has been found to be inaccurate;* (5) *fail to maintain and operate livestock or monorail scales in a manner to ensure accurate and correct weights;* (6) *weigh livestock or carcasses at other than true and correct weights or issue accounts and records on the basis of inaccurate or incorrect weights;* (7) engage in or use any unfair or deceptive practice or device in connection with marketing of livestock; ~~(5)~~ (8) willfully make or cause to be made any false entry or statement of fact in any application, financial statement or report filed with the department under ~~the provisions of sections 17A.04, 17A.05 and 17A.08~~ this chapter.

Sec. 26. Minnesota Statutes 1982, section 17A.10, is amended to read:

#### 17A.10 [PACKING PLANTS, LIVESTOCK MARKET AGENCIES SCALES AND STOCKYARDS; WEIGHERS WEIGHING.]

*Subdivision 1. [COMMERCIAL LIVESTOCK SCALES.] All livestock scales and monorail scales used for the purpose of buying or selling livestock or livestock carcasses within the state must meet the construction, maintenance, testing, and certification requirements of the division of weights and measures of the department of public service, and be in compliance with the scales and weighing regulations of the Packers and Stockyards Administration of the United States Department of Agriculture and be tested and certified by the state division of weights and measures. The division of weights and measures or an authorized scale company shall test all livestock scales at least twice per year. The department of agriculture may perform scale maintenance inspections at least twice per year at intervals that will provide alternate testing or inspection of each scale every 90 days. Special tests may be required as necessary. The basic maintenance tolerance for livestock scales is one pound per 1,000 pounds of test load. The responsibility for compliance of a scale with these requirements rests with the owner or manager of the scale.*

*Subd. 2. [STATE LIVESTOCK WEIGHMASTERS.] The commissioner shall appoint at public stockyards, packing plants, slaughtering houses, buying stations, or livestock market agencies where the average daily number of livestock weighed for the purpose of establishing a basis for sale is 500 head or more, and the commissioner may appoint state employees as necessary to provide state weighing service at public stockyards, packing plants, slaughtering houses, buying stations, or livestock market agencies on application from such facilities where the average daily number of livestock weighed for the purpose of establishing a basis for sale is less than 500 head, such weighers as may be necessary for weighing livestock, provided that no weighers shall be required at facilities where the only livestock handled has been previously purchased or acquired, and title or terms of ownership already established. The commissioner shall prescribe and follow such reasonable regulations as he deems necessary for determining such daily average. Such weighers the business entity requesting official state livestock weighing. State livestock weighmasters shall weigh all livestock coming to these places for sale, and keep a record thereof. Upon request, the weighers shall of the weights, and furnish the interested parties a certificate setting forth of state weight stating the number of animals weighed and the actual weight of such animal or the animals. Such The certificate shall be is prima facie evidence of the facts therein certified. The scales at all such places on which livestock is weighed shall be constructed and maintained in accordance with the requirements of the state division of weights and measures, and be tested up to the maximum draft that may be weighed thereon, at least once every 90 days, and be in compliance with all the statutory requirements and regulations adopted by the state division of weights and measures pertaining to livestock scales and weighing. An application for official state livestock weighing constitutes an agreement between the business entity requesting state weighing and the commissioner. The agreement is for one year beginning July 1 and ending the following June 30. The agreement automatically renews each year unless the average daily number of livestock weighed falls below 500 head, in which case the business entity must give the commissioner a written notice of intent to terminate at least 90 days prior to July 1. Otherwise the commissioner shall continue to provide state weighing services in accordance with this chapter.*

*State weighing service that exists on January 1, 1984, may not be terminated except as provided in this subdivision.*

*Subd. 3. [SUPERVISION AND ENFORCEMENT.] State livestock*

*weighmasters have charge over the scales on which official certificates of state weight are issued to ensure compliance with scale maintenance and testing requirements and proper weighing procedures.*

*The commissioner shall appoint law compliance personnel as necessary to provide maintenance inspections, check-weighing, comparison weighing, and record audits and to investigate complaints in order to enforce this chapter.*

*The regulations pertaining to livestock and monorail scales adopted by the Packers and Stockyards Administration of the United States Department of Agriculture are applicable in Minnesota, and a memorandum of understanding with the Packers and Stockyards Administration provides for a cooperative state and federal enforcement program.*

Sec. 27. Minnesota Statutes 1982, section 17A.11, is amended to read:

17A.11 [FEES FOR LIVESTOCK WEIGHING.]

The commissioner shall prescribe the fee necessary to cover the cost of ~~such~~ state weighing, to be assessed and collected from the seller in ~~such~~ the manner as the commissioner may prescribe; ~~provided, that~~. ~~The fee prescribed by the commissioner shall not exceed the fee in effect on March 1, 1984.~~ The fee assessed ~~must~~ be the same, and the manner of collection ~~thereof~~ of the fee ~~must~~ be uniform at all facilities; ~~and provided, further, that~~ if. At any location, except a public stockyard, where state weighing is performed in accordance with ~~Laws 1974, Chapter 347~~ this chapter and the total annual fees collected are insufficient to pay the cost of ~~such~~ the weighing, the annual deficit shall be assessed and collected in ~~such~~ the manner as the commissioner may prescribe. Additional ~~moneys~~ money arising from the weighing of animals by the commissioner, which ~~have~~ has been collected and retained by any person, shall be paid on demand to the commissioner. All ~~moneys~~ money collected by the commissioner shall be deposited in the state treasury and credited to the livestock weighing fund, and shall be paid out only on the order of the commissioner and the state's warrant.

Sec. 28. Minnesota Statutes 1982, section 17A.12, is amended to read:

17A.12 [QUALIFICATIONS.]

No ~~weigher~~ state livestock weighmaster shall, during ~~his~~ the weighmaster's term of service, be in any manner financially interested in the handling, shipping, purchase, or sale of livestock; ~~nor~~ or in the employment of any person engaged therein.

Sec. 29. [17A.17] [AUDIT BY DEPARTMENT.]

*The department may audit records, including incoming purchase records of a livestock packer and shipping weights or transfer of weight invoices, in order to ensure there are no weight discrepancies in hot weight or grade and yield transactions.*

Sec. 30. Minnesota Statutes 1983 Supplement, section 38.02, subdivision 1, is amended to read:

Subdivision 1. [PRO RATA DISTRIBUTION; CONDITIONS.] (1) Money appropriated to aid county and district agricultural societies and associations shall be distributed among all county and district agricultural so-

cieties or associations in the state pro rata, upon condition that each of them has complied with the conditions specified in clause (2).

(2) To be eligible to participate in such distribution, each such agricultural society or association (a) shall have held an annual fair for each of the three years last past, unless prevented from doing so because of a calamity or an epidemic declared by the local board of health or the state commissioner of health to exist; (b) shall have an annual membership of 25 or more; (c) shall have paid out to exhibitors for premiums awarded at the last fair held a sum not less than the amount to be received from the state; (d) shall have published and distributed not less than three weeks before the opening day of the fair a premium list, listing all items or articles on which premiums are offered and the amounts of such premiums and shall have paid premiums pursuant to the amount shown for each article or item to be exhibited; provided that premiums for school exhibits may be advertised in the published premium list by reference to a school premium list prepared and circulated during the preceding school year; and shall have collected all fees charged for entering an exhibit at the time the entry was made and in accordance with schedule of entry fees to be charged as published in the premium list; (e) shall have paid not more than one premium on each article or item exhibited, excluding championship or sweepstake awards, and excluding the payment of open class premium awards to 4H Club exhibits which at this same fair had won a first prize award in regular 4H Club competition; (f) shall have submitted its records and annual report to the commissioner of agriculture on a form provided by the commissioner of agriculture, on or before the first day of ~~December~~ *November* of the current year.

(3) All payments authorized under the provisions of this chapter shall be made only upon the presentation by the commissioner of agriculture with the commissioner of finance of a statement of premium allocations. As used herein the term premium shall mean the cash award paid to an exhibitor for the merit of an exhibit of livestock, livestock products, grains, fruits, flowers, vegetables, articles of domestic science, handicrafts, hobbies, fine arts, and articles made by school pupils, or the cash award paid to the merit winner of events such as 4H Club or Future Farmer Contest, Youth Group Contests, school spelling contests and school current events contests, the award corresponding to the amount offered in the advertised premium list referred to in schedule 2. Payments of awards for horse races, ball games, musical contests, talent contests, parades, and for amusement features for which admission is charged, are specifically excluded from consideration as premiums within the meaning of that term as used herein. Upon receipt of the statement by the commissioner of agriculture, it shall be the duty of the commissioner of finance to draw his voucher in favor of the agricultural society or association for the amount to which it is entitled under the provisions of this chapter, which amount shall be computed as follows: On the first \$750 premiums paid by each society or association, such society or association shall receive 100 percent reimbursement; on the second \$750 premiums paid, 80 percent; on the third \$750 premiums paid, 60 percent; and on any sum in excess of \$2,250, 40 percent.

(4) If the total amount of state aid to which the agricultural societies and associations are entitled under the provisions of this chapter exceeds the amount of the appropriation therefor, the amounts to which the societies or

associations are entitled shall be pro rated so that the total payments by the state will not exceed the appropriation.

Sec. 31. [40A.01] [STATE AGRICULTURAL LAND PRESERVATION POLICY.]

*Subdivision 1. [GOALS.] The goals of this chapter are to:*

*(1) preserve and conserve agricultural land for long-term agricultural use in order to protect the productive natural resources of the state, maintain the farm and farm-related economy of the state, and assure continued production of food and other agricultural products;*

*(2) preserve and conserve soil and water resources; and*

*(3) encourage the orderly development of rural and urban land uses.*

*Subd. 2. [METHODS.] The goals contained in subdivision 1 will be best met by combining state policies and guidelines with local implementation and enforcement procedures and private incentives.*

Sec. 32. [40A.02] [DEFINITIONS.]

*Subdivision 1. [TERMS DEFINED.] As used in this chapter, the terms defined in this section have the meanings given them.*

*Subd. 2. [AGENCY.] "Agency" means the state planning agency.*

*Subd. 3. [AGRICULTURAL USE.] "Agricultural use" means the production of livestock, dairy animals, dairy products, poultry or poultry products, fur bearing animals, horticultural or nursery stock, fruit, vegetables, forage, grains, or bees and apiary products. "Agricultural use" also includes wetlands, pasture, forest land, wildlife land, and other uses that depend on the inherent productivity of the land.*

*Subd 4. [BOARD.] "Board" means the state soil and water conservation board.*

*Subd. 5. [COMMISSIONER.] "Commissioner" means the commissioner of agriculture.*

*Subd. 6. [CROP EQUIVALENT RATING.] "Crop equivalent rating" means a rating that reflects the net economic return per acre of soil when managed for cultivated crops, permanent pasture, or forest, whichever provides the highest net return.*

*Subd. 7. [DEPARTMENT.] "Department" means the department of agriculture.*

*Subd. 8. [DEVELOPMENT.] "Development" means the subdivision and partitioning of land or the construction of residences on land or the conversion to competing land uses.*

*Subd. 9. [DISTRICT.] "District" means a soil and water conservation district.*

*Subd. 10. [EXCLUSIVE AGRICULTURAL USE ZONE.] "Exclusive agricultural use zone" or "zone" means a zone created under this chapter.*

*Subd. 11. [FOREST LAND.] "Forest land" has the meaning given in section 88.01, subdivision 7.*

*Subd. 12. [LOCAL GOVERNMENT.] "Local government" means a county or municipality.*

*Subd. 13. [METROPOLITAN AREA.] "Metropolitan area" has the meaning given in section 473.121, subdivision 2.*

*Subd. 14. [MUNICIPALITY.] "Municipality" means a statutory or home rule charter city or town.*

*Subd. 15. [OFFICIAL CONTROLS.] "Official controls" or "controls" has the meaning given in section 462.352, subdivision 15.*

*Subd. 16. [SOIL SURVEY.] "Soil survey" means the comprehensive inventory and classification of soil types being conducted by the Minnesota cooperative soil survey.*

**Sec. 33. [40A.03] [PILOT COUNTY AGRICULTURAL LAND PRESERVATION.]**

*Subdivision 1. [PILOT COUNTIES; SELECTION.] By January 1, 1985, the commissioner, in consultation with counties and regional development commissions, where they exist, shall select not more than seven counties located outside of the metropolitan area that request to participate in a pilot program for county agricultural land preservation. If possible, counties shall include:*

- (1) a county that currently has official controls for agricultural land preservation and an adjacent county that does not have official controls;*
- (2) a county that is experiencing problems with forest land preservation;*
- (3) a county where a high level of development is likely to occur in the next ten years; and*
- (4) other counties representing a cross-section of agricultural uses and land management problems in the state.*

*Subd. 2. [PLANS AND OFFICIAL CONTROLS.] By January 1, 1987, each pilot county selected under subdivision 1 shall submit to the commissioner and to the regional development commission in which it is located, if one exists, a proposed agricultural land preservation plan and proposed official controls implementing the plan. The commissioner, in consultation with the regional development commission, shall review the plan and controls for consistency with the elements in this chapter and shall submit written comments to the county within 90 days of receipt of the proposal. The comments must include a determination of whether the plan and controls are consistent with the elements in this chapter. The commissioner shall notify the county of its determination. If the commissioner determines that the plan and controls are consistent, the county shall adopt the controls within 60 days of completion of the commissioner's review.*

**Sec. 34. [40A.04] [STATEWIDE AGRICULTURAL LAND PRESERVATION.]**

*Subdivision 1. [COUNTIES.] Each county with a completed county soil survey, except for counties in the metropolitan area, may submit to the commissioner and to the regional development commission in which it is located, if one exists, a proposed agricultural land preservation plan and proposed*

*official controls implementing the plan. The remaining counties located outside of the metropolitan area may submit a proposed plan and proposed controls. To the extent practicable, submission of the proposal must coincide with the completion of the county soil survey. The commissioner, in consultation with the regional development commission, shall review the plan and controls for consistency with the elements in this chapter and shall submit written comments to the county within 90 days of receipt of the proposal. The comments must include a determination of whether the plan and controls are consistent with the elements in this chapter. The commissioner shall notify the county of its determination. If the commissioner determines that the plan and controls are consistent, the county shall adopt the controls within 60 days of completion of the commissioner's review.*

*Subd. 2. [NONMETROPOLITAN CITY.] A city that is located partially within a county in the metropolitan area but is not included in the definition of the metropolitan area may elect to be governed by this section. The city may:*

*(1) request the county outside of the metropolitan area where it is partially located to include the city in the agricultural land preservation plan and official controls of the county, using the joint planning board process under section 462.3585; or*

*(2) perform the duties of a county independently under this section.*

*If the city does not elect to be governed by this section, the city shall perform the duties of an authority under chapter 473H.*

**Sec. 35. [40A.05] [ELEMENTS OF PLAN AND OFFICIAL CONTROLS.]**

*Subdivision 1. [GENERAL.] The plans and official controls prepared under this chapter must address the elements contained in this section.*

*Subd. 2. [PLAN.] A plan must address at least the following elements:*

*(1) integration with comprehensive county plans;*

*(2) identification of land currently in agricultural use, including the type of agricultural use, the relative productive value of the land based on the crop equivalent rating, and the existing level of investment in buildings and equipment;*

*(3) identification of areas in which development is occurring or is likely to occur during the next 20 years;*

*(4) identification of existing and proposed public sanitary sewer and water systems;*

*(5) classification of land suitable for long-term agricultural use and its current and future development;*

*(6) determination of present and future housing needs representing a variety of price and rental levels and an identification of areas adequate to meet the demonstrated or projected needs; and*

*(7) a general statement of policy as to how the county will achieve the goals of this chapter.*

*Subd. 3. [OFFICIAL CONTROLS.] Official controls implementing a plan*

*must be consistent with the plan and must address at least the following elements:*

*(1) designation of land suitable for long-term agricultural use and the creation of exclusive agricultural use zones, allowing for conditional, compatible uses that do not conflict with long-term agricultural use;*

*(2) designation of urban expansion zones where limited growth and development may be allowed;*

*(3) residential density requirements and minimum lot sizes in exclusive agricultural use zones and urban expansion zones; and*

*(4) standards and procedures for county decisions on rezoning, subdivision, and parcel divisions.*

Sec. 36. [40A.06] [CONTESTED CASE HEARINGS; JUDICIAL REVIEW.]

*If a county or a municipality in the county disputes the determination of the commissioner relating to the elements under this chapter, the county or municipality may request that the commissioner initiate a contested case proceeding under chapter 14 within 30 days after receiving the determination. In addition, ten or more eligible voters of the county who own real estate within the county may request a contested case proceeding. The commissioner shall initiate the proceeding within 30 days after receiving the request. Judicial review of the contested case decision is as provided in chapter 14.*

Sec. 37. [40A.07] [MUNICIPAL AGRICULTURAL LAND PRESERVATION.]

*Subdivision 1. [FAILURE BY COUNTY TO PLAN.] As of January 1, 1990, if a county has not submitted a proposed agricultural land preservation plan and proposed official controls to the commissioner and the regional development commission, if one exists, a municipality within the county may request by resolution that the county submit a plan and official controls to the commissioner and the regional development commission. If the county does not do so within one year of receipt of the resolution, the municipality may perform the duties of the county with respect to land under its jurisdiction.*

*Subd. 2. [RELATIONSHIP TO OTHER LAWS.] Nothing in this chapter limits a municipality's power to plan or zone under other laws or to adopt official controls that are consistent with or more restrictive than those enacted by the county.*

Sec. 38. [40A.08] [STATE PLANNING AGENCY; REGIONAL DEVELOPMENT COMMISSIONS.]

*The state planning agency shall cooperate with and assist the commissioner in administering the agricultural land preservation program under this chapter. The commissioner may enter into agreements with the agency or a regional development commission under which staff are loaned for the purpose of selecting pilot counties and reviewing plans and official controls for consistency with the state guidelines.*

Sec. 39. [40A.09] [EXCLUSIVE AGRICULTURAL USE ZONE; ELIGIBILITY.]



*An owner or owners of land that has been designated for exclusive long-term agricultural use under a plan submitted to or approved by the commissioner is eligible to apply for the creation of an exclusive agricultural use zone. Eligibility continues unless the commissioner determines that the plan and official controls do not address the elements contained in this chapter or unless the county fails to implement the plan and official controls as required by this chapter.*

**Sec. 40. [40A.10] [APPLICATION FOR CREATION OF EXCLUSIVE AGRICULTURAL USE ZONE.]**

*Subdivision 1. [CONTENTS.] An eligible person may apply to the county in which the land is located for the creation of an exclusive agricultural use zone on forms provided by the commissioner. In case a zone is located in more than one county, the application must be submitted to the county in which the majority of the land is located. The application must contain at least the following information and other information the commissioner requires:*

*(a) Legal description of the area to be designated and parcel identification numbers where designated by the county auditor;*

*(b) Name and address of the owner;*

*(c) A witnessed signature of the owner covenanting that the land will be kept in exclusive agricultural use and will be used in accordance with the provisions of this chapter that exist on the date of application; and*

*(d) A statement that the restrictive covenant will be binding on the owner or the owner's successor or assignee, and will run with the land.*

*In the case of registered property, the owner shall submit the owner's duplicate certificate of title along with the application.*

*Subd. 2. [REVIEW AND NOTICE.] Upon receipt of an application, the county shall determine if all material required by subdivision 1 has been submitted and, if so, shall determine that the application is complete. The county shall send a copy of the application to the regional development commission, where applicable, and the soil and water conservation district where the land is located. The district shall prepare an advisory statement of existing and potential conservation problems in the zone. The district shall send the statement to the owner of record and to the commissioner.*

*Subd. 3. [RECORDING.] Within five days of the date of application, the county shall forward the application to the county recorder, together with the owner's duplicate certificate of title in the case of registered property. The county recorder shall record the restrictive covenant and return it to the applicant. In the case of registered property, the recorder shall memorialize the restrictive covenant upon the certificate of title and the owner's duplicate certificate of title. The recorder shall notify the county that the covenant has been recorded or memorialized.*

*Subd. 4. [COMMENCEMENT OF EXCLUSIVE AGRICULTURAL USE ZONE.] The land is an exclusive agricultural use zone and subject to the benefits and restrictions of this chapter commencing 30 days from the date the county determines the application is complete under subdivision 1.*

*Subd. 5. [FEE.] The county may require an application fee, not to exceed*

\$50.

Sec. 41. [40A.11] [DURATION OF EXCLUSIVE AGRICULTURAL USE ZONE.]

*Subdivision 1. [GENERAL.] An exclusive agricultural use zone continues in existence until either the owner or the county initiates expiration as provided in this section. The date of expiration by the owner or the county must be at least eight years from the date of notice under this section.*

*Subd. 2. [TERMINATION BY OWNER.] The owner may initiate expiration of an exclusive agricultural use zone by notifying the county on a form prepared by the commissioner and available in each county. The notice must describe the property involved and must state the date of expiration. The notice may be rescinded by the owner during the first two years following notice.*

*Subd. 3. [TERMINATION BY COUNTY.] The county may initiate expiration of the exclusive agricultural use zone by notifying the owner by registered mail on a form provided by the commissioner, provided that before notification the following conditions are met:*

*(a) The agricultural land preservation plan and official controls have been amended so that the land is no longer designated for long-term agricultural use; and*

*(b) The commissioner has reviewed and approved the amended plan and official controls for consistency with the guidelines contained in this chapter. The notice must describe the property involved and must state the date of expiration.*

*Subd. 4. [NOTICE AND RECORDING; TERMINATION.] When the county receives notice under subdivision 2 or serves notice under subdivision 3, the county shall forward the original notice to the county recorder for recording and shall notify the regional development commission and the county soil and water conservation district of the date of expiration. Designation as an exclusive agricultural use zone and the benefits and limitations contained in this chapter and the restrictive covenant filed with the application cease on the date of expiration. In the case of registered property, the county recorder shall cancel the restrictive covenant upon the certificate of title and the owner's duplicate certificate of title on the effective date of the expiration.*

*Subd. 5. [EARLY EXPIRATION.] An exclusive agricultural use zone may be terminated earlier than as provided in this section only in the event of a public emergency upon petition from the owner or county to the governor. The determination of a public emergency must be made by the governor through executive order under section 4.035 and chapter 12. The executive order must identify the exclusive agricultural use zone, the reasons requiring the action, and the date of expiration.*

Sec. 42. [40A.12] [PROTECTION FOR NORMAL AGRICULTURAL PRACTICES.]

*Local governments may not enact ordinances or regulations that may restrict or regulate normal agricultural practices within an exclusive agricultural use zone unless the restriction or regulation has a direct relationship to*

public health and safety. This section applies to the operation of vehicles and machinery for planting, maintaining, and harvesting crops and timber and for curing and feeding farm animals, to the type of farming, and to the design of farm structures, except for residences.

Sec. 43. [40A.13] [SOIL CONSERVATION PRACTICES.]

*Subdivision 1. [CONSERVATION PRACTICES TO PREVENT SOIL LOSS REQUIRED.] An owner of agricultural land in an exclusive agricultural use zone shall manage the land with sound soil conservation practices that prevent excessive soil loss. Soil loss is excessive if it is greater than the soil loss tolerance for each soil type described in the United States soil conservation service field office technical guide or if the soil loss is greater than the soil loss allowed in an ordinance of the county. A sound soil conservation practice prevents excessive soil loss or reduces soil loss to the most practicable extent. The county shall enforce this subdivision.*

*Subd. 2. [COMPLAINT.] An elected local government official or district board member from the affected jurisdiction may submit a written complaint to the county attorney if conditions exist that indicate there is excessive soil loss from a tract of land that affects another tract of land or body of water. The written complaint must contain the name and address of the landowner, the location of the tract of land with the excessive soil loss, other land or water that is affected by the excessive soil loss, and a description of the nature of the excessive soil loss and resulting sedimentation. The county attorney may submit the complaint to the district for soil loss determination.*

*Subd. 3. [DISTRICT DETERMINATION OF SOIL LOSS.] (a) Upon request by the county attorney the district shall determine the average soil loss in tons per acre per year of the tract of land cited in the complaint.*

*(b) The district shall submit a report to the county attorney that states the average soil loss in tons per acre per year for each tract of land and if that soil loss exceeds the amounts allowed in subdivision 1. If the soil loss is excessive the report must include the existing management and soil conservation practices and alternative practices that will prevent excessive soil loss or reduce the soil loss to the most practicable extent. If the report shows that the soil loss from the tract of land is excessive and alternative practices are available to reduce the soil loss the county attorney shall submit the complaint and the report to the county board.*

*(c) The district may enter public or private land to make an inspection for the determination of soil loss or to complete the report. The landowners must be notified of the time of the inspections and be given an opportunity to be present when the inspection is made.*

*Subd. 4. [COUNTY BOARD INSPECTION; RESOLUTION.] (a) Upon receipt of the complaint and district report from the county attorney the county board may make an inspection of the land cited in the complaint to determine if the land is managed properly. The county board may enter public or private land to make an inspection for the determination. The county board must notify landowners of the time of the inspection and give them an opportunity to be present when the inspection is made.*

*(b) If the county board determines that the land is managed properly the complaint must be dismissed. If the county board determines that the land is*

*not being managed properly the board shall adopt a resolution that describes alternative management practices; requires the owner within one year after receiving the resolution to commence practices or measures to reduce soil loss to the most practicable extent or prevent excessive soil loss, or submit a completed application for cost-sharing funds; and require that the practices or measures must be completed within one year after cost-sharing funds are available, or two years after receiving the resolution, whichever is later. The resolution must be delivered by personal service or certified mail to the landowner cited in the complaint.*

*Subd. 5. [DISTRICT ASSISTANCE.] At the request of a landowner receiving a resolution under subdivision 4, the district shall assist in the planning, design, and application of practices necessary to reduce soil loss to the amounts allowed in subdivision 1 or to the greatest practicable extent. The district shall give the landowner a high priority for technical and cost-sharing assistance.*

**Sec. 44. [40A.14] [AGRICULTURAL LAND PRESERVATION AND CONSERVATION AWARENESS PROGRAM.]**

*Subdivision 1. [ESTABLISHMENT AND ADMINISTRATION.] An agricultural land preservation and conservation awareness program is created. The commissioner shall administer the program as provided in this section. The purposes of the program are to promote and increase public awareness of:*

*(1) the need for agricultural land preservation and conservation and the consequences of resource degradation;*

*(2) the physical, environmental, and social factors that affect agricultural land use; and*

*(3) the availability and effectiveness of agricultural land preservation and conservation approaches and technologies.*

*The commissioner shall administer the program in order to develop a working partnership between the state and local governments.*

*Subd. 2. [SURVEY.] The commissioner shall survey awareness of agricultural land preservation and conservation problems, technologies, and available technical and financial resources. The survey must include:*

*(1) an assessment of related efforts of the United States department of agriculture, the state soil and water conservation board, the Minnesota association of soil and water conservation districts, and other related public and private organizations;*

*(2) an assessment of programs in other states; and*

*(3) an assessment of attitudes among a variety of target audiences in Minnesota that are involved in or affected by land use decisions.*

*Subd. 3. [PUBLIC PARTICIPATION.] The commissioner shall ensure the participation of a cross-section of the public in developing and promoting programs under this chapter. The commissioner shall actively solicit pub-*

*lic involvement in reviewing proposed agricultural land preservation plans and proposed official controls. The commissioner shall assist the public in obtaining information concerning the status of county proposals and the agricultural land preservation and conservation assistance program. The department may form a citizen advisory board to assist it in assessing needs, determining the feasibility of different approaches, and securing applications for assistance and resources in local situations.*

**Sec. 45. [40A.15] [AGRICULTURAL LAND PRESERVATION AND CONSERVATION ASSISTANCE PROGRAM.]**

*Subdivision 1. [ESTABLISHMENT AND ADMINISTRATION.] An agricultural land preservation and conservation assistance program is created to provide technical and financial assistance for agricultural land preservation and conservation activities and to provide assistance to counties and municipalities in preparing agricultural land preservation plans and official controls. The commissioner shall administer the program under rules promulgated under chapter 14. The commissioner shall actively seek the involvement of local government officials in the rulemaking process.*

*Subd. 2. [ELIGIBLE RECIPIENTS.] All counties within the state, municipalities that prepare plans and official controls instead of a county, and districts are eligible for assistance under the program. Counties and districts may apply for assistance on behalf of other municipalities. In order to be eligible for financial assistance a county or municipality must agree to levy at least one-half mill on the dollar of assessed value of property within its jurisdiction for agricultural land preservation and conservation activities or otherwise spend the equivalent amount of local money on those activities, or spend \$15,000 of local money, whichever is less.*

*Subd. 3. [PROGRAM DEVELOPMENT.] In administering the program the commissioner shall time the promotion of public awareness and the distribution of technical and financial assistance in order to maximize the use of available resources, facilitate the agricultural land preservation process, and promote sound soil conservation practices.*

*Subd. 4. [FINANCIAL ASSISTANCE.] The commissioner shall administer grants for up to 50 percent of the cost of the activity to be funded, except that grants to the pilot counties shall be for 100 percent of the cost of preparing new plans and official controls required under this chapter. Grants may not be used to reimburse the recipient for activities that are already completed. Grants may be used to employ and train staff, contract with other units of government or private consultants, and pay other expenses related to promoting and implementing agricultural land preservation and conservation activities. The commissioner shall prepare and publish an inventory of sources of financial assistance. To the extent practicable, the commissioner shall assist recipients in obtaining matching grants from other sources.*

*Subd. 5. [TECHNICAL ASSISTANCE.] The commissioner shall provide for technical assistance for eligible recipients. The commissioner shall provide model plans and model official controls for the preservation of land for long-term agricultural use that address the elements contained in this chapter. To the extent practicable, the commissioner shall provide technical assistance through existing administrative structures. The commissioner may contract for the delivery of technical assistance by a regional develop-*

*ment commission, a district, any state or federal agency, any political subdivision of the state, or private consultants. The commissioner shall prepare and publish an inventory of sources of technical assistance, including studies, publications, agencies, and persons available.*

Sec. 46. [40A.16] [INTERAGENCY COOPERATION.]

*The board, districts, the agency, and the department of natural resources shall cooperate with and assist the commissioner in developing and implementing the agricultural land preservation and conservation awareness and assistance programs. The commissioner may enter into agreements under which staff from those agencies are loaned for the purpose of administering the programs.*

Sec. 47. [40A.17] [REPORT.]

*The commissioner shall report to the legislature on January 1 and July 1 of each year on activities under this chapter. By July 1, 1985, the report must include the survey of public awareness in the awareness program. The report shall include recommendations for funding levels and other necessary legislative action.*

Sec. 48. Minnesota Statutes 1983 Supplement, section 43A.04, subdivision 8, is amended to read:

Subd. 8. [DONATION OF TIME ~~BY STATE PATROL.~~] Notwithstanding any law to the contrary, the commissioner shall authorize the appointing authority to permit the donation of up to three hours of accumulated vacation time in each year by each employee who is a member of law enforcement unit number 1 to their union representative for the purpose of carrying out the duties of his or her office.

Sec. 49. Minnesota Statutes 1982, section 117.195, subdivision 1, is amended to read:

Subdivision 1. [AWARD; INTEREST.] All damages allowed under this chapter, whether by the commissioners or upon appeal, shall bear interest from the time of the filing of the commissioner's report or from the date of the petitioner's possession whichever occurs first. *The rate of interest shall be determined according to section 549.09.* If the award is not paid within 70 days after the filing, or, in case of an appeal within 45 days after final judgment, or within 45 days after a stipulation of settlement, the court, on motion of the owner of the land, shall vacate the award and dismiss the proceedings against the land.

Sec. 50. Minnesota Statutes 1982, section 117.232, subdivision 1, is amended to read:

Subdivision 1. When acquisition of private property is accomplished by the state department of transportation by direct purchase the owner shall be entitled to reimbursement for appraisal fees, not to exceed a total of ~~\$300~~ \$500. When acquisition of private property is accomplished by any other acquiring authority, the owner is entitled to reimbursement for appraisal fees, not to exceed ~~\$300~~ \$500, if the owner is otherwise entitled to reimbursement under sections 117.50 to 117.56. The purchaser in all instances shall inform the owner of his right, if any, to reimbursement for appraisal fees reasonably incurred, in an amount not to exceed ~~\$300~~ \$500, together with relocation

costs, moving costs and any other related expenses to which an owner is entitled by sections 117.50 to 117.56. This subdivision does not apply to acquisition for utility purposes made by a public service corporation organized pursuant to section 300.03 or electric cooperative associations organized pursuant to section 308.05.

Sec. 51. Minnesota Statutes 1982, section 155A.06, subdivision 1, is amended to read:

Subdivision 1. [CREATION.] The Minnesota cosmetology advisory council is created, consisting of ~~nine~~ *11* members, as follows: Three members representative of consumers; ~~three~~ *four* cosmetologists or shop managers; ~~two~~ *three* cosmetology school representatives, *at least one representing of whom shall represent public cosmetology schools and one representing represent private cosmetology schools;* and one representative of manufacturers of cosmetology products. The chair shall be selected at the first meeting of each year by the council from among its members by majority vote and shall serve until a successor is elected.

Sec. 52. Minnesota Statutes 1982, section 161.173, is amended to read:

161.173 [SUBMISSION OF CORRIDOR PROPOSAL.]

The commissioner shall submit to the governing body of each municipality wherein a trunk highway is proposed to be constructed or improved, and to the governing body of each municipality adjacent to any such municipality, a report containing: a statement of the need for this proposed construction or improvement, a description of alternate routes which were considered by the commissioner and an explanation of the advantages and disadvantages in the selection of any route considered. The report shall also contain for each alternate, the following information: general alignment and profile, approximate points of access, highway classification, an approximate cost estimate, relation to existing and planned regional and local development and to other transportation routes and facilities, and a statement of the expected general effect on present and future use of the property within the corridor. Where a state trunk highway is proposed to be constructed or improved within the metropolitan area, a copy of the report shall also be submitted to the metropolitan council and the ~~metropolitan transit commission~~ *regional transit board* established by chapter 473. In all areas of the state a copy of the report shall be sent to established regional, county and municipal planning commissions in the area affected by the highway project. Not less than 45 nor more than 90 days, or as otherwise mutually agreed, after the report has been submitted, the commissioner shall hold a public hearing on the proposed highway construction or improvement at such time and place within any municipality wherein a portion of the proposed construction or improvement is located, as the commissioner shall determine. Not less than 30 days before the hearing the commissioner shall mail notice thereof to the governing body of each municipality or agency entitled to receive a copy of the report, and shall cause notice of the hearing to be published at least once each week for two successive weeks in a newspaper or newspapers having general circulation in such municipalities, the second publication to be not less than five days before the date of the hearing. The notice shall state the date, time, place and purpose of the hearing, shall describe the proposed or actual general location of the highway to be constructed or improved, and shall state

where the report may be inspected prior to the hearing by any interested person. The hearing shall be conducted by the commissioner or his designee, and shall be transcribed and a record thereof mailed to each municipality or agency entitled to receive a copy of the report. All interested persons shall be permitted to present their views on the proposed highway construction or improvement. The hearing may be continued as often as necessary. Within 120 days after the hearing is completed, the governing body of each municipality or agency entitled to receive a copy of the report shall submit to the commissioner its approval or disapproval of the report. If all or any part of the report is disapproved, the municipality or agency shall state the reasons for such disapproval and suggested changes in the report. The commissioner shall, before preparing additional plans for the proposed highway construction or improvement, submit to the governing body of each municipality or agency disapproving the report, a statement accepting or rejecting any suggested changes and the reasons for his acceptance or rejection.

Sec. 53. Minnesota Statutes 1982, section 161.174, is amended to read:

161.174 [SUBMISSION OF LAYOUT PLANS.]

The commissioner shall submit to the governing body of each municipality wherein a highway is proposed to be constructed or improved, a proposed layout plan for the highway construction or improvement containing: the proposed location, elevation, width and geometrics of the construction or improvement, together with a statement of the reasons therefor. Said plan shall also contain: approximate right-of-way limits; a tentative schedule for right-of-way acquisition, if known; proposed access points; frontage roads; separation structures and interchanges; location of utilities, when known; landscaping, illumination, a tentative construction schedule, if known; and the estimated cost of the construction or improvement. The commissioner shall submit more than one layout plan. Each such plan shall also be submitted to the metropolitan council and the ~~metropolitan transit commission~~ *regional transit board* if any portion of the proposed highway construction or improvement is located in the metropolitan area. In all areas of the state a copy of the layout plan shall be sent to established regional, county and municipal planning commissions in the area affected by the highway project. Not less than 90 nor more than 120 days after said plan has been submitted, the commissioner shall hold a public hearing on the proposed highway construction or improvement at such time and place within any municipality wherein a portion of the construction or improvement is located, as the commissioner shall determine. The hearing shall be noticed, held and conducted in the manner provided in section 161.173, except that the commissioner shall mail notice of the hearing only to those municipalities and agencies entitled to receive a copy of the layout plan. The hearing shall be transcribed and a record thereof made available to each municipality or agency entitled to receive a copy of said plan. Within 180 days after the hearing is completed, the commissioner shall formally adopt a layout plan. A copy of the layout plan as adopted shall be submitted to each municipality or agency entitled to receive a copy of the proposed plan, together with the reasons for any change in the plan as presented at the hearing. Within 120 days after the receipt of the adopted layout plan, each such municipality or agency shall submit to the commissioner its approval or disapproval of the layout plan and the reasons for such disapproval, and proposed alternatives, which may include a rec-



ommendation of no highway. Such alternatives submitted by a municipality located within the metropolitan area shall, upon request of the municipality, be reviewed by the metropolitan council in order to determine whether such alternatives are likely to meet minimum federal requirements. The metropolitan council is authorized to provide whatever assistance it deems advisable to the submitting municipality in order to assist it in arriving at an alternative which meets minimum federal requirements. If said plan or any part thereof is not disapproved within such period, the commissioner may proceed to prepare final construction plans and specifications for the highway construction or improvement consistent with the adopted layout plan, and may acquire the necessary right-of-way. If the layout plan or any part thereof is disapproved by any municipality or agency, and the commissioner determines to proceed with the plan without modifications, he shall proceed in the manner provided in section 161.175. If the commissioner determines to proceed with the plan with modifications, he shall submit the modified layout plan to the municipalities and agencies entitled to receive the original layout plan in the manner described above, for approval or disapproval by each such municipality or agency within 60 days after receipt of the modified layout plan. If the modified layout plan or any part thereof is not disapproved by any municipality or agency within 60 days after its receipt, the commissioner may proceed to prepare final construction plans and specifications consistent with the modified layout plan, and may acquire the necessary right-of-way. If the modified plan is disapproved by any municipality and the commissioner determines to proceed with the plan without additional modification, he shall proceed in the manner provided in section 161.175. If the layout plan is disapproved, either as originally submitted or as modified and the commissioner does not act pursuant to section 161.175, within one year from the date of the completion of the hearing, any objecting municipality entitled to receive a copy of the layout plan by virtue of this section may invoke the appellate procedure pursuant to section 161.175, in the same manner as the same might be invoked by the commissioner. In the event the appellate procedure is invoked by either the commissioner or the municipality, the commissioner shall hold a public hearing prior to the appointment of an appeal board. Such hearing shall be limited to the proposed alternative layout plans.

Sec. 54. Minnesota Statutes 1982, section 161.242, subdivision 3, is amended to read:

Subd. 3. [UNAUTHORIZED JUNK YARDS PROHIBITED.] (4) ~~No~~ (a) A junk yard may *not* exist or be operated outside a zoned or unzoned industrial area, including those located on public lands ~~and reservations of the United States~~, unless it ~~be~~ *is* screened ~~so~~ as to effectively conceal it from the view of motorists using the highway. The screening required by this section may be effected by trees, shrubs, or foliage, natural objects, fences or other appropriate means as determined by standards established by the commissioner. Plantings ~~which that~~ will eventually achieve effective screening shall be acceptable. Plantings shall be used in connection with any fence or other non-natural screening device.

(2) ~~Any such~~ (b) ~~A portion of a junk yard or portion thereof which that~~ cannot be effectively be screened ~~shall~~ *must* be removed or relocated ~~pursuant to~~ *under* the provisions of this section ~~on or before July 1, 1979~~. ~~Any such~~ A junk yard lawfully existing ~~on~~ *along* a highway ~~which that~~ is made a part of

the trunk highway system after January 1, 1975, and becomes nonconforming thereby shall be effectively screened or removed or relocated within four years thereafter. Any junk yard which that comes into existence after July 1, 1971 which that does not conform to this section, or which that becomes nonconforming after July 1, 1971, or which that becomes nonconforming after action by the commissioner pursuant to this section, is hereby declared to be a public nuisance and illegal, and the commissioner may enter upon the land where the junk yard is located and may screen the same, or may relocate or dispose of the junk yard after 90 days notice to the owner or dealer thereof, if known, or to the owner of the land. In this event, no compensation shall be paid to the owner or dealer or owner of the land, and the commissioner may collect recover the cost of screening, removal, relocation or disposal from the owner or dealer, if known, or from the owner of the land upon which the junk yard is located. *Any costs recovered by the commissioner shall be deposited in the general fund.*

(3) (c) None of the articles commonly found in junk yards shall be allowed to remain on the grounds for more than 24 hours unless within the buildings or the properly screened area as provided herein, nor shall any junk in any junk yard be allowed to extend above existing or planned screening so as to be visible from the highway.

Sec. 55. Minnesota Statutes 1982, section 161.242, subdivision 4, is amended to read:

Subd. 4. [AUTHORITY; ENFORCEMENT.] The commissioner shall screen junk yards when required by this section at locations on the right-of-way of the highway or on lands within 1,000 feet of the right-of-way and shall pay for the costs thereof. If screening is not feasible because of economic or topographic reasons, the commissioner shall secure the removal, relocation or disposal of such junk yard by sale, agreement, or other means, and pay for the costs thereof. Notwithstanding the other provisions of this section, if a junk yard exists within one-half mile of the right-of-way of any trunk highway and is visible from the highway, the commissioner may acquire easements for screening purposes up to one-half mile from the edge of the right-of-way of the highway. The commissioner shall acquire such rights and interest in property, personal or real, necessary to carry out the purposes of this section by purchase, gift, or eminent domain proceedings and shall pay just compensation therefor. ~~The commissioner shall not expend any money to acquire rights or interests in junk yards under this section, except those for which acquisition proceedings were begun before June 8, 1979 or for which federal money has been appropriated by Congress for junk yards described in Title 23, United States Code, Section 136(j) and the federal share has been made available to the commissioner. All costs described herein shall be necessary for a highway purpose.~~

Sec. 56. Minnesota Statutes 1982, section 161.31, subdivision 1, is amended to read:

Subdivision 1. [MAPS.] The commissioner shall periodically publish a map showing the location and status of improvements of the trunk highway system. *Trunk highway maps may contain advertising as a means of offsetting the costs of preparing and distributing the maps. All advertising revenues received by the commissioner under this subdivision shall be deposited*

*in the trunk highway fund.*

Sec. 57. Minnesota Statutes 1983 Supplement, section 161.43, is amended to read:

**161.43 [RELINQUISHMENT OF HIGHWAY EASEMENTS.]**

The commissioner of transportation may relinquish and quitclaim to the fee owner an easement or portion of an easement owned but no longer needed by the transportation department for trunk highway purposes, upon payment to the transportation department of an amount of money equal to the appraised current market value of the easement. If the fee owner refuses to pay the required amount, or if after diligent search the fee owner cannot be found, the commissioner may convey the easement to an agency or to a political subdivision of the state upon terms and conditions agreed upon, or the commissioner may acquire the fee title to the land underlying the easement in the manner provided in section 161.20, subdivision 2. After acquisition of the fee title, the lands may be sold to the highest responsible bidder upon three weeks published notice of the sale in a newspaper or other periodical of general circulation in the county where the land is located. All bids may be rejected and new bids received upon like publication. If the lands remain unsold after being offered for sale to the highest bidder, the commissioner may retain the services of a licensed real estate broker to find a buyer. The sale price may be negotiated by the broker, but must not be less than 90 percent of the appraised market value as determined by the commissioner. The broker's fee must be established by prior agreement between the commissioner and the broker, and must not exceed ten percent of the sale price *for sales of \$10,000 or more*. The broker's fee must be paid to the broker from the proceeds of the sale.

Sec. 58. Minnesota Statutes 1983 Supplement, section 161.44, subdivision 6a, is amended to read:

Subd. 6a. [SERVICES OF A LICENSED REAL ESTATE BROKER.] If the lands remain unsold after being offered for sale to the highest bidder, the commissioner may retain the services of a licensed real estate broker to find a buyer. The sale price may be negotiated by the broker, but must not be less than 90 percent of the appraised market value as determined by the commissioner. The broker's fee must be established by prior agreement between the commissioner and the broker, and must not exceed ten percent of the sale price *for sales of \$10,000 or more*. The broker's fee must be paid to the broker from the proceeds of the sale.

Sec. 59. Minnesota Statutes 1982, section 168.27, subdivision 2, is amended to read:

Subd. 2. [NEW MOTOR VEHICLE DEALER.] No person shall engage in the business of selling or *arranging the sale of* new motor vehicles or shall offer to sell, solicit, *arrange* or advertise the sale of new motor vehicles without first acquiring a new motor vehicle dealer license. A new motor vehicle dealer licensee shall be entitled thereunder to sell, broker, wholesale or auction and to solicit and advertise the sale, broker, wholesale or auction of new motor vehicles covered by his franchise and any used motor vehicles or to lease and to solicit and advertise the lease of new motor vehicles and any used motor vehicles and such sales or leases may be either for consumer

use at retail or for resale to a dealer. Nothing herein shall be construed to require an applicant for a dealer license who proposes to deal in new and unused motor vehicle bodies to have a bona fide contract or franchise in effect with the manufacturer or distributor of any motor vehicle chassis upon which the new and unused motor vehicle body is mounted.

Sec. 60. Minnesota Statutes 1982, section 168.27, subdivision 3, is amended to read:

Subd. 3. [USED MOTOR VEHICLE DEALER.] No person shall engage in the business of selling *or arranging the sale of* used motor vehicles or shall offer to sell, solicit, *arrange* or advertise the sale of used motor vehicles without first acquiring a used motor vehicle dealer license. A used motor vehicle dealer licensee shall be entitled thereunder to sell, lease, broker, wholesale or auction and to solicit and advertise the sale, lease, broker, wholesale or auction of any used motor vehicles for consumer use at retail or for resale to a dealer.

Sec. 61. Minnesota Statutes 1982, section 168.33, subdivision 2, is amended to read:

Subd. 2. [POWERS.] The registrar shall have the power to appoint, hire and discharge and fix the compensation of the necessary employees, in the manner provided by law, as may be required to enable him to properly carry out the duties imposed upon him by the provisions of this chapter. As of April 14, 1976, the registrar may appoint, and for cause discontinue, a deputy registrar for any city as the public interest and convenience may require, without regard to whether the county auditor of the county in which the city is situated has been appointed as the deputy registrar for the county or has been discontinued as the deputy registrar for the county, and without regard to whether the county in which the city is situated has established a county license bureau which issues motor vehicle licenses as provided in section 373.32.

Effective August 1, 1976, the registrar may appoint, and for cause discontinue, a deputy registrar for any city as the public interest and convenience may require, if the auditor for the county in which the city is situated chooses not to accept appointment as the deputy registrar for the county or is discontinued as a deputy registrar, or if the county in which the city is situated has not established a county license bureau which issues motor vehicle license as provided in section 373.32. Any person appointed by the registrar as a deputy registrar for any city shall be a resident of the county in which the city is situated.

The registrar may appoint, and for cause discontinue, the county auditor of each county as a deputy registrar. The auditor, with the approval of the director of motor vehicles, may appoint, and for cause discontinue, the clerk or equivalent officer of each city or any other person as a deputy registrar as public interest and convenience may require, regardless of his county of residence. Notwithstanding any other provision, a person other than a county auditor or a director of a county license bureau, who was appointed by the registrar before August 1, 1976, as a deputy registrar for any city, may continue to serve as deputy registrar and may be discontinued for cause only by the registrar. The county auditor shall be responsible for the acts of deputy registrars appointed by him. Each such deputy, before entering upon the

discharge of his duties, shall take and subscribe an oath to faithfully discharge his duties and to uphold the laws of the state. If a deputy registrar appointed hereunder is not an officer or employee of a county or city, such deputy shall in addition give bond to the state in the sum of \$10,000, or such larger sum as may be required by the registrar, conditioned upon the faithful discharge of his duties as deputy registrar. *A corporation governed by chapter 302A may be appointed a deputy registrar. Upon application by an individual serving as a deputy registrar and the giving of the requisite bond as provided in subdivision 2 of this section, personally assured by the individual or another individual approved by the commissioner of public safety, a corporation named in an application shall become the duly appointed and qualified successor to the deputy registrar.* Each deputy registrar appointed hereunder shall keep and maintain, in a convenient public place within the place for which he is appointed, a registration and motor vehicle tax collection bureau, to be approved by the registrar, for the registration of motor vehicles and the collection of motor vehicle taxes thereon. He shall keep such records and make such reports to the registrar as that officer, from time to time, may require. Such records shall be maintained at the facility of the deputy registrar. The records and facilities of the deputy registrar shall at all times be open to the inspection of the registrar or his agents. He shall report daily to the registrar all registrations made and taxes and fees collected by him. The filing fee imposed pursuant to subdivision 7 shall be deposited in the treasury of the place for which he is appointed, or if such deputy is not a public official, he shall retain the filing fee, but the registration tax and any additional fees for delayed registration he has collected he shall deposit each day in an approved state depository to the credit of the state through the state treasurer. The place for which the deputy registrar is appointed through its governing body shall provide the deputy registrar with facilities and personnel to carry out the duties imposed by this subdivision if such deputy is a public official. In all other cases, the deputy shall maintain a suitable facility for serving the public.

Sec. 62. Minnesota Statutes 1983 Supplement, section 169.81, subdivision 2, is amended to read:

Subd. 2. [LENGTH OF VEHICLES.] (a) No single unit motor vehicle, except truck cranes which may not exceed 45 feet, unladen or with load may exceed a length of 40 feet extreme overall dimensions inclusive of front and rear bumpers, except that the governing body of a city is authorized by permit to provide for the maximum length of a motor vehicle, or combination of motor vehicles, or the number of vehicles that may be fastened together, and which may be operated upon the streets or highways of a city; provided, that the permit may not prescribe a length less than that permitted by state law. A motor vehicle operated in compliance with the permit on the streets or highways of the city is not in violation of this chapter.

(b) No single semitrailer may have an overall length, exclusive of non-cargo-carrying accessory equipment, including refrigeration units or air compressors, necessary for safe and efficient operation mounted or located on the end of the semitrailer adjacent to the truck or truck-tractor, in excess of 48 feet, except as provided in paragraph (d). No single trailer may have an overall length inclusive of tow bar assembly and exclusive of rear protective bumpers which do not increase the overall length by more than six inches, in

excess of 45 feet. For determining compliance with the provisions of this subdivision, the length of the semitrailer or trailer must be determined separately from the overall length of the combination of vehicles.

(c) No semitrailer or trailer used in a three-vehicle combination may have an overall length, exclusive of non-cargo-carrying accessory equipment, including refrigeration units or air compressors, necessary for safe and efficient operation mounted or located on the end of the semitrailer or trailer adjacent to the truck or truck-tractor, and further exclusive of the tow bar assembly, in excess of 28-1/2 feet. *The commissioner may not grant a permit authorizing the movement, in a three-vehicle combination, of a semitrailer or trailer that exceeds 28-1/2 feet, except that the commissioner may renew a permit that was granted before April 16, 1984 for the movement of a semitrailer or trailer that exceeds the length limitation in this paragraph.*

(d) The commissioner may issue an annual permit for a semitrailer in excess of 48 feet in length, if the distance from the kingpin to the centerline of the rear axle group of the semitrailer does not exceed 41 feet and if a combination of vehicles, which includes a semitrailer in excess of 48 feet for which a permit has been issued under this paragraph, does not exceed an overall length of 65 feet. The annual fee for a permit issued under this paragraph is \$36.

Sec. 63. Minnesota Statutes 1982, section 174.22, is amended by adding a subdivision to read:

*Subd. 2a. "Metropolitan area" has the meaning given it in section 473.121.*

Sec. 64. Minnesota Statutes 1982, section 174.22, subdivision 5, is amended to read:

*Subd. 5. "Operating deficit" means the amount by which the total prudent operating expenses incurred in the operation of the public transit system exceeds the amount of operating revenue derived therefrom and the amount of any social fare reimbursement pursuant to section 174.24, subdivision 4 from the system.*

Sec. 65. Minnesota Statutes 1982, section 174.22, subdivision 10, is amended to read:

*Subd. 10. "Urbanized area service" means a transportation service operating in an urban area of more than 50,000 persons but does not include services operated by the metropolitan transit commission, as defined in subdivision 4, or elderly and handicapped service, as defined in subdivision 13.*

Sec. 66. Minnesota Statutes 1982, section 174.22, subdivision 13, is amended to read:

*Subd. 13. "Elderly and handicapped service" means transportation service provided on a regular basis in urbanized or large urbanized areas, except for metro mobility service established under section 174.31, and designed exclusively or primarily to serve individuals who are elderly or handicapped and unable to use regular means of public transportation.*

Sec. 67. Minnesota Statutes 1982, section 174.23, subdivision 2, is amended to read:

Subd. 2. [FINANCIAL ASSISTANCE.] The commissioner shall seek out and select eligible recipients of financial assistance under sections 174.21 to 174.27. The commissioner shall establish by rule the procedures and standards for review and approval of applications for financial assistance submitted to the commissioner pursuant to sections 174.21 to 174.27. Any applicant shall provide to the commissioner any financial or other information required by the commissioner to carry out his duties. The commissioner may require local contributions from applicants as a condition for receiving financial assistance. Before the commissioner approves any grant, the application for the grant shall be reviewed and approved by the appropriate regional development commission ~~or the metropolitan council~~ only for consistency with regional transportation plans and development guides. If an applicant proposes a project within the jurisdiction of a transit authority or commission or a transit system assisted or operated by a city or county, the application shall also be reviewed by that commission, authority or political subdivision for consistency with its transit programs, policies and plans. Any regional development commission that has not adopted a transportation plan may review but may not approve or disapprove of any application.

Sec. 68. Minnesota Statutes 1982, section 174.23, subdivision 4, is amended to read:

Subd. 4. [RESEARCH; EVALUATION.] The commissioner shall conduct research and shall study, analyze, and evaluate concepts, techniques, programs, and projects to accomplish the purposes of sections 174.21 to 174.27, including traffic operations improvements, preferential treatment and other encouragement of transit and paratransit services and high-occupancy vehicles, improvements in the management and operation of regular route transit services, special provision for pedestrians and bicycles, management and control of parking, changes in work schedules, and reduction of vehicle use in congested and residential areas. The commissioner shall examine and evaluate such concepts, techniques, programs, and projects now or previously employed or proposed in this state and elsewhere. The commissioner or an independent third party under contract to the commissioner shall monitor and evaluate the management and operation of public transit systems, services, and projects receiving financial or professional and technical assistance under sections 174.21 to 174.27 or other state programs to determine the manner in which and the extent to which such systems, services, and projects contribute or may contribute to the purposes of sections 174.21 to 174.27. The commissioner shall develop and promote proposals and projects to accomplish the purposes of sections 174.21 to 174.27 and shall actively solicit such proposals from municipalities, counties, legislatively established transit commissions and authorities, regional development commissions, ~~the metropolitan council~~, and potential vendors. In conducting such activities the commissioner shall make the greatest possible use of already available research and information. The commissioner shall use the information developed under sections 174.21 to 174.27 in developing or revising the state transportation plan.

Sec. 69. Minnesota Statutes 1982, section 174.24, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT; PURPOSE.] A public transit participation program is established to carry out the objectives stated in section

174.21 by providing financial assistance from the state to eligible recipients *outside of the metropolitan area.*

Sec. 70. Minnesota Statutes 1982, section 174.24, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY; APPLICATIONS.] Any legislatively established public transit commission or authority, any county or statutory or home rule charter city providing financial assistance to or operating public transit, any private operator of public transit, or any combination thereof is eligible to receive financial assistance through the public transit participation program. *Eligible recipients must be located outside of the metropolitan area.*

Sec. 71. Minnesota Statutes 1983 Supplement, section 174.24, subdivision 3, is amended to read:

Subd. 3. [FINANCIAL ASSISTANCE.] Payment of financial assistance shall be by contract between the commissioner and an eligible recipient. The commissioner shall determine the total operating cost of any public transit system receiving or applying for assistance in accordance with generally accepted accounting principles. To be eligible for financial assistance, an applicant or recipient shall provide to the commissioner all financial records and other information and shall permit any inspection reasonably necessary to determine total operating cost and correspondingly the amount of assistance which may be paid to the applicant or recipient. Where more than one county or municipality contributes assistance to the operation of a public transit system, the commissioner shall identify one as lead agency for the purpose of receiving moneys under this section.

~~The commissioner shall adopt rules establishing uniform performance standards for private operators of regular route transit systems in the transit taxing district, as defined in section 473.446, subdivision 2. The rules are subject to the provisions in the Administrative Procedure Act of sections 14.01 to 14.70. Payments to those private operators shall be based on the uniform performance standards and operating deficit and shall not exceed 100 percent of the operating deficit as determined by the commissioner. Payments shall be based on approved estimates of expenditures during the contract period and shall be subject to audit and adjustment after any payment has been made.~~

Prior to distributing operating assistance to eligible recipients for any contract period, the commissioner shall place all 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, except as provided in an undue hardship case. The percentages shall be: for large urbanized area service, 55 percent; for urbanized area service and small urban area service, 40 percent; for rural area service, 35 percent; and for elderly and handicapped service, 35 percent. The remainder of the total operating cost will be paid from state funds less any assistance received by the recipient from any federal source. For purposes of this subdivision "local sources" means all local sources of funds and includes all operating revenue, tax levies, and contributions from public funds, except that the commissioner may exclude from the total assistance contract revenues derived from opera-



tions the cost of which is excluded from the computation of total operating cost.

If a recipient informs the commissioner in writing after the establishment of these percentages but prior to the distribution of financial assistance for any year that paying its designated percentage of total operating cost from local sources will cause undue hardship, the commissioner may reduce the percentage to be paid from local sources by the recipient and increase the percentage to be paid from local sources by one or more other recipients inside or outside the classification, provided that no recipient shall have its percentage thus reduced or increased for more than two years successively. If for any year the funds appropriated to the commissioner to carry out the purposes of this section are insufficient to allow the commissioner to pay the state share of total operating cost as provided in this paragraph, the commissioner shall reduce the state share in each classification to the extent necessary.

Sec. 72. Minnesota Statutes 1982, section 174.24, subdivision 5, is amended to read:

Subd. 5. [METHOD OF PAYMENT.] Payments under this section to recipients other than the metropolitan transit commission and private operators within the seven-county metropolitan area whose deficits are funded 100 percent by the state shall be made in the following manner:

- 50 percent of the total contract amount in the first month of operation;
- 40 percent of the total contract amount in the seventh month of operation;
- 9 percent of the total contract amount in the twelfth month of operation; and
- 1 percent of the total contract amount after the final audit.

The method of payment under this section to private operators within the seven-county metropolitan area whose deficits are funded 100 percent by the state shall be determined by the commissioner.

Sec. 73. Minnesota Statutes 1982, section 174.265, subdivision 3, is amended to read:

Subd. 3. [ELIGIBILITY.] The commissioner may provide assistance under the program to any statutory or home rule charter city or town, or group of such cities or towns, which: (a) is located within the metropolitan transit taxing district, as defined in section 473.446, subdivision 2; (b) is not served by the metropolitan transit commission or is served only with bus routes which end or begin within the city or town, or group of cities or towns; and (c) has fewer than four scheduled runs of bus service provided by the commission during off-peak hours; and (d) is receiving assistance or has submitted an application or a letter of intent to apply for assistance under the program by July 1, 1984. Eligible cities or towns may apply on behalf of any operator of public transit with whom they propose to contract for service.

Sec. 74. [174.32] [TRANSIT ASSISTANCE PROGRAM.]

Subdivision 1. [ESTABLISHMENT; PURPOSE.] A transit assistance program is established to provide transit assistance within the state. The commissioner shall provide financial assistance from the fund created in subdivision 2 to eligible recipients for transit service activities as provided in

*this section.*

*Subd. 2. [TRANSIT ASSISTANCE FUND; DISTRIBUTION.] A transit assistance fund is created for the purpose of receiving money distributed under section 297B.09. The commissioner shall distribute 80 percent of the receipts of the fund to recipients located in the metropolitan area and 20 percent to recipients located outside of the metropolitan area.*

*Subd. 3. [ELIGIBLE RECIPIENTS.] A legislatively established public transit commission; a public authority organized and existing under chapter 398A; a county or statutory or home rule charter city operating, intending to operate, or providing financial assistance to a transit service; a rail authority; or a private operator of public transit is eligible for assistance under the program.*

*Subd. 4. [ELIGIBLE SERVICES.] Transit services eligible for assistance under the program include but are not limited to:*

- (1) public transit;*
- (2) light rail transit;*
- (3) commuter van, car pool, ride share, and park and ride; and*
- (4) other services that further the purposes of section 174.21.*

*Subd. 5. [ELIGIBLE ACTIVITIES.] Activities eligible for assistance under the program include but are not limited to:*

- (1) planning and engineering design for transit services;*
- (2) capital assistance to purchase or refurbish transit vehicles, purchase rail lines and associated facilities for light rail transit, purchase rights-of-way, and other capital expenditures necessary to provide a transit service; and*
- (3) other assistance for public transit services.*

**Sec. 75. [221.022] [METROPOLITAN TRANSIT COMMISSION; EXCEPTION.]**

*The powers granted to the board under sections 221.011 to 221.296 do not include the power to regulate any service or vehicles operated by the metropolitan transit commission.*

**Sec. 76. Minnesota Statutes 1983 Supplement, section 221.041, is amended by adding a subdivision to read:**

*Subd. 4. [NONAPPLICABILITY.] This section does not apply to any regular-route passenger transportation being performed with operating assistance provided by the regional transit board.*

**Sec. 77. Minnesota Statutes 1983 Supplement, section 221.071, subdivision 1, is amended to read:**

**Subdivision 1. [CONSIDERATIONS; TEMPORARY CERTIFICATES; AMENDING.]** If the board finds from the evidence that the petitioner is fit and able to properly perform the services proposed and that public convenience and necessity require the granting of the petition or a part of the petition, it shall issue a certificate of public convenience and necessity to the petitioner. In determining whether a certificate should be issued, the board

shall give primary consideration to the interests of the public that might be affected, to the transportation service being furnished by a railroad which may be affected by the granting of the certificate, and to the effect which the granting of the certificate will have upon other transportation service essential to the communities which might be affected by the granting of the certificate. The board may issue a certificate as applied for or issue it for a part only of the authority sought and may attach to the authority granted terms and conditions as in its judgment public convenience and necessity may require. *If the petitioner is seeking authority to operate regular-route transit service wholly within the seven-county metropolitan area with operating assistance provided by the regional transit board, the board shall consider only whether the petitioner is fit and able to perform the proposed service. The operating authority granted to such a petitioner must be the operating authority for which the petitioner is receiving operating assistance from the regional transit board. A carrier receiving operating assistance from the regional transit board may amend his certificate to provide for additional routes by filing a copy of the amendment with the board, and approval of the amendment by the board is not required if the additional service is provided with operating assistance from the regional transit board.*

The board may grant a temporary certificate, ex parte, valid for a period not exceeding 180 days, upon a showing that no regular route common carrier or petroleum carrier is then authorized to serve on the route sought, that no other petition is on file with the board covering the route, and that a need for the proposed service exists.

A certificate issued to a regular route common carrier or petroleum carrier may be amended by the board on ex parte petition and payment of a \$25 fee to the commissioner, to grant an additional or alternate route if there is no other means of transportation over the proposed additional route or between its termini, and the proposed additional route does not exceed ten miles in length.

Sec. 78. Minnesota Statutes 1982, section 221.295, is amended to read:

**221.295 [NOTICE TO METROPOLITAN TRANSIT COMMISSION REGIONAL TRANSIT BOARD.]**

Notwithstanding any provision of any statute to the contrary, the ~~metropolitan transit commission shall~~ *regional transit board must* be notified by the commissioner of any matter ~~pertaining to or~~ affecting public transit or an existing or proposed transit system within the ~~Twin Cities seven-county metropolitan transit area~~, which matter is formally or informally before the commissioner or board for action or which is under study, including the initiation of any request for action or study and prior to any hearings on other proceedings, whether ex parte or otherwise. ~~Further, such~~ Notification ~~shall~~ *must* in all cases be given in a manner, at such time, and with such information and data available to the commissioner or board ~~so~~ as to enable the ~~metropolitan transit commission~~ *regional transit board* to meaningfully evaluate, participate in, and comment upon the matter. The commissioner or board shall not approve, deny, or otherwise attempt to resolve or act upon ~~any such~~ *the* matter until receipt of the comments and advice of the ~~metropolitan transit commission~~ *regional transit board* with respect thereto, but if none are received they may act within 30 days after demand ~~therefor upon~~ *of the metro-*

~~politan transit commission regional transit board~~, or otherwise by mutual agreement. If the commissioner or board takes action in any way contrary to or different from the comments and advice of the ~~metropolitan transit commission regional transit board~~, they shall specifically state the reasons and factual data for ~~such~~ the action.

Sec. 79. Minnesota Statutes 1982, section 239.10, is amended to read:

239.10 [ANNUAL INSPECTION.]

The department shall charge a fee to the owner for the costs of the regular inspection of scales, weights, measures, and weighing or measuring devices. The cost of any other inspection ~~shall~~ *must* be paid by the owner if the inspection is performed at ~~his~~ *the owner's* request or if the inspection is made at the request of some other person and the scale, weight, measure, or weighing or measuring device is found to be incorrect. The department may fix the fees and expenses for ~~all~~ regular inspections and special services, *except that no additional fee may be charged for retail petroleum pumps, petroleum vehicle meters, and petroleum bulk meters that dispense petroleum products for which the petroleum inspection fee required by section 296.13 is collected.* ~~All moneys~~ Money collected by the department for its regular inspections, special services, fees, and penalties ~~shall~~ *must* be paid into the state treasury and credited to the state general fund.

Sec. 80. Minnesota Statutes 1983 Supplement, section 240.06, subdivision 7, is amended to read:

Subd. 7. [LICENSE SUSPENSION AND REVOCATION.] The commission may revoke a class A license for a violation of law, order, or rule which in the commission's opinion adversely affects the integrity of horse racing in Minnesota, or for an intentional false statement made in a license application, or for a willful failure to pay any money required to be paid by Laws 1983, chapter 214, *and may revoke for failure to perform material covenants or representations made in a license application.*

The commission may suspend a class A license for up to one year for a violation of law, order, or rule which in the commission's opinion adversely affects the integrity of horse racing in Minnesota, and may suspend a class A license indefinitely if it determines that the licensee has as an officer, director, shareholder, or other person with a direct, indirect, or beneficial interest a person who is in the commission's opinion inimical to the integrity of horse racing in Minnesota or who cannot be certified under subdivision 1, clause (d).

A license revocation or suspension under this subdivision is a contested case under sections 14.57 to 14.70 of the Administrative Procedure Act, and is in addition to criminal penalties imposed for a violation of law or rule.

Sec. 81. Minnesota Statutes 1982, section 296.13, is amended to read:

296.13 [INSPECTION FEES.]

An inspection fee shall be charged on petroleum products when received by the distributor, and on petroleum products received and held for sale or use by any person when such petroleum products have not theretofore been received by a licensed distributor. ~~The fee charged shall be uniform and in an amount determined by the commissioner but not to exceed one and three-~~

~~quarters cents per 50 gallons. The commissioner shall adjust the inspection fee to recover the amount appropriated for petroleum product quality inspection expenses and the amount appropriated for the inspection and testing of petroleum product measuring devices as required by chapter 239. The commissioner shall review and adjust the inspection fee as required by section 16A.128 but notwithstanding section 16A.128, the review of the fee shall occur annually on or before January 1, of each year.~~

Credit shall be allowed the distributor by the commissioner for inspection fees previously paid in error or on any material exported or sold for export from the state upon filing of a report in a manner approved by the commissioner.

Sec. 82. Minnesota Statutes 1983 Supplement, section 297B.09, is amended to read:

297B.09 [ALLOCATION OF REVENUE.]

Subdivision 1. [GENERAL FUND SHARE.] Money collected and received under this chapter must be deposited in the state treasury and credited as follows:

~~(a) All of the proceeds collected before July 1, 1985, must be credited to the general fund.~~

~~(b) Three-fourths of the proceeds collected after June 30, 1985, and before July 1, 1987, must be credited to the general fund.~~

~~(c) One-half of the proceeds collected after June 30, 1987, and before July 1, 1989, must be credited to the general fund.~~

~~(d) One-fourth of the proceeds collected after June 30, 1989, and before July 1, 1991, must be credited to the general fund.~~

~~(e) After June 30, 1991, none of the proceeds collected may be credited to the general fund to the general fund. The amounts collected and received shall be credited to the highway user tax distribution fund and the transit assistance fund as provided in subdivision 2, and transferred from the general fund on July 15 and January 15 of each fiscal year. The commissioner of finance must make each transfer based upon the actual receipts of the preceding six calendar months and include the interest earned during that six-month period. The commissioner of finance may establish a quarterly or other schedule providing for more frequent payments to the transit assistance fund if he determines it is necessary or desirable to provide for the cash flow needs of the recipients of moneys from the transit fund.~~

Subd. 2. [HIGHWAY USER TAX DISTRIBUTION FUND AND TRANSIT ASSISTANCE FUND SHARE.] The proceeds collected under this chapter ~~and not credited to the general fund~~ must be deposited in the highway user tax distribution fund and the transit assistance fund for apportionment in the following manner:

(a) None of the proceeds collected before July 1, ~~1985~~ 1984, may be credited to either fund.

(b) 18.75 percent of the proceeds collected after June 30, ~~1985~~ 1984, and before July 1, 1987, must be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as

other money in that fund. The remaining 6.25 percent of the proceeds must be credited to the transit assistance fund ~~account~~ to be appropriated to the commissioner of transportation for transit assistance within the state.

(c) 37.5 percent of the proceeds collected after June 30, 1987, and before July 1, 1989, must be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 12.5 percent of the proceeds must be credited to the transit assistance fund ~~account~~ to be appropriated to the commissioner of transportation for transit assistance within the state.

(d) 56.25 percent of the proceeds collected after June 30, 1989, and before July 1, 1991, must be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 18.75 percent of the proceeds must be credited to the transit assistance fund ~~account~~ to be appropriated to the commissioner of transportation for transit assistance within the state.

(e) 75 percent of the proceeds collected after June 30, 1991, must be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 25 percent of the proceeds must be credited to the transit assistance fund ~~account~~ to be appropriated to the commissioner of transportation for transit assistance within the state.

Sec. 83. Minnesota Statutes 1982, section 299D.03, subdivision 2, is amended to read:

Subd. 2. [SALARIES.] (1) Each employee other than the chief supervisor, lieutenant colonel, majors, captains, corporals and sergeants hereinafter designated shall be known as patrol troopers.

(2) There may be appointed one lieutenant colonel; and such majors, captains, corporals, sergeants and troopers as the commissioner deems necessary to carry out the duties and functions of the state patrol. Persons in above named positions shall be appointed by law and have such duties as the commissioner may direct and, except for troopers, shall be selected from the patrol troopers, corporals, sergeants, captains, and majors who shall have had at least five years' experience as either patrol troopers, corporals, sergeants, or supervisors.

(3) The salary rates for all state patrol troopers, corporals and sergeants shall be deemed to include \$6 per day reimbursement for shift differential, meal and business expenses incurred by state patrol troopers, corporals and sergeants in the performance of their assigned duties in their patrol areas; business expenses include, but are not limited to: uniform costs, home garaging of squad cars and maintenance of home office.

Sec. 84. Minnesota Statutes 1982, section 299F.63, is amended by adding a subdivision to read:

Subd. 4. [COST OF INSPECTION AND REVIEW.] *The state fire marshal shall establish, by rule under section 16A.128, a fee to recover the state share of all costs related to field inspections, investigations of pipeline facilities, plan review, and other duties as provided by sections 299F.56 to 299F.63. Fees collected under this subdivision shall be credited to the gen-*

eral fund.

Sec. 85. Minnesota Statutes 1982, section 340.11, subdivision 11a, is amended to read:

Subd. 11a. [ON-SALE LICENSES TO CERTAIN SPORTS COMMISSIONS.] Notwithstanding any law or municipal charter provision to the contrary, on-sale licenses for the sale of intoxicating liquor may be issued to establishments located on lands owned by the commission created in sections 473.551 to 473.595 and which are used primarily for sports and recreational purposes upon payment of the regular on-sale license fee therefor to the municipality wherein the licensed premises are located. Such licenses shall authorize the sale of intoxicating liquor to club members and guests only. *Notwithstanding any other law, or municipal charter provision or ordinance to the contrary, retail "on-sale" licenses permitting the sale of nonintoxicating malt liquors issued to establishments located on lands owned by the commission created in section 473.553 permit the licensees to sell nonintoxicating malt liquors, in addition to other times permitted by law, between the hours of 10:00 a.m. and 12:00 noon on any Sunday on which a sports or other event is scheduled to begin at that location at or before 1:00 p.m. on that day.*

Sec. 86. Minnesota Statutes 1982, section 345.47, subdivision 1, is amended to read:

Subdivision 1. Except as provided in ~~subdivision~~ *subdivisions 3 and 5*, all abandoned property other than money delivered to the ~~state treasurer~~ *commissioner* under sections 345.31 to 345.60 shall within one year after the delivery be sold by him to the highest bidder at public sale in whatever city in the state affords in his judgment the most favorable market for the property involved. The ~~state treasurer~~ *commissioner* may decline the highest bid and reoffer the property for sale if he considers the price bid insufficient. He need not offer any property for sale if, in his opinion, the probable cost of sale exceeds the value of the property.

Sec. 87. Minnesota Statutes 1982, section 345.47, is amended by adding a subdivision to read:

*Subd. 5. The commissioner shall provide the Minnesota historical society with an inventory of abandoned property, other than money, six months prior to public sale. The society may select for its collections any items it finds of historical value. The society shall make its selection before the commissioner appraises or sorts the material for public sale. The society has 90 days from the date of notification by the commissioner to exercise the authority granted by this subdivision.*

Sec. 88. Minnesota Statutes 1982, section 345.525, is amended to read:

345.525 [PROPERTY HAVING NO APPARENT COMMERCIAL OR HISTORICAL VALUE.]

~~Property delivered to the state treasurer pursuant to chapter 345 which has no apparent commercial value shall be made available for inspection by the Minnesota historical society to determine if the property has any historical value. If the society judges any property to be of historical value, the state treasurer shall turn the property over to the society for safekeeping. The commissioner may, in his discretion, withhold the property from sales under this section. If it is~~

determined that property delivered to the ~~state treasurer~~ *commissioner* has no commercial or historical value he may thereafter destroy or otherwise dispose of the property, and in that event no action or proceeding shall be brought or maintained against the state or any officer thereof or against the holder for or on account of any action taken by the ~~state treasurer~~ *commissioner* pursuant to chapter 345 with respect to the property. The ~~state treasurer~~ *commissioner* shall keep a record of all items destroyed under this section, and all items held by the historical society, including the name and address of the owner of the property and the person who delivered the property to him, the date of delivery, a description of the property destroyed and the date of destruction.

Sec. 89. [349.50] [DEFINITIONS.]

*Subdivision 1. [TERMS.] For the purposes of sections 89 to 99, the terms defined in this section have the meanings given them.*

*Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of public safety.*

*Subd. 3. [DEPARTMENT.] "Department" means the department of public safety.*

*Subd. 4. [DISTRIBUTOR.] "Distributor" means a person which manufactures, sells, markets, advertises, or otherwise distributes video games of chance.*

*Subd. 5. [LOCATION AGREEMENT.] "Location agreement" is an agreement between an operator and an owner for the placement of video games of chance for use by the public.*

*Subd. 6. [OPERATOR.] "Operator" means a person which holds legal title to video games of chance and places them for use by the public pursuant to a location agreement.*

*Subd. 7. [OWNER.] "Owner" means a person operating a business in which video games of chance are placed for use by the public.*

*Subd. 8. [VIDEO GAME OF CHANCE.] "Video game of chance" means games or devices that simulate games commonly referred to as poker, blackjack, craps, hi-lo, roulette or other common gambling forms, though not offering any type of pecuniary award or gain to players. The term also includes any video game having one or more of the following characteristics:*

*(1) it is primarily a game of chance, and has no substantial elements of skill involved;*

*(2) it awards game credits or replays and contains a meter or device which records unplayed credits or replays and contains a device that permits them to be cancelled.*

*Subd. 9. [PRIVATE CLUBS.] "Private clubs" are clubs holding club on-sale licenses issued under section 340.11, subdivision 11.*

Sec. 90. [349.51] [DISTRIBUTOR AND OPERATOR LICENSES.]

*Subdivision 1. [LICENSE REQUIRED.] No person shall engage in the*



*business of a distributor or operator of video games of chance at any place of business without first having received a license from the department to engage in that business at that location.*

*Subd. 2. [APPLICATION; REQUIREMENTS.] (a) Every application for a license must be made on a form prescribed by the department and must state the name and address of the applicant. If the applicant is a firm, partnership, or association, the application must state the name and address of each of its members. If the applicant is a corporation, the application must state the name and address of each of its officers, the date of incorporation, the address of its principal place of business, the place where the business is to be licensed and business conducted, and information concerning whether or not any officer, director, resident manager, or direct salesman of the applicant has been convicted of a felony or convicted for a gambling offense within the past five years. The application may contain other information the department requires for licensing purposes.*

*(b) Every applicant for a license shall be a legal resident or be incorporated within the state of Minnesota prior to the date of application for a distributor or operator license.*

*(c) Every applicant shall disclose under oath to the commissioner whether or not the applicant has any financial, legal, or other interests in a licensed wholesale liquor or alcoholic beverage distributorship or video game of chance distributorship in another state.*

*(d) No distributor may also be a wholesale distributor of liquor or alcoholic beverages.*

*(e) No distributor in this state may also be a distributor in another state, unless the distributor adequately demonstrates that he does not manufacture video games of chance outside of this state for use, sale, or distribution within this state.*

*Subd. 3. [FEES.] (a) The annual license fee for a distributor license is \$10,000.*

*(b) The annual license fee for an operator license is \$2,500.*

*Subd. 4. [DISTRIBUTOR BOND.] An application for a distributor's license must be accompanied by a corporate surety bond issued by a surety licensed to do business in this state, in the sum of \$10,000, conditioned upon the true and faithful compliance by the distributor with all the provisions of the license. The bond required by this subdivision must be kept in full force during the period covered by the license.*

*Subd. 5. [LICENSE ISSUED.] Upon receipt of the application, the bond in proper form, and payment of the license required by subdivision 3, the department shall issue a license in form as prescribed by the department to the applicant, unless it determines that the applicant is otherwise unqualified. The license permits the applicant to whom it is issued to engage in business as a distributor or operator at the place of business shown in the application. The department must assign a license number to each person licensed at the time the initial license is issued. The license number must be inscribed upon all licenses issued to that distributor or operator.*

Sec. 91. [349.52] [VIDEO GAME OF CHANCE LICENSES.]

*Subdivision 1. [REQUIREMENTS.] In addition to a license, an operator must obtain from the commissioner an annual nontransferable license for each video game of chance. The license fee is \$120 per game. The fee must be prorated according to the number of months remaining in the calendar year at the time of the license application.*

*Subd. 2. [COLLECTION.] At the time a video game of chance is sold to an operator, the distributor must collect the license fee specified in subdivision 1. The distributor must affix to each game a stamp containing the operator's license number. All license fees must be given to the state treasurer for deposit in the account created in subdivision 3.*

*Subd. 3. [VIDEO GAMING LICENSE ACCOUNT.] There is created in the state treasury an account to be known as the "video gaming license account." All fees received by the state treasury pursuant to this section must be credited to this account. The commissioner shall, by January 10 of each year, certify to the state treasurer the number of video games of chance located in each city, and in each county outside of incorporated areas, on December 31 of the previous year. Within ten days of receiving this certification the state treasurer shall pay from the video gaming license account to each city and county \$30 for each video game of chance located in the city or in the county outside city limits. After making these payments he shall transfer the unexpended balance in the account to the general fund.*

*Subd. 4. [LOCAL FEES PROHIBITED.] A municipality may not impose a fee or tax of any kind on video games of chance.*

**Sec. 92. [349.53] [RECORD KEEPING DUTIES OF DISTRIBUTORS.]**

*A distributor shall keep at each licensed place of business complete and accurate records for that place of business, including invoices of video games of chance held, purchased, manufactured, brought in or caused to be brought in from outside the state, or shipped or transported to operators in this state, and of all sales of video games of chance made. The distributor must also keep adequate records of the names, addresses, and license numbers of operators to whom video games of chance are sold. All books, records, and other papers and documents required by this section to be kept must be preserved for a period of at least one year after the date of the documents, or the date of their entries as they appear in the records, unless the department, in writing, authorizes their destruction or disposal at an earlier date. At any time during usual business hours, the commissioner or his designated representatives may enter any place of business of a distributor without a search warrant and inspect the premises and the records required to be kept under this section, to determine whether or not all the provisions of this chapter are being fully complied with. If the commissioner or any representative is denied free access or is hindered or interfered with in making an examination, the license of the distributor at the premises is subject to revocation.*

**Sec. 93. [349.54] [ACCESS TO GAMES.]**

*The commissioner and his designated representatives must be given access to all video games of chance, whether the games are in the possession of distributors, operators, or owners, upon reasonable notice.*

**Sec. 94. [349.55] [GAME SPECIFICATIONS.]**

*No payment may be made directly from any game or in connection with the*

*operation of any device. Each game must contain a random character generator, and any internal meter must be nonresetable. Any game canceling replays or credits must cancel them no more than one at a time.*

Sec. 95. [349.56] [LOCATION AGREEMENTS.]

*An operator is required to have a location agreement with the owner where the game is placed for use by the public. The location agreement must show that the game is to be placed only in locations permitted by law. The location agreements, together with the other records of the operator, must be accessible to the commissioner and his designated representatives. The operator is required to certify under oath to the department annually the name and address of the location in which each game has been placed and that the games have been placed only in locations permitted by law. Placing a game in an illegal location is grounds for suspension or revocation of the operator's license.*

Sec. 96. [349.57] [PLACEMENT LIMITATIONS.]

*Subdivision 1. [NUMERICAL.] No more than two video games of chance may be operated in any location.*

*Subd. 2. [LOCATIONS.] Video games of chance may be operated only at licensed on-sale intoxicating liquor establishments and private clubs.*

Sec. 97. [349.58] [PENALTIES.]

*A violation of any of the provisions of sections 89 to 96 is punishable as a misdemeanor.*

Sec. 98. [349.59] [CONTRABAND.]

*Subdivision 1. [PACKAGES DECLARED TO BE CONTRABAND.] The following are declared to be contraband:*

*(1) all video games of chance which do not have a licensing stamp affixed to them and all containers that contain contraband video games of chance;*

*(2) all video games of chance to which the commissioner or his designated representatives have been denied access for the inspection of contents. In lieu of seizure, the commissioner or his designated representatives may seal the game to prevent its use until inspection of contents is permitted;*

*(3) all video games of chance at a location at which there is no location agreement in force; and*

*(4) all video games of chance illegally brought into the state.*

*Subd. 2. [SEIZURE.] Contraband may be seized by the commissioner or his designated representatives or by any sheriff or other police officer, with or without process, and is subject to forfeiture as provided in subdivision 3.*

*Subd. 3. [DISPOSITION OF SEIZED PROPERTY.] The person who has seized the property must follow the procedure set forth under section 297A.15, subdivision 4. Whenever the commissioner is satisfied that any person from whom property is seized under this section acting in good faith and without intent to evade the tax imposed by those sections, he shall release the property seized without further legal proceedings.*

Sec. 99. [349.60] [CONSTRUCTION; OTHER ACTIONS.]

*Subdivision 1. [CONSTRUCTION.] Video games of chance are also governed by sections 349.30 to 349.31 and 609.75 to 609.76.*

*Subd. 2. [OTHER ACTIONS.] Agencies of government may investigate and prosecute violations of the laws governing video games of chance as well as other laws relating to gambling.*

Sec. 100. Minnesota Statutes 1982, section 352.01, subdivision 2A, is amended to read:

Subd. 2A. [INCLUDED EMPLOYEES.] The following persons are included in the meaning of state employee:

- (1) Employees of the Minnesota Historical Society.
- (2) Employees of the State Horticultural Society.
- (3) Employees of the Disabled American Veterans, Department of Minnesota, Veterans of Foreign Wars, Department of Minnesota, if employed prior to July 1, 1963.
- (4) Employees of the Minnesota Crop Improvement Association.
- (5) Employees of the adjutant general who are paid from federal funds and who are not covered by any federal civilian employees retirement system.
- (6) Employees of the state universities employed under the university activities program.
- (7) Currently contributing employees covered by the system who are temporarily employed by the legislature during a legislative session or any currently contributing employee employed for any special service as defined in clause (8) of subdivision 2B.
- (8) Employees of the armory building commission.
- (9) Permanent employees of the legislature and persons employed or designated by the legislature or by a legislative committee or commission or other competent authority to make or conduct a special inquiry, investigation, examination or installation including permanent employees of the legislative research committee.
- (10) Trainees who are employed on a full time established training program performing the duties of the classified position for which they will be eligible to receive immediate appointment at the completion of the training period.
- (11) Employees of the Minnesota Safety Council.
- (12) Employees of the transit operating division of the metropolitan transit commission and any employees on authorized leave of absence from the transit operating division who are employed by the labor organization which is the exclusive bargaining agent representing employees of the transit operating division.
- (13) Employees of the metropolitan council, metropolitan parks and open space commission, *regional transit board*, metropolitan transit commission, metropolitan waste control commission, metropolitan sports facilities commission or the metropolitan mosquito control commission unless excluded or covered by another public pension fund or plan pursuant to sections 473.141, subdivision 12, or 473.415, subdivision 3.

(14) Judges of the tax court.

Sec. 101. Minnesota Statutes 1982, section 473.121, subdivision 7, is amended to read:

Subd. 7. "Metropolitan commission" means the metropolitan waste control commission, ~~the metropolitan transit commission,~~ and other such commissions as the legislature may hereafter designate.

Sec. 102. Minnesota Statutes 1982, section 473.121, subdivision 10, is amended to read:

Subd. 10. "Policy plan" means ~~the a long-range comprehensive plans plan of each metropolitan commission adopted pursuant to section 473.146 the~~ *metropolitan council.*

Sec. 103. Minnesota Statutes 1982, section 473.121, is amended by adding a subdivision to read:

*Subd. 14a. "Regional transit board" or "transit board" means the regional transit board created by section 473.373.*

Sec. 104. Minnesota Statutes 1982, section 473.121, subdivision 16, is amended to read:

Subd. 16. "Metropolitan transit area" ~~or "transit area" or "MTA"~~ means the metropolitan transit area ~~established in section 473.403.~~

Sec. 105. Minnesota Statutes 1982, section 473.121, subdivision 18, is amended to read:

Subd. 18. "Operator" means any person engaged or seeking to engage in the business of providing *regular route* public transit.

Sec. 106. Minnesota Statutes 1982, section 473.121, subdivision 19, is amended to read:

Subd. 19. "Public transit" or "transit" ~~means transportation of passengers for hire within the transit area by means of a motor vehicle or other means of conveyance by any person operating as a common carrier on fixed routes and schedules. "Public transit" shall not include transportation of children to or from school or of passengers between a common carrier terminal station and a hotel or motel, transportation by a common carrier railroad or common carrier railroads or by taxi, transportation furnished by a person solely for his or its employees or customers, or paratransit has the meaning given in section 174.22, subdivision 7.~~

Sec. 107. Minnesota Statutes 1982, section 473.121, is amended by adding a subdivision to read:

*Subd. 20a. "Regular route transit" has the meaning given in section 174.22, subdivision 8.*

Sec. 108. Minnesota Statutes 1982, section 473.146, subdivision 3, is amended to read:

Subd. 3. [TRANSPORTATION POLICY PLAN.] The council shall adopt a transportation policy plan as a part of its comprehensive development guide as *provided* in subdivisions 1 and 2, ~~which shall.~~ *The regional transit board shall perform the functions and have the responsibility and authority provided*

for a metropolitan commission. The policy plan must include policies, relating to all transportation forms. ~~The plan shall~~ and be designed to promote the legislative determinations, policies and ~~purposes~~ goals set forth in section 473.402 to the end of providing the transit area an integrated and efficient transportation system 473.371. In addition to the requirements of subdivision 1 regarding the contents of the policy plan, the transit elements of the plan must include the following:

(1) a statement of service objectives, policies, and standards that should govern the distribution, coordination, and general location of facilities, services, and service areas to be planned, deployed, or developed by or under the direction or auspices of the transit board;

(2) a general statement of timing and priorities in the planning, deployment, and development of services;

(3) a statement of the policies and standards that should govern the levels of public expenditure, both capital and operating, for various services and service areas;

(4) a statement of the policies and standards that should govern total annual regional funding levels, the sources of funds, and the distribution of funds among the facilities, services, and service areas; and

(5) a description of the contents that should be included in the implementation plans prepared by the transit board.

In addition to the requirements of subdivisions 1 and 2 regarding the use of the expertise of the ~~metropolitan transit commission~~ affected agency, the state transportation department, ~~metropolitan transit commission~~, and affected counties and municipalities may provide such technical assistance as may be requested by the council. The council shall amend its policy plan to conform to the requirements of this subdivision by January 1, 1986.

Sec. 109. Minnesota Statutes 1982, section 473.146, subdivision 4, is amended to read:

Subd. 4. [TRANSPORTATION PLANNING.] The metropolitan council ~~shall be~~ is the designated planning agency for any long-range comprehensive transportation planning required by Section 134 of the Federal Highway Act of 1962, Section 4 of Urban Mass Transportation Act of 1964 and Section 112 of Federal Aid Highway Act of 1973 and ~~such~~ other federal transportation laws as may hereinafter be enacted. The council shall assure administration and coordination of transportation planning with appropriate state, regional and other agencies, counties, and municipalities, and ~~together with the metropolitan transit commission~~ shall establish such an advisory body consisting of ~~citizen representatives, commission, municipality, county and appropriate state agency~~ representatives of the regional transit board, citizens, municipalities, counties, and state agencies in fulfillment of the planning responsibilities of the council and the ~~commission~~ transit board.

Sec. 110. Minnesota Statutes 1982, section 473.164, is amended to read:

473.164 [PAYMENT OF METROPOLITAN COUNCIL COSTS.]

Subdivision 1. The metropolitan parks and open space commission, the ~~metropolitan~~ regional transit ~~commission~~ board, the metropolitan waste con-

trol commission, and the metropolitan airports commission shall annually reimburse the council for costs incurred by the council in the discharge of its responsibilities relating to the commission *or board*. The costs may be charged against any revenue sources of the commission *or board* as determined by the commission *or board*.

Subd. 2. On or before May 1 of each year, the council shall transmit to each commission *or board* an estimate of the costs which the council will incur in the discharge of its responsibilities related to the commission *or board* in the next budget year including, without limitation, costs in connection with the preparation, review, implementation and defense of plans, programs and budgets of the commission *or board*. Each commission *or board* shall include the estimates in its budget for the next budget year and may transmit its comments concerning the estimated amount to the council during the budget review process. Prior to December 15 of each year, the amount budgeted by each commission *or board* for the next budget year may be changed following approval by the council. During each budget year, the commission *or board* shall transfer budgeted funds to the council in advance when requested by the council.

Subd. 3. At the conclusion of each budget year, the council, in cooperation with each commission *or board*, shall adopt a final statement of costs incurred by the council for each commission *or board*. Where costs incurred in the budget year have exceeded the amount budgeted, each commission *or board* shall transfer to the council the additional moneys needed to pay the amount of the costs in excess of the amount budgeted, and shall include a sum in its next budget. Any excess of budgeted costs over actual costs may be retained by the council and applied to the payment of budgeted costs in the next year. Costs incurred during 1976 shall be reimbursed to the council by each ~~commission~~ on or before December 31, 1976 following receipt and in accordance with a statement of costs transmitted by the council. Notwithstanding the provisions of this section, after July 1, 1981, the metropolitan council shall not charge the ~~metropolitan regional transit commission board~~ for any costs incurred by the council for the study of light rail transit unless the study plan and budget have been approved by the ~~metropolitan transit commission board~~.

Sec. 111. Minnesota Statutes 1982, section 473.167, subdivision 1, is amended to read:

Subdivision 1. [CONTROLLED ACCESS HIGHWAYS: COUNCIL APPROVAL.] Before acquiring land for or constructing a controlled access highway in the area, ~~hereinafter a project~~, the state transportation department or local government unit proposing ~~such the~~ acquisition or construction shall submit to the council a statement describing the proposed project. The statement ~~shall~~ *must* be in the form and detail required by the council. Immediately upon receipt of the statement, the council shall transmit a copy to the ~~metropolitan regional transit commission board~~, which shall review and evaluate the project in relationship to the ~~development program board's implementation plan~~ and report its recommendations and comments to the council. The council shall also review the statement to ascertain its consistency with its policy plan and the development guide. No ~~such~~ project may be undertaken unless the council determines that it is consistent with the policy plan and ~~development program implementation plan~~. This approval ~~shall be is~~

in addition to the requirements of any other statute, ordinance or regulation.

Sec. 112. Minnesota Statutes 1982, section 473.168, subdivision 2, is amended to read:

Subd. 2. The metropolitan council in consultation with the ~~metropolitan regional transit commission board~~ may require that any freeway constructed in the metropolitan area on which actual construction has not been commenced by April 12, 1974 ~~shall~~ include provisions for exclusive lanes for buses and, as the council may determine, other forms of multi-passenger transit. The council, in making its determination, must demonstrate that the exclusive lanes are necessary to implement the transportation policy plan of the development guide.

Sec. 113. Minnesota Statutes 1982, section 473.181, subdivision 3, is amended to read:

Subd. 3. [METROPOLITAN TRANSIT COMMISSION.] The council shall review acquisition of public transit systems and the issuance of revenue bonds by the metropolitan transit commission pursuant to sections 473.405, subdivision 4 5, and 473.438, subdivision 7.

Sec. 114. Minnesota Statutes 1982, section 473.223, is amended to read:

473.223 [FEDERAL AID.]

For the purposes of this section the term "governmental subdivision" includes municipalities, counties and other political subdivisions generally. If federal aid for transportation programs and projects is otherwise unavailable to an existing agency or governmental subdivision, the metropolitan council may cooperate with the government of the United States and any agency or department thereof and the affected agency or other governmental subdivision in establishing metropolitan area eligibility to receive federal aid, and may comply with the provisions of the laws of the United States and any rules and regulations made thereunder for the expenditure of federal moneys upon such projects as are proposed for federal assistance. If necessary to meet federal requirements, the council, *the regional transit board*, and the metropolitan transit commission may be considered a single eligible unit to carry out their respective responsibilities. The metropolitan council may accept federal aid and other aid, either public or private, for and in behalf of the metropolitan area or any governmental subdivision of the state, for transportation programs and projects within the metropolitan area upon such terms and conditions as are or may be prescribed by the laws of the United States and any rules or regulations made thereunder, and is authorized to act as agent of any governmental subdivision of the state with jurisdiction in the metropolitan area upon request of such subdivision in accepting the aid in its behalf for such programs or projects financed either in whole or in part by federal aid. The governing body of any such subdivision is authorized to designate the metropolitan council as its agent for such purposes and to enter into an agreement with the council prescribing the terms and conditions of the agency relationship in accordance with state and federal laws, rules and regulations. The metropolitan council is authorized to designate an appropriate state agency as its agent for such purposes and to enter into an agreement with such agency prescribing the terms and conditions of the agency relationship in accordance with state and federal laws, rules and regulations.



Nothing contained herein shall limit any separate authority of agencies or governmental subdivisions of the state to contract for and receive federal aid.

Sec. 115. [473.371] [POLICY; GOALS.]

*Subdivision 1. [POLICY.] The legislature finds that, for the provision of essential mobility and transportation options in the metropolitan area, for the encouragement of alternatives to the single-occupant vehicle and for the development of transportation service designed to meet public needs efficiently and effectively, there is a need for the creation of regional transit programs and agencies with the powers and duties prescribed by law.*

*Subd. 2. [GOALS.] The goals of sections 473.371 to 473.449 are as follows:*

*(a) to provide, to the greatest feasible extent, a basic level of mobility for all people in the metropolitan area;*

*(b) to arrange to the greatest feasible extent for the provision of a comprehensive set of transit and paratransit services to meet the needs of all people in the metropolitan area;*

*(c) to cooperate with private and public transit providers to assure the most efficient and coordinated use of existing and planned transit resources; and*

*(d) to maintain public mobility in the event of emergencies or energy shortages.*

Sec. 116. [473.373] [REGIONAL TRANSIT BOARD.]

*Subdivision 1. [ESTABLISHMENT.] To carry out the policy and achieve the goals of section 473.371 there is established a regional transit board as a public corporation and a political subdivision of the state. Except as provided in this section, the board is organized, structured, and administered as provided for metropolitan commissions in section 473.141.*

*Subd. 2. [MEMBERSHIP.] The transit board consists of 14 members appointed by the council plus a chair appointed by the governor. One member must be appointed by the council from each of the following districts:*

- (1) District A, consisting of council district 1;*
- (2) District B, consisting of council district 2;*
- (3) District C, consisting of council district 3;*
- (4) District D, consisting of council district 4;*
- (5) District E, consisting of council district 5;*
- (6) District F, consisting of council district 6;*
- (7) District G, consisting of council district 8;*
- (8) District H, consisting of council district 10;*
- (9) District I, consisting of council district 11;*
- (10) District J, consisting of council district 12;*
- (11) District K, consisting of council district 15;*
- (12) District L, consisting of council districts 7 and 9;*

(13) District M, consisting of council district 13 and that part of council district 14 within Carver and Hennepin counties;

(14) District N, consisting of council district 16 and that part of council district 14 within Dakota and Scott counties.

*Subd. 3. [APPOINTMENTS.] The council shall establish a transit board appointments committee, composed of members of the council. In addition to the notice required in section 15.0597, subdivision 4, the council shall notify in writing the governing body of the statutory and home rule charter cities, towns, and counties having territory in the district for which the member is to be appointed. The notification must describe the appointment process and invite participation and recommendations on the appointment. The appointments committee shall hold a public hearing in each district for which a member is to be appointed. Following the hearing, the appointments committee shall submit to the council a written report that lists the persons who have applied or been nominated or recommended for the position, along with a description of the background and qualifications of each. Appointments by the council are not subject to the advice and consent of the senate. The council shall by resolution, after a public hearing on the subject, provide the governor with a list of nominees for the position of chair.*

*Subd. 4. [TERMS.] The initial terms of members and the chair commence on the first day after July 1, 1984, that the chair and at least seven other members have been appointed and qualified. The terms of members and the chair are as follows: members representing commission districts, B, E, F, J, K, L, and N, and the chair of the board, for terms ending the first Monday in January of the year ending in the numeral "7"; members representing commission districts A, C, D, G, H, I, and M, for terms ending the first Monday in January of the year ending in the numeral "9."*

*Subd. 5. [CHAIR.] The duties of the chair are:*

- (a) to preside over all board meetings at which he is in attendance;*
- (b) to serve as the principal transit spokesman within the metropolitan area before the legislature, other state and regional agencies, local units of government, and the general public;*
- (c) to present to the governor and the legislature, after approval by the council, the board's financial plan for public transit in the metropolitan area;*
- (d) to convene and preside at an annual regional transit conference of transit providers, operators, and users; and*
- (e) to perform other duties assigned by law or by the board.*

*Subd. 6. [EXECUTIVE DIRECTOR.] The chief administering officer of the board shall hold the position of executive director. The executive director shall be appointed as provided in section 473.141 and have the duties and authority prescribed for a chief administrator in section 473.141, except as provided in subdivision 7.*

*Subd. 7. [EMPLOYEES.] The board has the authority of a chief administrator to make all decisions on the appointment, promotion, demotion, suspension, and removal of all subordinate officers and regular employees of the board. The board may not take any action inconsistent with its personnel*

code. The board may authorize the chair or executive director to recommend employment decisions. The board shall act within 30 days on employment decisions recommended by the chair or executive director.

Subd. 8. [PENSION RIGHTS.] A person who is an employee of the metropolitan transit commission on the effective date of this section and who subsequently becomes an employee of the transit board has the option of continued coverage under Minnesota Statutes, chapter 353.

Sec. 117. [473.375] [POWERS OF BOARD.]

Subdivision 1. [GENERAL.] The transit board has the power and duties imposed by law. The exercise of any powers by the board must be consistent with the exercise by the metropolitan council of any of its powers.

Subd. 2. [ACTIONS.] The board may sue and be sued.

Subd. 3. [CONTRACTS.] The board may enter into contracts necessary to carry out its responsibilities.

Subd. 4. [PROPERTY.] The board may acquire by purchase, lease, gift, or grant property and interests in property necessary for the accomplishment of its purposes and may sell or otherwise dispose of property which it no longer requires. The board may not rent or lease any premises from a recipient of financial assistance from the board.

Subd. 5. [INSURANCE.] The board may require any employee to obtain and file with it an individual bond or fidelity insurance policy. It may procure insurance in the amounts it deems necessary against the liability of the board or its officers and employees for personal injury or death and property damage or destruction, with the force and effect stated in chapter 466, and against risks of damage to or destruction of any of its facilities, equipment, or other property.

Subd. 6. [INVESTIGATIONS.] When necessary and proper to the performance of its duties, the board may enter in a reasonable manner upon any premises for the purpose of making any reasonably necessary or proper investigations and examinations. The entry is not a trespass. The board is liable for any actual and consequential loss, injury, or damage from the entry. When necessary and proper to the performance of its duties, the board or its authorized agents may require the production of accounts, books, records, memoranda, correspondence, and other documents and papers of a person receiving financial assistance from the board, may inspect and copy them, and may have access to and may inspect the lands, buildings, facilities, or equipment of the person.

Subd. 7. [TAXES.] The board may levy taxes as provided in section 473.446.

Subd. 8. [GIFTS; GRANTS.] The board may apply for, accept and disburse gifts, grants, or loans from the United States, the state, or from any person on behalf of itself or any of its contract recipients, for any of its purposes. It may enter into an agreement required for the gifts, grants, or loans and may hold, use, and dispose of money or property received therefrom according to the terms of the gift, grant, or loan. When the board has adopted an approved implementation plan and has certified to the governor that it is ready to receive federal funds, the governor shall take whatever

*steps are necessary to designate the board as a recipient of federal transit assistance for the metropolitan area.*

*No political subdivision within the metropolitan area may apply for federal transit assistance unless its application has been submitted to and approved by the board.*

*Subd. 9. [ADVISORY COMMITTEES.] The board may establish one or more advisory committees composed of and representing transit providers, transit users, and local units of government to advise it in carrying out its purposes. The members of advisory committees serve without compensation.*

*Subd. 10. [RESEARCH.] The board may conduct research studies and programs or may contract with other persons for research studies and programs. It may advise and assist the metropolitan council and other government units on transportation issues within its jurisdiction.*

*Subd. 11. [RIDESHARING.] Upon certification by the board, after June 30, 1985, that it has adopted an approved interim implementation plan and is ready to assume responsibilities for the program, the board shall assume the responsibilities identified by the board that are imposed on the commissioner of transportation, the metropolitan council, or the transit commission pursuant to section 174.257 and other applicable provisions of law for the establishment and implementation of a ridesharing program in the metropolitan area, except for the statewide vanpool leasing program conducted by the commissioner. The commissioner, the council, and the commission shall cooperate with the board in the transfer of these duties and in the conduct of ridesharing activities in areas where the commissioner's programs and the board's program overlap. The board shall establish a rideshare advisory committee to advise it in carrying out the program. The board may contract for services in operating the program.*

*Subd. 12. [ASSISTANCE.] The board shall offer, use, and apply its services to assist and advise transit providers in the metropolitan transit area in the planning, promotion, development, operation, and evaluation of programs and projects which are undertaken or proposed to be undertaken by contract with the board, and shall seek out and select recipients of this assistance and advice.*

*Subd. 13. [FINANCIAL ASSISTANCE.] The board may provide financial assistance to the commission and other providers as provided in sections 473.371 to 473.449 in furtherance of and in conformance with the implementation plan of the board.*

*Subd. 14. [COORDINATION.] The board shall coordinate transit operations within the metropolitan area and shall establish a transit information program to provide transit users with accurate information on transit schedules and service.*

*Subd. 15. [PERFORMANCE STANDARDS.] The board may establish performance standards for recipients of financial assistance.*

*Subd. 16. [REPORT.] The board shall annually submit a report to the metropolitan council, the governor, and the legislature detailing its activities and finances for the previous year.*

## Sec. 118. [473.377] [IMPLEMENTATION PLAN.]

*Subdivision 1. [REQUIREMENT.] The transit board shall adopt a transit service implementation plan describing the planning, functions, and activities to be performed by or under the direction or auspices of the board in implementing the policy plan adopted by the council pursuant to section 473.146. The plan must cover at least the five-year period commencing with the first calendar year beginning after the plan's approval, or a longer period prescribed by the council.*

*Except as otherwise provided in this section, the implementation plan must be prepared, submitted for review by the council, adopted, and implemented in the same manner, with the same requirements and restrictions, and to the same effect as provided for development programs in section 473.161. The board shall prepare an implementation plan meeting the requirements of this section and submit the plan to the council by August 1, 1986, and thereafter in even-numbered years at a time prescribed by the council.*

*Subd. 2. [CONTENTS.] The implementation plan of the board must contain at least the following elements:*

*(a) a development program meeting the requirements of section 473.161, subdivision 1;*

*(b) a description of the needs for services, based upon detailed surveys and analysis of service areas and markets identified in the council's policy plan;*

*(c) a detailed statement of service objectives, including service areas and markets, changes in existing service, deployment of new service, the distribution and coordination of services, and other similar matters;*

*(d) a detailed description of services and facilities planned to meet the needs and service objectives, along with a statement of priorities, timing, proposed delivery methods and providers, and performance standards;*

*(e) a schedule of expected levels of public expenditure, both capital and operating, for the services and facilities planned;*

*(f) a schedule showing the expected sources of funds, including proceeds of bonds of the board and the transit commission, areas and levels of taxes, user charges, and state and federal subsidies; and*

*(g) a plan and schedule showing the distribution of funds among various services, service areas and markets, and providers.*

*Subd. 3. [INTERIM IMPLEMENTATION PLAN.] The board shall prepare an interim implementation plan, for calendar years 1985, 1986, and 1987. The board shall submit the interim plan to the council by December 1, 1984. The interim plan should be in the scope and detail that the board deems appropriate and practicable, except that the plan must contain a capital development program meeting the requirements of subdivision 2, clause (a), and schedules and plans meeting the requirements of subdivision 2, clauses (e), (f), and (g).*

## Sec. 119. [473.38] [BUDGET; REGIONAL TRANSIT BOARD.]

*Subdivision 1. [REQUIREMENT.] The regional transit board shall prepare, submit for review, adopt, and implement budgets and conduct its fi-*

nancial affairs in the same manner, with the same requirements and restrictions, and to the same effect as provided in section 473.163, subdivisions 1 to 4, except as otherwise provided in this section.

*Subd. 2. [FINANCIAL PLAN; COUNCIL APPROVAL.] Along with its annual budget, each year the board shall prepare a financial plan for the succeeding three calendar years. The financial plan must be consistent with the board's implementation plan and must contain the elements specified in section 473.377, subdivision 2, clauses (a), (e), (f), and (g). The financial plan prepared in even-numbered years must contain a proposed request for state financial assistance for the succeeding biennium. The board shall submit the financial plan to the council for review and approval or disapproval. The council may approve or disapprove in whole or in part. The council may disapprove only for inconsistency with the policy plan of the council.*

*Subd. 3. [EXCEPTION.] The capital budget and financial plan of the board prepared in 1984 need not be submitted to the council until December 1, 1984, and the council has 30 days for review.*

**Sec. 120. [473.382] [LOCAL PLANNING AND DEVELOPMENT PROGRAM.]**

*In preparing and amending its implementation plan pursuant to section 473.377, the transit board shall establish a program to ensure participation by representatives of local government units and the coordination of the planning and development of transit by local government units. The board shall encourage the establishment of local transit planning and development boards by local governments for the purpose of:*

*(a) assisting and advising the transit board in preparing the implementation plan, including the identification of service needs and objectives;*

*(b) preparing, or advising and assisting local units of government in preparing the transit study and service plan required by section 473.384;*

*(c) preparing or advising the transit board in the review of applications for assistance under section 473.384.*

*The board may provide local boards with whatever assistance it deems necessary and appropriate.*

**Sec. 121. [473.384] [CONTRACTS.]**

*Subdivision 1. [CONTRACTS REQUIRED.] The transit board shall make contracts with eligible recipients for financial assistance to transit service within the metropolitan area. The board may not give financial assistance to a transit provider other than the commission without first having executed a contract. The provisions of this section do not apply to contracts made under sections 473.386 and 473.388.*

*Subd. 2. [ELIGIBILITY.] To be eligible to receive financial assistance by contract under this section a recipient must be:*

*(a) a county, statutory or home rule charter city or town or combination thereof, or public authority organized and existing pursuant to chapter 398A, providing financial assistance to or providing or operating public transit; or*

*(b) a private provider of public transit.*

*Subd. 3. [APPLICATIONS.] The board shall establish procedures and standards for review and approval of applications for financial assistance under this section consistent with its approved implementation plan. An applicant must provide the board with the financial and other information the board requires to carry out its duties. The board may specify procedures, including public hearing requirements, to be followed by applicants that are cities, towns, or counties or combinations thereof in conducting transit studies and formulating service plans under subdivisions 4 and 5.*

*Subd. 4. [TRANSIT STUDY.] The board shall require that prior to applying for financial assistance by contract under clause (a) of subdivision 2, the applicant must prepare and submit a transit study which includes the following elements:*

*(a) a determination of existing and future transit needs within the area to be served, and an assessment of the adequacy of existing service to meet the needs;*

*(b) an assessment of the level and type of service required to meet unmet needs;*

*(c) an assessment of existing and future resources available for the financing of transit service; and*

*(d) the type or types of any new government arrangements or agreements needed to provide adequate service.*

*The transit study for any applicant may be done by the board.*

*Subd. 5. [SERVICE PLAN.] The board shall, before making a contract with an eligible recipient, require the submission of a service plan which includes the following elements:*

*(a) a description of the service proposed for financial assistance, including vehicles, routes, and schedules;*

*(b) an assessment of the extent to which the proposed service meets the needs as determined by the transit study;*

*(c) a description of the contract administration and review process if the operation of the proposed service is to be done by a private contractor;*

*(d) a description of the amount required to establish and operate the proposed service and the proposed sources of the required amount including operating revenue, other local sources, and assistance from the board and from federal sources;*

*(e) the fare structure of the proposed service; and*

*(f) projections of usage of the system.*

*The board may specify procedures, including public hearing requirements, to be followed by applicants that are cities, towns, or counties or combinations thereof in conducting transit studies and formulating service plans.*

*Subd. 6. [FINANCIAL ASSISTANCE FOR CERTAIN PROVIDERS.] The board shall provide financial assistance to recipients who were receiving assistance by contract with the commissioner of transportation under Minnesota Statutes 1982, section 174.24, subdivision 3 on the effective date of*

this section so that the percentage of total operating cost, as defined by the board, paid by the recipient from all local sources of revenue, including operating revenue, does not exceed the percentage for of transportation under his final contract with the recipient. The board may include funds received under section 473.446, subdivision 1a, as a local source of revenue. The remainder of the total operating cost will be paid by the board less all assistance received by the recipient for that purpose from any federal source.

If a recipient informs the board in writing prior to the distribution of financial assistance for any year that paying its designated percentage of total operating cost from local sources will cause undue hardship, the board may adjust the percentage as it deems equitable. If for any year the funds available to the board are insufficient to allow the board to pay its share of total operating cost for those recipients, the board shall reduce its share in each classification to the extent necessary.

*Subd. 7. [MTC IMPACT ASSESSMENT.] Prior to entering into a contract for operating assistance with a recipient other than the transit commission the board shall evaluate the effect, if any, of the contract on the ridership, routes, schedules, fares, and staffing levels of the existing and proposed service provided by the commission. A copy of the assessment must be provided to the commission. The board may enter into the contract only if it determines that the service to be assisted under the contract will not impose an undue hardship on the ridership or financial condition of the commission, cause the dismissal of persons that are employed by the commission, or reduce the total level of service in the metropolitan area provided by the commission.*

*Subd. 8. [PARATRANSIT CONTRACTS.] In executing and administering contracts for paratransit projects, the board has the powers and duties given to the commissioner of transportation in section 174.255, subdivisions 1 and 2 relating to handicapped accessibility and insurance coverage. The provisions of section 174.255, subdivision 3, apply to paratransit projects which receive assistance by contract with the board.*

*Subd. 9. [ASSUMPTION OF CONTRACTS.] The board shall certify to the commissioner of transportation when it has adopted an approved interim implementation plan and is ready to assume responsibility for administering contracts made by the commissioner with recipients in the metropolitan area under section 174.24. On receiving the certification the commissioner shall transfer to the board from funds appropriated to him an amount sufficient to permit the board to pay all state financial assistance contracted for and shall make no further contracts under section 174.24, subdivision 3, with recipients in the metropolitan area. On receipt of this amount by the board the contracts so assumed become a responsibility of the board.*

**Sec. 122. [473.386] [SPECIAL TRANSPORTATION SERVICE.]**

*Subdivision 1. [PROJECT OBJECTIVES.] The transit board shall implement a project to coordinate special transportation service in the metropolitan area. The project has the following objectives:*

*(a) to provide greater access to transportation for the elderly, handicapped, and others with special transportation needs in the metropolitan area;*

*(b) to develop an integrated system of special transportation service providing transportation tailored to meet special individual needs in the most*



*cost-efficient manner; and*

*(c) to use existing public and private providers of service wherever possible, to supplement rather than replace existing service, and to increase the productivity of all special transportation vehicles available in the area.*

*Subd. 2. [FINANCING; IMPLEMENTATION; MANAGEMENT AND ADVISORY GROUPS.] The board shall contract for services necessary for the project's operation. All transportation service provided through the project must be provided under a contract between the board and the provider which specifies the service to be provided and the rates for providing it. The board shall establish a committee to set management policies for the project. The management policy committee must include the chairman of the board or his designee, representatives of persons contracting to provide services for the project, representatives of users of the service, and representatives of appropriate agencies. The meetings of the management policy committee are public and minutes of all meetings must be taken, preserved, and made available for public inspection. The board shall establish an advisory task force of individuals representing the elderly, handicapped, and other users of service provided by the project to advise the management policy committee.*

*Subd. 3. [DUTIES OF BOARD.] In implementing the project the board shall:*

*(a) encourage participation in the project by public and private providers of special transportation service currently receiving capital or operating assistance from a public agency;*

*(b) contract with public and private providers that have demonstrated their ability to effectively provide service at a reasonable cost;*

*(c) encourage individuals using service provided through the project to use the type of service most appropriate to their particular needs;*

*(d) ensure that all persons providing service through the project receive equitable treatment in the allocation of the ridership;*

*(e) encourage shared rides to the greatest extent practicable;*

*(f) encourage public agencies that provide transportation to eligible individuals as a component of human services and educational programs to coordinate with the project and to allow reimbursement for services provided through the project at rates that reflect the public cost of providing those services; and*

*(g) establish criteria to be used in determining individual eligibility for special transportation services.*

*Subd. 4. [COORDINATION REQUIRED.] The board may not grant any financial assistance to any recipient that proposes to use any part of the grant to provide special transportation service in the metropolitan area unless the program is coordinated with the project in the manner determined by the board.*

*Subd. 5. [EQUITABLE ALLOCATION AND ANNUAL REALLOCATION.] The board shall distribute all available funding under this section in a manner designed to achieve an equitable allocation of special transportation services based on the proportion of the number of elderly, handicapped, dis-*

abled, or economically disadvantaged individuals with special transportation needs who actually use the special transportation service.

*Subd. 6. [OPERATING AND SERVICE STANDARDS.] A vehicle providing special transportation service which is subject to the operating standards adopted pursuant to section 174.30 may not be allowed to provide service through the project unless a current certificate of compliance has been issued to the vehicle. A person operating or assisting the operation of a vehicle may leave the vehicle to enter premises in order to help a passenger who does not require emergency ambulance service. Operators and assistants shall provide the help necessary for door-through-door service, including help in entering and leaving the vehicle and help through the exterior entrance and over any exterior steps at either departure or destination buildings, provided that both the steps and the wheelchair are in good repair. If an operator or assistant refuses help because of the condition of the steps or the wheelchair, the operator of the service shall send letters to the board and the person denied service describing the corrective measures necessary to qualify for service.*

*Subd. 7. [ASSUMPTION OF PROGRAM.] The board shall certify to the commissioner of transportation when it has adopted an approved interim implementation plan and is ready to assume responsibility for the special transportation service project administered by the commissioner under section 174.31. On receiving the certification the commissioner shall transfer to the board the unexpended balance of the funds appropriated to him by law for operation of the special transportation service coordination project under Minnesota Statutes 1982, section 174.31, and shall take no further actions under that section. On receipt of this amount the project becomes a responsibility of the board.*

**Sec. 123. [473.388] [REPLACEMENT SERVICE PROGRAM.]**

*Subdivision 1. [PROGRAM ESTABLISHED.] A replacement service program is established to continue the metropolitan transit service demonstration program established in Minnesota Statutes 1982, section 174.265, as provided in this section.*

*Subd. 2. [REPLACEMENT SERVICE; ELIGIBILITY.] The transit board may provide assistance under the program to a statutory or home rule charter city or town or combination thereof, that:*

*(a) is located in the metropolitan transit taxing district;*

*(b) is not served by the transit commission or is served only with transit commission bus routes which begin or end within the applying city or town or combination thereof; and*

*(c) has fewer than four scheduled runs of metropolitan transit commission bus service during off-peak hours defined in section 473.408, subdivision 1.*

*Eligible cities or towns or combinations thereof may apply on behalf of a transit operator with whom they propose to contract for service.*

*The board may not provide assistance under this section to a statutory or home rule charter city or town unless the city or town was receiving assistance under Minnesota Statutes 1982, section 174.265 or had submitted an application or a letter of intent to apply for assistance under that section by*

July 1, 1984.

*Subd. 3. [APPLICATION FOR ASSISTANCE.] An application for assistance under this section must:*

*(a) describe the existing service provided to the applicant by the transit commission, including the estimated number of passengers carried and the routes, schedules, and fares;*

*(b) describe the transit service proposed for funding under the demonstration program, including the anticipated number of passengers and the routes, schedules, and fares; and*

*(c) indicate the total amount of available local transit funds, the portion of the available local transit funds proposed to be used to subsidize replacement services, and the amount of assistance requested for the replacement services.*

*Subd. 4. [FINANCIAL ASSISTANCE.] The board may grant the requested financial assistance if it determines that the proposed service is consistent with the approved implementation plan and is intended to replace the service to the applying city or town or combination thereof by the transit commission and that the proposed service will meet the needs of the applicant at least as efficiently and effectively as the existing service.*

*The amount of assistance which the board may provide under this section may not exceed the sum of:*

*(a) the portion of the available local transit funds which the applicant proposes to use to subsidize the proposed service; and*

*(b) an amount of financial assistance bearing an identical proportional relationship to the amount under clause (a) as the total amount of financial assistance to the transit commission bears to the total amount of taxes collected by the board under section 473.446. The board shall pay the amount to be provided to the recipient from the assistance the board would otherwise pay to the transit commission.*

*For purposes of this section "available local transit funds" means 90 percent of the tax revenues which would accrue to the board from the tax it levies under section 473.446 in the applicant city or town or combination thereof.*

*Subd. 5. [OTHER ASSISTANCE.] A city or town receiving assistance under this section may also receive assistance from the board under section 473.384. In applying for assistance under that section an applicant must describe the portion of the available local transit funds which are not obligated to subsidize replacement service and which the applicant proposes to use to subsidize additional service. An applicant which has exhausted its available local transit funds may use any other local subsidy funds to complete the required local share.*

*Subd. 6. [ASSUMPTION OF PROGRAM.] The board shall certify to the commissioner of transportation when it has adopted an approved interim implementation plan and is ready to assume responsibility for the metropolitan transit service demonstration program administered by the commissioner under Minnesota Statutes 1982, section 174.265. On receipt of the certification by the commissioner he shall make no further contracts under that pro-*

gram and shall assign all contracts then in effect under that program to the board, and the contracts at that time become obligations of the board.

Sec. 124. [473.39] [BORROWING MONEY.]

*Subdivision 1. [GENERAL AUTHORITY.] The transit board, if authorized by vote of at least two-thirds of all its members, may borrow money on terms, and in the manner it deems proper. The board may not issue obligations pursuant to this subdivision in excess of the amount specifically authorized by law. A loan made under this section and interest thereon shall be payable from collections of any funds of the board not otherwise appropriated by law and not otherwise pledged by resolution of the board. The loans may be evidenced by certificates of indebtedness, bonds, or other obligations, to which the board may pledge money received upon collection of the tax authorized by section 473.446 or received as proceeds of bonds issued under this section or any other revenue of the board. The loans may also be secured by a security interest in property acquired in whole or in part from their proceeds. The obligations are not a charge, lien, or encumbrance upon and may not be enforced against any property of the board except tax collections and bond proceeds specifically pledged by the board and security interests granted by it. In the enforcement or collection of the obligations, exercise of the taxing power of the board may not be required unless the board has specifically pledged tax levies or tax collections authorized by section 473.446 to the payment of the obligations. The obligations are not a debt of the state or any municipality or political subdivision within the meaning of any debt limitation or requirement pertaining to those entities. Neither the state nor any municipality or political subdivision except the board, nor any member or officer or employee of it is liable on the obligations.*

*Subd. 2. [LEGAL INVESTMENTS.] Certificates of indebtedness, bonds, or other obligations issued by the board to which tax levies have been pledged pursuant to section 473.446, are proper for investment of any funds by a bank, savings bank, savings and loan association, credit union, trust company, insurance company, or public or municipal corporation, and may be pledged by any bank, savings bank, savings and loan association, credit union, or trust company as security for the deposit of public money.*

*Subd. 3. [TEMPORARY BORROWING.] After the board has adopted a budget, the board may borrow money in amounts it deems necessary, which may be used or expended by the board for any purpose, including but not limited to current expenses, capital expenditures, and the discharge of any obligation or indebtedness of the board. The indebtedness must be represented by a note or notes which may be issued from time to time in any denomination and sold at public or private sale pursuant to a resolution authorizing their issuance. The resolution must set forth the form and manner of execution of the notes and must contain other terms and conditions the board deems necessary or desirable to provide security for the holders of the notes. The note or notes are payable from committed or appropriated money from taxes, grants or loans of the state or federal government made to the board, or other revenues of the board, and the money may be pledged to the payment of the notes. To the extent the notes are not paid from the grant or loan money pledged for the payment thereof, the principal and interest of the notes must be paid from any taxes, income, and revenue received or accrued during the fiscal year in which the note or notes were issued, or other money of the*

board lawfully available therefor.

Sec. 125. [473.394] [BOARD EXEMPT FROM TAXATION.]

*The properties, moneys, and other assets of the transit board, all revenues or other income of the board, are exempt from all taxation, licenses, fees, or charges of any kind imposed by the state or by any county, municipality, political subdivision, taxing district, or other public agency or body of the state.*

Sec. 126. Minnesota Statutes 1982, section 473.404, is amended to read:

**473.404 [METROPOLITAN TRANSIT COMMISSION; CREATION AND COMPOSITION.]**

*Subdivision 1. [ESTABLISHMENT.] There is hereby created a metropolitan transit commission for the metropolitan area, composed of nine members, herein called commissioners or members, which commission shall be organized, structured and administered as provided in sections 473.141 and 473.401 to 473.451.*

*Subd. 2. [MEMBERSHIP.] The transit commission consists of three members appointed by the transit board. One member must be a resident of the city of Minneapolis, one must be a resident of the city of St. Paul, and one must reside in the service area of the commission outside of Minneapolis and St. Paul. Appointments are not subject to the advice and consent of the senate.*

*Subd. 3. [TERMS.] The term of each member of the commission is three years and until a successor is appointed and qualified. The initial terms of members commence on the first day after August 1, 1984, that all three members have been appointed and qualified. One member must be appointed to an initial term of one year, one to an initial term of two years, and one to an initial term of three years. The terms of members of the transit commission appointed and serving on August 1, 1984, pursuant to Minnesota Statutes 1982, section 473.141, expire on the day that the terms of members appointed pursuant to this section commence.*

*Subd. 4. [CHAIR.] The commission shall annually elect a member to serve as the chair of the commission for a term of one year. The chair shall preside at all meetings of the commission, if present, and shall perform all other duties assigned to him by the commission or by law. The chair may call special meetings of the commission.*

*Subd. 5. [QUALIFICATION.] Each member of the commission must have management experience. A member shall not during his term of office be a member of the metropolitan council, the regional transit board, the metropolitan waste control commission, the metropolitan airports commission, the metropolitan sports facilities commission, or any other independent regional commission, board, or agency, or hold any judicial office. Each member shall qualify by taking and subscribing to the oath of office prescribed by the Minnesota Constitution, article 5, section 5. The oath, duly certified by the official administering it, must be filed with the metropolitan council.*

*Subd. 6. [REMOVAL; VACANCIES.] Members may be removed by the council only for cause in the manner specified in chapter 351. If the office of a member becomes vacant, under the conditions specified in chapter 351, the*

*vacancy must be filled in the same manner in which the appointment to that office was made.*

*Subd. 7. [COMPENSATION.] Each member must be compensated as provided in section 473.141, subdivision 7.*

*Subd. 8. [ORGANIZATION.] The commission shall be organized into an operations division and an administration and operations planning division. The head of each division shall report to the chief administrator.*

*Subd. 9. [ADMINISTRATION.] The commission must be administered as provided in section 473.141, subdivisions 8, 9, 10, 11, 12, 13, and 14, except as otherwise provided in sections 473.404 to 473.449.*

Sec. 127. Minnesota Statutes 1982, section 473.405, is amended to read:

**473.405 [OPERATION POWERS.]**

*Subdivision 1. [LEGAL STATUS; GENERAL POWERS.] The transit commission has the powers and duties prescribed by sections 473.404 to 473.449 and all powers necessary or convenient to discharge its duties.*

*Subd. 2. [LEGAL STATUS.] (a) The transit area, with the commission as its governing body, shall be is a public corporation and a political subdivision of the state. All the powers vested and obligations or duties imposed upon the commission and acts of the commission by sections 473.401 to 473.451 shall be deemed to be those of the transit area wherever necessary or appropriate, and shall be exercised, performed, and discharged in behalf of the area by the commission in its name as a public corporation and with like force and effect as if done in the name of the area; and for all such purposes, the commission shall have the same status and powers as the area, all subject to the provisions of section 473.449. The chairman and secretary of the commission shall have such powers as are delegated to them by the commission.*

*Subd. 3. [PROPERTY.] The commission may acquire, own, hold, use, improve, operate, maintain, lease, exchange, transfer, sell, or otherwise dispose of property, franchises, easements, or property rights or interests of any kind. The commission may acquire by purchase, lease, gift, or condemnation proceedings pursuant to chapter 117. Except as provided in subdivision 9, the commission may take possession of any property for which condemnation proceedings have been commenced at any time after the filing of the petition describing the property in the proceedings. The commission may contract with an operator or other persons for the use by the operator or person of any property under the commission's control.*

*(b) Subd. 4. [TRANSIT SYSTEMS.] The commission shall have the power to plan; may engineer, construct, equip, and operate transit and paratransit systems, projects, or any parts thereof, including road lanes or rights of way, terminal facilities, maintenance and garage facilities, ramps, parking areas, and any other facilities useful for or related to any public transit or paratransit system or project. The commission may acquire by purchase, lease, gift, or condemnation proceedings any real or personal property, franchises, easements, or other rights of any kind for such purposes, or which may be necessary or proper for the discharge of its powers and duties.*

*Subd. 5. [ACQUISITION OF TRANSIT SYSTEMS.] The commission shall have the power to may acquire by purchase, lease, gift, or condemnation*

proceedings any existing public transit system or any part thereof, including all or any part of the plant, equipment, shares of stock, property, real, personal, or mixed, rights in property, reserve funds, special funds, franchises, licenses, patents, permits and papers, documents and records belonging to any operator of a public transit system within the ~~transit metropolitan~~ area, and may in connection therewith assume any or all liabilities of any operator of a public transit system. The commission may not acquire any existing public transit system until ~~such~~ *the* acquisition has been approved by a ~~majority of the transit board and the metropolitan council.~~ The commission may ~~hold, use, improve, operate, maintain, lease, exchange, transfer, sell, or otherwise dispose of any of its property or rights to others and may contract with any operator or other persons for the use by any such operator or person of any such property or facilities under its control.~~

~~The commission, if it proceeds to acquire any existing public transit system or any part thereof by condemnation, shall have the power to take control of and operate such a system immediately following the filing and approval of the initial petition for condemnation, if the commission, in its discretion, determines such action this to be necessary. This power shall include the, and may take possession of all right, title and other powers of ownership in all properties and facilities described in the petition. Such action shall Control must be taken by resolution which shall be is effective upon service of a copy thereof on the condemnee and the filing of the resolution in the condemnation action. In the determination of the fair value of the existing public transit system, there shall must not be included any value attributable to expenditures for improvements made by the transit commission.~~

The commission may continue or terminate within three months of acquisition any advertising contract in existence by and between any advertiser and a transit system that the commission has acquired. If the commission determines to terminate ~~such the~~ advertising contract, it shall acquire all of the advertiser's rights under the contract by purchase or eminent domain proceedings as provided by law.

*Subd. 6. [PLANNING.] The commission shall prepare the operations plans and service plans required by the board for submission to the board for approval.*

*Subd. 7. [ACTIONS.] The commission may sue and be sued and may enter into contracts which may be necessary or proper.*

*Subd. 8. [CONTRACTS.] The commission may enter into contracts necessary or proper for the exercise of its powers or the accomplishment of its purposes.*

*Subd. 9. [CONDEMNATION OF PUBLIC PROPERTY OR PROPERTY OF PUBLIC SERVICE CORPORATIONS.] The fact that property is owned by or is in charge of a public agency or a public service corporation organized for a purpose specified in section 300.03, or is already devoted to a public use or to use by the corporation or was acquired therefor by condemnation may not prevent its acquisition by the commission by condemnation, but if the property is in actual public use or in actual use by the corporation for any purpose of interest or benefit to the public, the taking by the commission by condemnation may not be authorized unless the court finds and determines that there is greater public necessity for the proposed use by the commission*

than for the existing use.

*Subd. 10. [VOLUNTARY TRANSFER OF PUBLIC PROPERTY TO THE COMMISSION.] Any state department or other agency of the state government or any county, municipality, or other public agency may sell, lease, grant, transfer, or convey to the commission, with or without consideration, any facilities or any part or parts thereof or any real or personal property or interest therein which may be useful to the commission for any authorized purpose. In any case where the construction of a facility has not been completed, the public agency concerned may also transfer, sell, assign, and set over to the commission, with or without consideration, any existing contract for the construction of the facilities.*

*Subd. 11. [GIFTS AND GRANTS.] The commission may accept gifts, grants, or loans of money or other property from the United States, the state, or any person or entity for such purposes, may enter into any agreement required in connection therewith, may comply with any federal or state laws or regulations applicable thereto, and may hold, use, and dispose of such the money or property in accordance with the terms of the gift, grant, loan, or agreement relating thereto. The commission may establish an executive committee, a finance committee, and such other committees of its members as it deems necessary or proper in furtherance of the provisions of sections 473.401 to 473.451, and may authorize them to exercise in the intervals between commission meetings any powers of the commission except those expressly required by law to be exercised by the commission.*

*Subd. 2 12. [MANAGEMENT CONTRACTS.] Notwithstanding any of the other provisions of sections 473.401 to 473.451, the commission shall have powers may, in lieu of directly operating any public transit system; or any part thereof, to enter into management contracts with any persons, firms, or corporations for the management of said system for such period or periods of time; and under such services. The contracts may provide for compensation, incentive fees, the employment of personnel, the services provided, and other terms and conditions as shall be deemed advisable and that the commission deems proper by the commission and such persons, firms, or corporations.*

*Such persons, firms, or corporations entering into management contracts with the commission may employ necessary personnel for the operation and maintenance of said system as well as perform consulting and supervisory services for the commission. An incentive fee may be included in any management contract that is negotiated. The commission may not permit a contract manager to supervise or manage internal audit activities. Internal audit activity must be supervised and managed directly by the commission. The commission shall advertise for bids and select contracts for management services through competitive bidding. The term of the contract may not be longer than two years. The contract must include clear operating objectives, stating the service policies and goals of the commission in terms of the movement of various passenger groups, and performance criteria, by means of which success in achieving the operating objectives can be measured. Employees of a contract manager may serve only in the operations division. The commission shall consider and determine the feasibility and desirability of having all its transit management services provided internally by employees of the commission.*



The employees of any public transit system operated pursuant to the provisions of this subdivision shall, in ease of *for the purpose of resolving* any dispute arising under any existing or new collective bargaining agreement relating to the terms or conditions of their employment, ~~have the right, for the purpose of resolving such dispute,~~ may either to engage in a concerted refusal to work or to invoke the processes of final and binding arbitration as provided by chapter 572, subject to any applicable provisions of the agreement not inconsistent with law.

Whenever the commission shall directly operate any public transit system, or any part thereof, or enter into any management contract or other arrangement for the operation thereof, the commission shall take such action as may be necessary to extend to employees of affected public transit systems in the area, in accordance with seniority, the first opportunity for reasonably comparable employment in any available non-supervisory jobs in respect to such operations for which they can qualify after a reasonable training period. Such employment shall not result in any worsening of the employee's position in his former employment nor any loss of wages, hours, working conditions, seniority, fringe benefits, and rights and privileges pertaining thereto.

The commission may enter into an agreement specifying fair and equitable arrangements to protect the interests of employees who may be affected if the commission should acquire any interest in or purchase any facilities or other property of a privately owned and operated transit system, or construct, improve, or reconstruct any such facilities or other such property acquired from any such system, or provide by contract or otherwise for the operation of transportation facilities or equipment in competition with, or supplementary to, the service provided by an existing transit system. Such agreement, specifying the terms and conditions of the protective arrangements, shall comply with any applicable requirements of sections 473.401 to 473.451, and with the requirements of any federal law or regulation if federal aid is involved. Such an agreement may provide for final and binding arbitration of any dispute.

Subd. 3. [RULES AND REGULATIONS.] The commission may prescribe and promulgate rules and regulations as it deems necessary or expedient in furtherance of the purposes of sections 473.401 to 473.451 upon like procedure and with like force and effect as provided for state agencies by sections 14.02, 14.04 to 14.36, 14.38, 14.44 to 14.45, and 14.57 to 14.62, and acts amendatory thereof and supplementary thereto.

Subd. 13. [INSURANCE.] *The commission may provide for self-insurance or otherwise provide for insurance relating to any of its property, rights, or revenue, workers' compensation, public liability, or any other risk or hazard arising from its activities, and may provide for insuring any of its officers or employees against the risk or hazard at the expense of the commission. If the commission provides for self-insurance, against its liability and the liability of its officers, employees, and agents for damages resulting from its torts and those of its officers, employees, and agents, including its obligation to pay basic economic loss benefits under sections 65B.41 to 65B.71, it shall be entitled to deduct from damages and basic economic loss benefits all money paid or payable to the persons seeking damages and benefits from all governmental entities providing medical, hospital, and disability benefits.*

Subd. 14. [ENTRY ON PREMISES FOR INVESTIGATIONS.] *The commission may enter in a reasonable manner upon any lands, waters, or premises for the purpose of making any reasonably necessary or proper sur-*

veys, soundings, drillings, and examinations. The entry may not be deemed a trespass, except that the commission is liable for any actual and consequential loss, injury, or damage therefrom.

*Subd. 15. [RELOCATION OF DISPLACED PERSONS.] The commission may plan for and assist in the relocation of individuals, families, business concerns, nonprofit organizations, and others displaced by operations of the commission, and may make relocation payments in accordance with federal regulations.*

Sec. 128. Minnesota Statutes 1982, section 473.409, is amended to read:

**473.409 [AGREEMENTS WITH COMMISSION; ENCOURAGEMENT OF TRANSIT USE.]**

A state department or agency, including the legislative branch, any local governmental unit, the metropolitan council, or other metropolitan commission may enter into an agreement with the transit commission and other operators for the purpose of encouraging the use of transit by its employees residing in the metropolitan area. The agreement may provide for, among other things: (a) the advance purchase of tokens, tickets or other devices from the commission or other operator for use in lieu of fares on vehicles operated by the commission or other operator; and (b) special transit service for employees to and from their place of employment, at fares to be agreed upon by the contracting parties. The tokens, tickets, or other devices or services may be made available to employees at reduced rates. Any such agreement and arrangement by a state department or agency shall be submitted to the commissioner of administration for approval before execution. Any operating deficits or subsidy resulting from such agreements shall be assumed by the contracting department, agency, governmental unit, council, or other commission, unless otherwise provided in the *an agreement approved by the transit board.*

Sec. 129. Minnesota Statutes 1982, section 473.411, is amended to read:

**473.411 [TRANSPORTATION DEVELOPMENT PROGRAM TRANSIT AND HIGHWAY SYSTEMS.]**

~~Subdivision 1. [DEVELOPMENT PROGRAM.] The commission shall prepare and submit in the manner provided in and satisfying the requirements of section 473.161, a development program, providing for the implementation of the policy plan adopted by the council. In preparing the program, the commission shall consult with counties and municipalities in the metropolitan area, the state transportation department and the commissioner of energy, planning and development, and for that purpose may create such advisory committees as may be necessary.~~

The program shall provide for coordination of routes and operations of all publicly and privately owned transit and paratransit facilities within the transit area to the end that combined efficient and rapid transit and paratransit may be provided for the use of the public in the entire area. The commission may designate a segment of the system planned as a pilot or demonstration transit or paratransit project using, without limitation, new technology including air-borne systems, or traditional systems of evolved or modern form. The development program shall include the general alignment and profile, approximate points of access, facility classification, approximate cost, relation to other ex-

isting and planned transit and paratransit routes and facilities; and a statement of the expected general effect on present and future use of the property within the corridor. The program shall be accompanied with a statement of need for the proposed construction or improvement; a description of alternate routes which were considered; and an explanation of the advantages and disadvantages in the selection of any route considered. The development program shall also contain a description of the type of right-of-way or routes required; the type of transit service to be provided in each portion of the system; designation of transit mode; and appropriate general operating criteria. The program shall also contain an operational improvement program which shall at least describe performance objectives and standards which the commission proposes to achieve in satisfying policies, purposes, and goals established by the legislature and the council; identify performance indicators by which to monitor and assess progress in achieving the objectives and standards; and establish a route deficit limit as provided in section 174.28, subdivision 5. The program may include such other information as the council or the commission deems necessary.

Subd. 3. [COMBINATION OF PUBLIC TRANSIT AND HIGHWAY SYSTEMS; SERVICES OF DEPARTMENT OF TRANSPORTATION.] The public transit system shall be designed and operated, as far as practicable, so as to provide, in combination with public highways, adequate means and facilities of maximum attainable efficiency for public transportation to, from, and within the metropolitan transit area; and to relieve the congestion, traffic hazards, and other objectionable conditions aforesaid on the public highways caused by lack of adequate provisions for public transit. The transit commission may make use of engineering and other technical and professional services, including regular staff and qualified consultants, which the commissioner of transportation can furnish, upon fair and reasonable reimbursement for the cost thereof; provided, that the commission shall have final authority over the employment of any services from other sources which it may deem necessary for such purposes. The commissioner of transportation may furnish all engineering, legal, and other services, if so requested by the commission and upon fair and reasonable reimbursement for the cost thereof by the commission, which the commission requests for the purposes stated in this subdivision, including the acquisition by purchase, condemnation, or otherwise in the name of the commission of all lands, waters, easements, or other rights or interests in lands or waters required by the commission. *No purchase of service agreements may be made under this subdivision which are not included in the budget of the commission.*

Subd. 4. [STATE HIGHWAYS; JOINT USE FOR TRANSIT AND HIGHWAY PURPOSES.] Wherever the joint construction or use of a state highway is feasible in fulfilling the purposes of sections 473.401 to 473.451, the transit commission shall enter into an agreement with the commissioner of transportation therefor, evidenced by a memorandum setting forth the terms of the agreement. Either the commission or the commissioner of transportation may acquire any additional lands, waters, easements or other rights or interests therein required for such joint use in accordance with said the agreement, or joint acquisition may be made by condemnation as provided by section 117.016 and the provisions of sections 473.401 to 473.451. Under any such the agreement each party shall pay to the other party reasonable compensation for the costs of any services performed at the request of the other party which may include any costs of engineering, design, acquisition of property, construction of the facilities, and for the use thereof so far as attributable to and necessary for said the purposes. *The commission may not*

*agree to acquisitions or expenditures under this subdivision which are not included in its budget.*

Subd. 5. [USE OF PUBLIC ROADWAYS AND APPURTENANCES.] The transit commission ~~shall have the right to~~ *may use* for the purposes of sections 473.401 to 473.451 upon the conditions ~~hereinafter~~ *stated in this subdivision* any state highway or other public roadway or lane ~~thereof~~, or any bridge or tunnel or other appurtenance of ~~such a~~ roadway, without payment of any compensation ~~therefor~~, provided ~~such the~~ use does not interfere unreasonably with the public use or maintenance of the roadway or appurtenance or entail any substantial additional costs for maintenance ~~thereof~~; ~~provided further, that~~. The provisions of this subdivision ~~shall do not~~ apply to the property of any common carrier railroad or common carrier railroads. The consent of the public agency in charge of such state highway or other public highway or roadway or appurtenance ~~shall is not be~~ required, but if ~~such the~~ agency objects to the proposed use or claims reimbursement from the commission for additional cost of maintenance, it may commence an action against the commission in the district court of the county wherein ~~such the~~ highway, roadway, or appurtenance, or major portion thereof, is located. The proceedings in ~~such the~~ action ~~shall must~~ conform to the rules of civil procedure applicable to the district courts. The court shall sit without jury. If the court determines that the use in question interferes unreasonably with the public use or maintenance of the roadway or appurtenance, it shall enjoin ~~such the~~ use by the commission. If the court determines that the use in question does not interfere unreasonably with the public use or maintenance of the roadway or appurtenance, but that it entails substantial additional maintenance costs, the court shall award judgment to the agency for the amount of ~~such the~~ additional costs. Otherwise the court shall award judgment to the commission. An aggrieved party may appeal from the judgment of the district court in the same manner as is provided for such appeals in other civil actions. The commission may also use land within the right of way of any state highway or other public roadway for the erection of traffic control devices, other signs, and passenger shelters upon the conditions ~~hereinafter~~ *stated in this subdivision* and subject only to the approval of the commissioner of transportation where required by statute, and subject to the express provisions of other applicable statutes and to federal requirements where necessary to qualify for federal aid.

Sec. 130. Minnesota Statutes 1982, section 473.416, is amended to read:

473.416 [COMMISSION; TAKING OVER PERSONNEL AND CONTRACTS OF ~~JOINT POWERS~~ TRANSIT COMMISSION SYSTEMS.]

*Whenever the transit commission directly operates any public transit system, or any part thereof, or enters into any management contract or other arrangement for the operation of a system, the commission shall take the action necessary to extend to employees of the affected public transit systems, in accordance with seniority, the first opportunity for reasonably comparable employment in any available nonsupervisory jobs in respect to such operations for which they can qualify after a reasonable training period. The employment must not result in any worsening of the employee's position in his or her former employment nor any loss of wages, hours, working conditions, seniority, fringe benefits, and rights and privileges pertaining thereto. The commission may enter into an agreement specifying fair and equitable*

*arrangements to protect the interests of employees who may be affected if the commission should acquire any interest in or purchase any facilities or other property of a privately owned and operated transit system, or construct, improve, or reconstruct any facilities or other property acquired from any system, or provide by contract or otherwise for the operation of transportation facilities or equipment in competition with, or supplementary to, the service provided by an existing transit system. The agreement, specifying the terms and conditions of the protective arrangements, must comply with any applicable requirements of sections 473.401 to 473.451, and with the requirements of any federal law or regulation if federal aid is involved. The agreement may provide for final and binding arbitration of any dispute.*

The commission, upon commencing operations under sections 473.401 to 473.451, shall, so far as deemed practicable and advisable in the discretion of the commission and subject to the provisions hereof, take over and employ in corresponding positions or other suitable positions the professional, technical, and other personnel employed by the existing metropolitan transit commission, hereinafter called the joint powers transit commission, created by the joint and cooperative agreement heretofore made between certain governmental units of the transit area pursuant to section 471.59. The transit commission created by sections 473.401 to 473.451 shall upon like conditions take over any contracts made by the joint powers transit commission and in force on July 1, 1967 for professional or technical services, rental of office space or other facilities, or other contracts relating to any matter within the purposes of sections 473.401 to 473.451. The joint powers transit commission shall execute all instruments which may be necessary to effectuate the provisions of this section.

Sec. 131. Minnesota Statutes 1982, section 473.435, is amended to read:

473.435 [~~BUDGET PREPARATION; SUBMISSION FINANCE.~~]

*Subdivision 1. [BUDGET.] In furtherance of and in conformance with the implementation plan of the transit board, the transit commission shall prepare, submit and adopt a budget in the manner provided in, and otherwise comply with, the provisions of sections 174.03 and 473.163 each year shall prepare an annual budget, at the time, in the form, and containing the information prescribed by the board, and, after holding a public hearing on the budget, shall submit the budget to the board for review and approval or disapproval. The board may approve or disapprove the budget in whole or in part. The board may attach conditions to its approval. The board shall approve elements that the board determines are in conformance with the board's implementation plan and budget and shall disapprove elements that the board determines are not in conformance with the board's implementation plan and budget. The board shall return the budget to the commission, with comments indicating the reasons for any disapproval. If necessary, the commission shall make any appropriate amendments and resubmit the budget to the board for approval or disapproval.*

*Subd. 2. [AUDIT.] The transit commission shall employ a certified public accountant or firm to make an annual audit of the commission's financial accounts and affairs for the last fiscal year on or before November 30 of each year, and copies of the report thereof shall be filed and kept open to public inspection in the offices of the secretary of the commission, the board, and*

*the secretary of state. The information in the audit shall be contained in the annual report and distributed in accordance with section 473.445.*

Sec. 132. Minnesota Statutes 1983 Supplement, section 473.436, subdivision 6, is amended to read:

Subd. 6. [TEMPORARY BORROWING.] On or after the first day of any fiscal year, the commission may borrow money which may be used or expended by the commission for any purpose, including but not limited to current expenses, capital expenditures and the discharge of any obligation or indebtedness of the commission. The indebtedness ~~shall~~ *must* be represented by a note or notes which may be issued from time to time in any denomination and sold at public or private sale pursuant to a resolution authorizing the issuance thereof, ~~which~~. The resolution ~~shall~~ *must* set forth the form and manner of execution of the notes and shall contain other terms and conditions the commission deems necessary or desirable to provide security for the holders of the notes. The note or notes ~~shall be~~ *are* payable from committed or appropriated money ~~of from taxes, grants or loans of the state or federal government made to the commission, or other revenues of the commission,~~ and the money may be pledged to the payment of the notes. To the extent the notes are not paid from the grant or loan money pledged for the payment thereof, the *principal and interest of the notes shall must* be paid ~~with the interest thereon~~ from any taxes, income and revenue received or accrued during the fiscal year in which the note or notes were issued, or other money of the commission lawfully available therefor.

Sec. 133. Minnesota Statutes 1982, section 473.436, is amended by adding a subdivision to read:

*Subd. 7. [APPROVAL BY BOARD.] Commencing on the day that the transit board has adopted an approved interim implementation plan and financial plan, pursuant to sections 473.377 and 473.38, the transit commission may not issue debt under this section without the approval of the board.*

Sec. 134. Minnesota Statutes 1982, section 473.445, is amended to read:

473.445 [COMMISSION; ANNUAL REPORTS.]

Subdivision 1. The *transit* commission on or before November 30 of each year shall prepare a report for the preceding fiscal year, also, so far as practicable, for the further time up to the preparation of the report, containing, in addition to such other matters as the commission may deem proper, the following:

- (a) the activities of the commission during the period covered by the report;
- (b) the financial condition of public transit systems under the control of the commission; *and*
- (c) a complete financial accounting of the financial accounts and affairs of the commission during the fiscal year;
- (d) ~~recommendations for improvements of or additions to the transit and paratransit facilities of the area to provide adequate, speedy, and efficient means of transporting people therein;~~
- (e) ~~recommendations for any needed legislation in furtherance of the aforesaid purposes.~~

Subd. 3. Each report shall *must* be filed with the secretary of the commission and a copy shall *must* be filed with the board, the council, and the secretary of state. Copies shall *must* also be submitted to the legislature by November 15 of each even numbered year and shall be distributed annually to the governor and, to each member of the legislature, to each county commission, and to each elected chief executive of each municipality in the transit metropolitan area.

Sec. 135. Minnesota Statutes 1982, section 473.446, subdivision 2a, is amended to read:

Subd. 2a. [PROTECTION OF RIGHTS OF HOLDERS OF OUTSTANDING INDEBTEDNESS.] The provisions of subdivisions 1 and 2 or any other law changing the boundaries of the metropolitan transit taxing district or reducing the levy otherwise required to be levied within the district shall not be deemed to impair the rights of holders of outstanding indebtedness of the commission to require the levy certification to the transit board of property taxes, if necessary to provide for any deficiency in accordance with the conditions of such indebtedness, on all property within the limits of the metropolitan transit taxing district as such limits were in effect at the date of issuance of such indebtedness.

Sec. 136. Minnesota Statutes 1982, section 473.446, is amended by adding a subdivision to read:

Subd. 6. [TRANSFER OF AUTHORITY.] *The authority and responsibility to levy taxes provided under this section is transferred from the transit commission to the transit board, beginning for taxes levied in 1984, payable in 1985, and for each succeeding year. In addition to the taxing authority under subdivision 1, the transit board may levy an additional amount necessary to provide full and timely payment of obligations of the board issued under section 473.39. The board is subject to the requirements and obligations imposed by this section on the commission.*

Sec. 137. Minnesota Statutes 1982, section 473.446, is amended by adding a subdivision to read:

Subd. 7. [PROTECTION OF RIGHTS OF HOLDERS OF OUTSTANDING INDEBTEDNESS.] *Beginning for taxes levied in 1984, payable in 1985, and for each succeeding year, the transit commission shall certify to the transit board before October 1 of each year the amounts necessary to provide full and timely payment of certificates of indebtedness, bonds, and other obligations of the commission, until all debt of the commission is fully discharged. As part of its levy made pursuant to subdivisions 1 and 6, the board shall levy the amounts certified by the commission and transfer the proceeds to the commission for payment of its obligations. The taxes must be levied, certified, and collected in accordance with the terms and conditions of the indebtedness. Nothing in this act may impair the rights of holders of valid obligations of the commission to require a levy of property taxes. The transit board shall take the actions necessary to comply with the terms and conditions of the obligations, including if necessary the levy of property taxes to provide for a deficiency.*

Sec. 138. Minnesota Statutes 1982, section 473.449, is amended to read:

473.449 [ACT EXCLUSIVE.]

The exercise by the commission of the powers provided in sections 473.401 to 473.451 shall not be subject to regulation by or the jurisdiction or control of any other public body or agency, either state, county, or municipal, except as specifically provided in sections 473.401 to 473.451, and Laws 1974, Chapter 422, Article 1 chapter 473.

Sec. 139. Minnesota Statutes 1983 Supplement, section 609.855, subdivision 1, is amended to read:

Subdivision 1. [UNLAWFULLY OBTAINING SERVICES.] Whoever intentionally obtains or attempts to obtain service from a provider of regular route transit as defined in section 174.22, subdivision 8, without making the required fare deposit or otherwise obtaining the consent of the transit operator or other authorized transit representative is guilty of unlawfully obtaining services and may be sentenced as provided in subdivision 4.

Sec. 140. Minnesota Statutes 1983 Supplement, section 609.855, subdivision 2, is amended to read:

Subd. 2. [UNLAWFUL INTERFERENCE WITH TRANSIT OPERATOR.] Whoever intentionally commits an act that unreasonably interferes with the transit operator or representative while the operator or representative is engaged in the performance of official duties or obstructs the operation of a transit vehicle is guilty of unlawful interference and may be sentenced as provided in subdivision 4.

Sec. 141. Laws 1983, chapter 293, section 1, is amended to read:

Section 1. [TRANSPORTATION AND OTHER AGENCIES; APPROPRIATIONS.] The sums set forth in the columns designated "APPROPRIATIONS" are appropriated from the general fund, or any other fund designated, to the agencies and for the purposes specified in the following sections of this act, to be available for the fiscal years indicated for each purpose. The figures "1983," "1984," and "1985," wherever used in this act, mean that the appropriation or appropriations listed thereunder are available for the year ending June 30, 1983, June 30, 1984, or June 30, 1985, respectively.

#### SUMMARY BY FUND

	1983	1984	1985	TOTAL
General	\$10,000	\$82,717,500	\$80,685,200	\$163,412,700
Special		335,500	372,700	708,200
Airports		9,356,900	<del>10,335,400</del> 10,355,400	19,712,300
M.S.A.S.		51,500,000	54,100,000	105,600,000
C.S.A.H.		154,900,000	163,400,000	318,300,000
Tr. Hwy.		603,211,800	598,162,700	1,201,374,500
Hwy. User		<del>7,618,100</del> 7,474,300	<del>7,477,700</del> 7,621,500	15,095,800
TOTAL	\$10,000	<del>\$909,639,800</del> \$909,496,000	<del>\$914,553,700</del> \$914,697,500	\$1,824,203,500

APPROPRIATIONS  
Available for the Year  
Ending June 30  
1984 1985

Sec. 142. Laws 1983, chapter 293, section 2, subdivision 2, is amended to



read:

Subd. 2. Highway Development	566,923,700	573,418,700
Trunk Highway Development		
1984	1985	
<del>\$342,824,000</del>	\$335,308,700	
\$342,823,700		

It is estimated that this appropriation will be funded as follows:

Federal Highway Aid		
\$212,500,000	\$204,000,000	
Highway User Taxes		
\$ 95,323,700	\$ 91,308,700	
Bond Proceeds		
\$ 35,000,000	\$ 40,000,000	

The bond proceeds in this appropriation are the same as those appropriated by Laws 1977, chapter 277, section 1, and Laws 1983, chapter 17, section 12, both as amended by this act.

The commissioner of transportation shall notify the chairman of the senate finance committee and chairman of the house appropriations committee promptly of any events that should cause these estimates to change.

This appropriation is for the actual construction, reconstruction, and improvement of trunk highways. This includes the cost of actual payment to land owners for lands acquired for highway right of way, payment to lessees, interest subsidies, and relocation expenses.

County State Aids		
\$154,900,000	\$163,400,000	

This appropriation is from the county state-aid highway fund and is available until expended.

Municipal State Aids		
\$ 51,500,000	\$ 54,100,000	

This appropriation is from the municipal state-aid street fund and is available until expended.

Of the above appropriation, \$155,000 the first year and \$163,500 the second year shall be allocated to those communities where the population fell below 5,000 according to the 1980 federal census.

If an appropriation for either county state aids or municipal state aids is insufficient to exhaust the balance in the fund from which it is made in the year for which it is made, the commissioner

of finance, upon request of the commissioner of transportation, shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount of the remainder and shall then add that amount to the appropriation. The amount added is appropriated for the purposes of county state aids or municipal state aids, as appropriate.

Highway Debt Service

\$ 17,700,000    \$ 20,610,000

For transfer to the state bond fund.

If this appropriation is insufficient to make all transfers required in the year for which it is made, the commissioner of finance shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount of the deficiency and shall then transfer that amount pursuant to the statutory open appropriation.

Any excess appropriation shall be canceled to the trunk highway fund.

Sec. 143. Laws 1983, chapter 293, section 2, subdivision 8, is amended to read:

Subd. 8. Aeronautics	9,249,600	10,249,900
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The appropriations in this subdivision are from the state airports fund.

The amounts that may be expended from this appropriation for each activity are as follows:

Aeronautics Operations

\$ 439,600	\$ 447,300
\$ 451,400	\$ 459,900

During the biennium ending June 30, 1985, the commissioner shall not require the registration of personal use airports except for those within five miles of a public airport, whether privately or publicly owned.

Aeronautics Development and Assistance

\$ 8,479,700	\$ 9,660,100
\$ 8,467,900	\$ 9,647,500

\$971,500 the first year and \$1,014,200 the second year is for navigational aids.

\$5,092,300 the first year and \$6,269,400 the second year is for airport construction grants.

\$1,400,000 the first year and \$1,400,000 the

second year is for airport maintenance grants.

If the appropriation for either year for navigational aids, airport construction grants, or airport maintenance grants is insufficient, the appropriation for the other year is available for it. These appropriations shall be expended only for grant-in-aid programs for airports that are not state owned.

These appropriations are to be expended in accordance with Minnesota Statutes, section 360.305, subdivision 4, clauses (1), (2), (4), and (5).

The commissioner of transportation may transfer unencumbered balances among these appropriations with the approval of the governor after consultation with the legislative advisory commission.

\$16,900 the first year and \$7,500 the second year is for maintenance of the Pine Creek Airport.

Air Transportation Services	
\$ 330,300	\$ 142,500

*Any unexpended balance of the appropriation for air transportation services for purposes of repair and replacement of aircraft parts remaining in the first year shall not cancel but is available for the second year of the biennium.*

The commissioner of transportation shall expend no money for pilot uniforms.

During the biennium ending June 30, 1985, the commissioner of transportation shall establish the position of state air dispatcher.

Sec. 144. Laws 1983, chapter 293, section 2, subdivision 9, is amended to read:

#### Subd. 9. Transfers

The commissioner of transportation with the approval of the commissioner of finance may transfer unencumbered balances among the appropriations ~~from the trunk highway fund~~ made in this section ~~from the trunk highway fund~~ or from the general fund or state airports fund other than for grants. No transfer shall be made from the appropriation for trunk highway development. No transfer shall be made from the appropriations for debt service to any other appropriation. *No transfer shall be made be-*

*tween funds.* Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 145. Laws 1983, chapter 293, section 4, subdivision 1, is amended to read:

#### Sec. 4. PUBLIC SAFETY

##### Subdivision 1. General Operations and Management

	68,134,000	68,181,700
	67,990,600	68,325,500
	1984	1985
Approved Complement -	1,631.9	1,630.8
General -	385.0	385.0
Special -	.5	.5
Trunk Highway -	1,039.3	1,039.3
Highway User -	174.6	174.6
Federal -	32.5	31.4

The above approved complement includes 511 for state funded unclassified patrol officers and supervisors of the highway patrol.

Nothing in this provision is intended to limit the authority of the commissioner of public safety to transfer personnel, with the approval of the commissioner of finance, among the various units and divisions within this section provided that the above complement shall be reduced accordingly.

No new highway patrol supervisory positions shall be established, with the exception of special duty assigned ranks for the length of assignment only.

The commissioner of public safety, in cooperation with the departments of revenue and transportation, shall submit a report to the legislature outlining the costs and benefits of establishing ports of entry on Minnesota trunk highways. The study shall include, but is not necessarily limited to, an evaluation of the financial requirements for establishing ports of entry, the feasibility of ports of entry, the optimum location of ports of entry, and the impact ports of entry might have on the revenues collected for road and street purposes in Minnesota. The report shall be submitted to the chairman of the house appropriations committee and the chairman of the senate finance committee by November 1, 1983.

Of this appropriation, \$17,274,400 the first

year and \$17,281,200 the second year is from the general fund; \$45,000 the first year and \$45,000 the second year is from the state airports fund; \$43,446,900 for the first year and \$43,627,800 the second year is from the trunk highway fund; and ~~\$7,368,400~~ *\$7,224,300* the first year and ~~\$7,227,700~~ *\$7,371,500* the second year is from the highway user tax distribution fund.

The amounts that may be expended from this appropriation for each program are specified in the following subdivisions of this section.

Sec. 146. Laws 1983, chapter 293, section 4, subdivision 3, is amended to read:

Subd. 3. Emergency Services  
\$ 878,800 \$ 784,900

*\$264,400 the first year and \$267,300 the second year is for nuclear plant preparedness, and any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.*

Sec. 147. Laws 1983, chapter 293, section 5, is amended to read:

#### Sec. 5. AGRICULTURE

General Operations and Management	14,760,600	13,734,700
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Approved Complement - 453.8  
General - 222.3  
Special/Revolving - 216.5  
Federal - 15

Of this appropriation, \$14,610,400 the first year and \$13,556,000 the second year is from the general fund; and \$150,200 the first year and \$178,700 the second year is from the special revenue fund.

The amounts that may be expended from this appropriation for each program are as follows:

Agricultural Protection Service  
\$ 3,441,200 \$ 3,461,300

Notwithstanding Laws 1981, chapter 356, section 23, the commissioner of agriculture need transfer from the grain inspection account to the general fund by June 30, 1983 only the amount of the unobligated balance in the account not needed to provide working capital during the fiscal year ending June 30, 1984, as determined by the commissioner of finance. Any amounts due under Laws 1981, chapter

356, section 23 and not transferred to the general fund by June 30, 1983 shall be transferred to the general fund by June 30, 1984. It is estimated that this delay will reduce general fund transfers from other funds by \$250,000 for fiscal year 1983.

*Pursuant to Minnesota Statutes, section 17A.10, the commissioner of agriculture shall not initiate any new weigh stations until the recommendations of a select committee on livestock weighing have been received by the legislature. The committee shall be made up of three members of the house agriculture committee appointed by the speaker and three members of the senate agriculture and natural resources committee appointed by the subcommittee on committees of the committee on rules and administration. The committee shall report no later than January 30, 1984 promptly appoint weighers to weigh livestock at each public stockyard, packing plant, slaughtering house, buying station, or livestock marketing agency where weighers are required by law.*

There is appropriated to the Department of Agriculture \$10,000 for fiscal year 1983 for the purpose of implementing a gypsy moth control program. These funds are available until expended.

Agricultural Promotion Service  
 \$ 5,771,600 \$ 4,632,000

\$150,200 the first year and \$178,700 the second year is from the commodities research and promotion account in the special revenue fund.

\$500,000 the first year and \$500,000 the second year is for the agriculture development grant program to be expended in accordance with Minnesota Statutes, section 17.101. The commissioner shall submit a work program and semi-annual progress reports to the chairman of the senate finance committee and the chairman of the house appropriations committee.

For the biennium ending June 30, 1985, the commissioner of agriculture may provide money to assist in the implementation of research and promotional orders pursuant to Minnesota Statutes, sections 17.51 to 17.69 from the appropriations provided for agriculture development grants. This money shall be provided in accordance with Minnesota Stat-

utes, section 17.101.

No more than \$15,000 may be spent for implementing a barley research and promotion order.

No more than \$30,000 may be spent for implementing a corn research and promotion order.

\$1,500,000 the first year is for transfer to the special family farm security program account created by Minnesota Statutes, section 41.61, subdivision 1, for the purpose of paying lenders for defaulted loans.

\$2,846,200 the first year and \$3,164,600 the second year is for family farm security interest payment adjustments. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

#### Administration and Financial Aids Service

\$ 2,512,400 \$ 2,553,200

The appropriation for administration and financial aids service includes the following amounts for grants to agricultural societies and associations:

(a) For aid to the northeastern Minnesota junior livestock show association

\$ 1,200 \$ 1,200

(b) For aid to Minnesota livestock breeders association

\$ 14,200 \$ 14,200

(c) For aid to northern sheep growers associations

\$ 1,000 \$ 1,000

(d) For aid to southern sheep growers associations

\$ 400 \$ 400

(e) For Red River valley livestock associations

\$ 6,000 \$ 6,000

The amount appropriated by clause (e) shall be disbursed pursuant to provisions of Minnesota Statutes, section 38.02.

(f) For the Red River Valley Dairymen's Association, Inc., for the purpose of promoting better dairying

\$ 1,200 \$ 1,200

Clauses (b), (c), (d), (e), and (f) shall be expended under provisions of Minnesota Statutes, section 17.07.

(g) Aid to county and district agricultural societies

\$ 260,200 \$ 257,600

Of this amount, \$2,600 in fiscal year 1984 is for reimbursing Morrison County for costs incurred in fiscal year 1982;

Of the amount appropriated by clause (g) \$3,800 each year is for livestock premiums to county fair associations for carrying on boys' and girls' club work. The amount appropriated by clause (g) shall be disbursed according to Minnesota Statutes, section 38.02.

Of the amounts appropriated by clause (g), \$900 each year shall be available for agricultural aid to the Red Lake Band of Chippewa Indians, to be expended as may be directed by the Indian council for the purpose of encouraging activities and arts that will advance the economic and social interest of their people and particularly to promote a program of agricultural development that will utilize to the greatest possible extent the lands and forest owned by them. This appropriation may be used to help maintain an agricultural extension service, to promote 4-H club work, or for premiums for the competitive display of exhibits at any fair or exposition that may be arranged under the direction of the council.

(h) For aid in payment of premiums at exhibitions of poultry for the poultry associations

\$ 2,800 \$ 2,800

Out of the amounts appropriated by clause (h) the amount of \$827 shall be allotted each fiscal year to aid the Minnesota state poultry association in the payment of premiums and other necessary expenses, exclusive of salaries or wages of any kind, at its annual exhibition.

\$8,800 the first year and \$9,200 the second year is for payment of claims relating to livestock damaged by endangered animal species.

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

The commissioner of agriculture shall submit a report to the chairman of the house appropriations committee and the chairman of the senate finance committee by January 15, 1984 outlining the costs and benefits of continuing the



building lease beyond October 30, 1984.

Soil and Water Conservation Board

\$ 3,035,400 \$ 3,088,200

\$420,700 the first year and \$420,700 the second year is for general purpose grants in aid to soil and water conservation districts.

\$99,200 the first year and \$152,300 the second year is for grants to districts for technical assistance, education, and demonstrations of conservation tillage.

\$198,500 the first year and \$198,500 the second year is for grants to watershed districts and other local units of government in the southern Minnesota river basin study area 2 for flood plain management.

\$1,541,400 the first year and \$1,541,400 the second year is for grants to soil and water conservation districts for cost-sharing contracts for erosion control and water quality management.

\$158,700 the first year and \$158,700 the second year is for grants in aid to soil and water conservation districts and local units of government to assist them in solving sediment and erosion control problems. Grants shall not exceed 50 percent of total project costs or 50 percent of the local share if federal money is used. Priority shall be given to projects designed to solve lakeshore, stream bank, and roadside erosion and to projects eligible for federal matching money.

\$12,400 the first year and \$12,400 the second year is for grants to soil and water conservation districts for review and comment on water permits.

The commissioner of agriculture with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 148. Laws 1983, chapter 293, section 6, is amended to read:

Sec. 6. BOARD OF ANIMAL HEALTH

General Operations and Management	1,237,600	1,198,000
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This appropriation includes ~~\$40,000~~ \$32,600 the first year and ~~\$40,000~~ \$18,000 the second year for payment of indemnities. If the appropriation for indemnities for either year is insufficient, the appropriation for the other year is available for it. Indemnities of less than \$1 shall not be paid.

For the biennium ending June 30, 1985, the board of animal health may request additional funding from the legislative advisory commission for the purpose of implementing the provisions of a bill known as H.F. 512, tentatively coded as Minnesota Statutes, section 35.255.

Sec. 149. [JOINT COMMITTEE.]

*The senate agriculture and natural resources committee and the house agriculture committee may form a joint committee to oversee agricultural land preservation and soil and water conservation activities in the state.*

Sec. 150. [APPROPRIATIONS; REDUCTIONS AND TRANSFERS.]

*Subdivision 1. The general fund appropriation in Laws 1983, chapter 293, section 2, subdivision 5(e) for fiscal year 1985 for state operating assistance grants is reduced by \$1,084,800 and reappropriated to the commissioner of transportation for transfer to the regional transit board.*

*Subd. 2. The general fund appropriation in Laws 1983, chapter 293, section 2, subdivision 6 for fiscal year 1985 for transit administration is reduced by \$14,700 and reappropriated to the commissioner of transportation for transfer to the regional transit board. The approved general complement of the department of transportation is reduced by one full-time position effective June 30, 1985.*

*Subd. 3. Notwithstanding any other law to the contrary, the metropolitan transit commission shall reduce its support staff by 21 full-time positions effective June 30, 1985. For purposes of this subdivision, support staff includes all staff other than drivers, mechanics, and security personnel.*

*Subd. 4. For the biennium ending June 30, 1985, the approved complement of the regional transit board may not exceed 19 full-time positions. The chairman of the regional transit board may, on approval of the board, appoint no more than three persons in the unclassified service, not to exceed any other statutory complement limitations.*

*The chairman of the regional transit board shall present a complete budget and staffing plan to the committees on finance in the senate and appropriations in the house by December 1, 1984.*

*Subd. 5. The commissioner of finance shall supervise the transfer of funds to the regional transit board under subdivisions 1 and 2. If an increase is required in the amount appropriated for the operating expenses of the regional transit board, the commissioner of finance shall determine the appropriate amount and, subject to the provisions of section 3.30, transfer the required amount from funds made available by Laws 1983, chapter 293, section 2, subdivision 5(e). Questions respecting the transfer of programs*

*from the metropolitan transit commission or the department of transportation shall be resolved by the commissioner of administration in consultation with the commissioner of finance.*

**Sec. 151. [STUDIES; REPORTS.]**

*The regional transit board shall study and report to the legislature by February 1, 1985, on the following issues:*

*(1) changes needed in the replacement service and contract programs in order to provide greater incentives for cities and counties and combinations thereof to design and implement service that meets their needs efficiently and effectively; and*

*(2) changes needed in its authority to contract indebtedness and to levy property taxes to retire debt.*

**Sec. 152. [PROGRESS REPORTS.]**

*The regional transit board shall report to the legislature by February 1, 1985, on its progress to date in:*

*(1) developing and implementing programs to improve service in areas that are not adequately served at present; and*

*(2) preparing and implementing the implementation plan and financial plan required by law.*

**Sec. 153. [REPEALER.]**

*Subdivision 1. [METROPOLITAN TRANSIT COMMISSION.] Minnesota Statutes 1982, sections 174.03, subdivision 5a; 473.401; 473.402; 473.403; 473.411, subdivision 1; 473.413 as amended by Laws 1983, chapter 247, section 160; 473.451, are repealed effective August 1, 1984. Minnesota Statutes 1982, sections 174.24, subdivisions 3a and 4; 174.265; and 174.31 are repealed July 1, 1985.*

*Subd. 2. [OTHER.] Minnesota Statutes 1982, sections 167.31; 167.32; 167.33; 167.34; 167.35; 167.36; 167.37; 167.38; 167.39; 167.42; 167.43; 167.44; 167.521; and 168.27, subdivision 5, are repealed.*

**Sec. 154. [EFFECTIVE DATE.]**

*Except as otherwise provided in this section this act is effective the day following final enactment. Sections 101; 102; 103; 104; 105; 106; 107; 108; 109; 110; 111; 112; 113; 114; 115; 116, subdivisions 1, 2, 4, 5, 6, 7, and 8; 117; 118; 119; 120; 121; 122; 123; 124; and 125, are effective July 1, 1984, in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington. Sections 126; 127; 128; 129; 130; 131; 132; 133; 134; 135; 136; 137; and 138, are effective August 1, 1984, in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington. Sections 63; 64; 65; 66; 67; 68; 69; 70; 71; and 72, are effective July 1, 1985. Section 79 is effective July 1, 1985, and section 81 is effective January 1, 1986. Sections 139 and 140 are effective August 1, 1984 and apply to violations committed on or after that date.*

**ARTICLE 4**

**EDUCATION**

## Section 1. DEPARTMENT OF EDUCATION

## (a) School Management Services

1,600,000

This appropriation is for regional computing centers.

It is added to the appropriation for that purpose in Laws 1983, chapter 258, section 2, subdivision 7(b), which is reappropriated to the department.

As part of the fiscal year 1986-1987 biennial budget process, the commissioner shall, with the assistance of the ESV Computer Council, prepare a plan for modification of the statutory requirement for school district affiliation with a regional center. This plan shall include recommendations for any statutory amendments required to implement this change in policy.

Notwithstanding Laws 1977, chapter 449, section 3, subdivision 2, reimbursement of the \$50,000 appropriation for establishing the Minnesota Occupational Information System Revolving Fund is not required.

## (b) Special services

The \$75,000 appropriated to the department of education for fiscal year 1984 for a computer project for personnel licensing and placement activities may be carried over to fiscal year 1985.

## (c) Auxiliary and General Support Services

The commissioner of education shall maintain no more than seven total state complement in the categories of commissioner, deputy commissioner, assistant commissioner, assistant to the commissioner, executive assistant, or executive aide.

## (d) State Board Expenses

57,000

This appropriation is for state board of education expenses, services, contracts, and other needs determined by it. The commissioner of education shall provide accounting, financial, and other services without charge to the board. Expenditure of this appropriation is subject to the approval of the chair of the state board of education rather than the commissioner of education. This appropriation is added to the appropriation for the state board of education in Laws 1983, chapter 258, section 2, subdivision

8.

## (e) Non-AVTI Adult Vocational Programs

181,000

There is appropriated from the general fund to the department of education, for fiscal year 1984, the sum of \$50,000 and, for fiscal year 1985, the sum of \$131,000 for the operation of non-AVTI adult vocational programs. This appropriation shall be added to the sums appropriated for fiscal years 1984 and 1985 for this purpose in Laws 1983, chapter 314, article 5, section 18, subdivision 7.

Sec. 2. STATE BOARD OF  
VOCATIONAL-TECHNICAL EDUCATION

100,000

This appropriation is added to the appropriation in Laws 1983, chapter 258, section 2, subdivision 4, for the implementation of Laws 1983, chapter 258, sections 56, 57, 58, 59, 60, 61, 63, and 64.

The state board of vocational-technical education may carry over any unencumbered balance from its appropriation from the first year of the biennium to the second year of the biennium and up to a maximum of two percent of its unallocated biennial appropriation into the following biennium.

Sec. 3. HIGHER EDUCATION  
COORDINATING BOARD

(a) State Scholarship, Nurses Scholarship,  
and State Grant-In-Aid

5,000,000

This appropriation is added to the appropriation for the same purpose in Laws 1983, chapter 258, section 3, subdivision 3.

Of the above appropriation, an amount not to exceed \$75,000 is for osteopathy contracts for osteopathy students who began their first year of study in the fall of 1982. Those students are to be eligible for participation in the contract program for their third and fourth years of study.

(b) The Higher Education Coordinating Board shall adopt temporary rules pursuant to Minnesota Statutes, sections 14.29 to 14.36 to implement Minnesota Statutes 1983 Supplement, section 136A.1701, for the 1984-1985 academic year. Notwithstanding Minnesota Statutes, section 14.35, the temporary rules may be effective until permanent rules are adopted or

June 30, 1985, whichever is earlier.

(c) Reciprocity

A resident of a state which borders Minnesota and which did not require non-resident tuition for vocational technical programs in the 1983-84 school year, may attend an AVTI in Minnesota at Minnesota resident tuition rates for the 1984-1985 school year. The non-resident must qualify under Minnesota law to attend the AVTI as if the non-resident were a Minnesota resident.

The Higher Education Coordinating Board shall negotiate an interstate tuition reciprocity agreement with all bordering states that includes the area vocational technical institutes. If agreement cannot be reached on reciprocity for the area vocational technical institutes, the Board shall re-evaluate the entire post-secondary reciprocity agreement with that state.

Sec. 4. STATE UNIVERSITY SYSTEM

In order to assure conformance with legislative intent and cost-effective construction, the State University Board shall submit the building program, schematic plans, and cost estimates authorized by the 1984 Omnibus Capital Improvement Bill styled as H.F. 2314 to the Department of Finance for comment and recommendations.

Sec. 5. UNIVERSITY OF MINNESOTA

(a) Supercomputer Institute

1,600,000

This appropriation is for access to different types of supercomputers.

(b) Bio-Technology Center

200,000

This appropriation is added to the appropriation for the same purpose in Laws 1983, chapter 258, section 6, subdivision 3(z). This appropriation is available upon submission of required documentation that each dollar of state money has been matched by two dollars of contributions from nonstate sources.

(c) Faculty Retirement

960,000

This appropriation is added to the appropriation for operations and maintenance for the University of Minnesota in Laws 1983, chapter 258, section 6, subdivision 2. This appropriation restores part of the reduction in the appropriation

to the university which occurred in Laws 1982, third special session chapter 1, article 2, section 2, subdivision 3(e). That reduction was intended to be a proportionate reduction in compensation for academic employees as part of the state's overall temporary reduction in employer contributions for public employee pensions.

(d) Agricultural Research

265,000

\$125,000 of this appropriation is for research concerning growing and processing grapes in Minnesota. These funds are to be used to create, expand, and facilitate grape research programs deemed valuable and appropriate to Minnesota-grown wine grapes, table grapes, grape juice products, and other grape products.

The Minnesota Grape Growers Association shall form a grape research council to advise the University of Minnesota about the research to be conducted. The grape research council shall be made up of seven members of the Minnesota Grape Growers Association. Four members, designated as grower members, must be active grape growers. Two members, designated as winery members, must be actively engaged in the production of Minnesota-regional commercial wines. One member, designated as the research member, must be actively engaged in either institutional or private grape culture research.

This appropriation is added to the appropriation in Laws 1983, chapter 258, section 6, subdivision 3(b).

(e) China Center

75,000

(f) Talented Youth Mathematics Program

75,000

(g) Underground Space Center

200,000

(h) Environmental Pathology Laboratory

100,000

(i) The University of Minnesota is requested to prepare detailed plans and specifications for the Institute of Contemporary Retailing. Such plans and specifications may be included in the University's 1985 budget request.

Sec. 6. TEACHING ASSISTANTS

It is the intent of the legislature that the University of Minnesota and the state university board address the problem of teaching assis-

tants for whom English is a second language. The University of Minnesota and the state university board shall develop plans for ensuring that teaching assistants are proficient in speaking, reading, and writing the English language as it is spoken in the United States. The plans shall be presented to the legislature by February 1, 1985.

The legislature encourages the University of Minnesota and the state university system to be sensitive to this problem as it may relate to faculty members and consult with their faculty on methods of addressing it.

Sec. 7. [INTERNATIONAL SCHOOLS OF BUSINESS.]

*The University of Minnesota and the state university system are requested to prepare coordinated, detailed plans and specifications for international school of business endeavors; such plans and specifications shall be included in the systems 1985 budget requests.*

Sec. 8. [15.0591] [REPRESENTATIVE OF OLDER POPULATION.]

*Subdivision 1. [ADDITION OF MEMBERS.] The membership of state boards, commissions, advisory councils, task forces, or committees listed in subdivision 2 shall include at least one member, 60 years of age or over. At least one of the members over 60 shall not be actively engaged in or retired from an occupation, profession, or industry, if any, to be regulated.*

*Subd. 2. [BODIES AFFECTED.] A member meeting the qualifications in subdivision 1 shall be appointed to the following boards, commissions, advisory councils, task forces, or committees:*

- (1) advisory council on battered women;*
- (2) advisory task force on the use of state facilities;*
- (3) alcohol and other drug abuse advisory council;*
- (4) board for community colleges;*
- (5) board of examiners for nursing home administrators;*
- (6) board on aging;*
- (7) cable communications board;*
- (8) chiropractic examiners board;*
- (9) consumer advisory council on vocational rehabilitation;*
- (10) council for the handicapped;*
- (11) council on affairs of Spanish-speaking people;*
- (12) council on black Minnesotans;*
- (13) dentistry board;*
- (14) department of economic security advisory council;*
- (15) higher education coordinating board;*



- (16) housing finance agency;
- (17) Indian advisory council on chemical dependency;
- (18) medical examiners board;
- (19) medical policy directional task force on mental health;
- (20) metropolitan transit commission or its successor;
- (21) Minnesota emergency employment development task force;
- (22) Minnesota office of volunteer services advisory committee;
- (23) Minnesota state arts board;
- (24) mortuary sciences advisory council;
- (25) nursing board;
- (26) optometry board;
- (27) pharmacy board;
- (28) physical therapists council;
- (29) podiatry board;
- (30) psychology board;
- (31) veterans advisory committee.

Sec. 9. [TEMPORARY.]

*If a group listed in section 8, subdivision 2, does not have a member who meets the qualifications in section 8, subdivision 1, on July 1, 1985, such a member shall be appointed when a vacancy occurs on or after July 1, 1985. Section 8 does not require the immediate displacement of current members of the groups listed in subdivision 2.*

Sec. 10. Minnesota Statutes 1982, section 125.031, is amended to read:

125.031 [LICENSURE, AREA VOCATIONAL-TECHNICAL SCHOOL INSTRUCTORS TEACHING LESS THAN SIX 61 HOURS A QUARTER FISCAL YEAR.]

Notwithstanding section 125.03, subdivision 1, a person who teaches in an adult extension vocational-technical education program not more than ~~six~~ 61 hours per ~~quarter~~ fiscal year is exempt from a license requirement.

Sec. 11. Minnesota Statutes 1983 Supplement, section 135A.03, subdivision 1, is amended to read:

Subdivision 1. [DETERMINATION OF APPROPRIATION.] The appropriation to each board for instructional services shall equal the total cost of instruction minus the estimated tuition revenue. *For the 1985-1987 biennium the estimated tuition revenue should be approximately 33 percent of instructional cost for the University of Minnesota, the state university system and the community college system, and 25 percent for the area vocational-technical institutes.*

Sec. 12. Minnesota Statutes 1983 Supplement, section 135A.03, subdivision 3, is amended to read:

Subd. 3. [DETERMINATION OF STUDENT ENROLLMENT.] Student enrollment shall be the full-year equivalent or average daily membership enrollment in each instructional category in the fiscal year two years before the fiscal year for which the appropriations are being made. Student enrollment *for the purpose of calculating appropriations for the second year of the biennium* may be estimated on the basis of the ~~fall enrollment~~ *latest enrollment data available*. Student enrollment shall ~~exclude~~ *include* students enrolled ~~during a summer session, except when the instructional program is provided during the entire calendar year in courses that award credit or otherwise satisfy any of the requirements of an academic or vocational program.~~

Sec. 13. Minnesota Statutes 1983 Supplement, section 135A.03, subdivision 4, is amended to read:

Subd. 4. [DETERMINATION OF AVERAGE COST OF INSTRUCTION.] (a) The average cost of instruction shall include direct instructional costs and other costs necessary to provide instruction, such as ~~fees,~~ facilities, administration, and support. The average cost of instruction shall ~~not~~ include ~~summer session costs, except when the instructional program is provided during the entire calendar year~~ *only those costs attributable to academic or vocational programs.*

(b) ~~Every biennium each board shall submit by December 1, 1983, its the average cost of instruction for each instructional category for the 1984 fiscal year. Annually thereafter by December 1, each board shall submit the average cost of instruction for each instructional category as necessary to determine appropriations. The information shall be submitted to the commissioner of finance as part of their biennial budget request.~~

Sec. 14. Minnesota Statutes 1982, section 136.11, subdivision 2, is amended to read:

Subd. 2. [FEES CHARGEABLE.] ~~In addition thereto student activity fees shall be charged at the state universities not to exceed \$15 per quarter, and in the model schools, not to exceed \$5 per quarter. The state university board may also prescribe fees to be charged students for student unions, university activities, functions, and purposes. All fees received are appropriated to the board for the purposes for which they are charged.~~

Sec. 15. Minnesota Statutes 1982, section 136.11, subdivision 7, is amended to read:

Subd. 7. [STUDENT HEALTH SERVICE.] The state university board shall ~~establish a offer health service services for students at each state university for its students and. The health services may be offered either on campus or in the community nearby. The Board may charge each student a health service fee in an amount not exceeding \$75 per year. The proceeds of the fee shall be used to maintain the health service and equip and construct facilities for it. Proceeds of the fee may be used to contract for health, medical and hospitalization insurance for the students. The proceeds of the fees shall be deposited in the university activity fund and are annually appropriated to the state university board for the purposes of this subdivision.~~

Sec. 16. Minnesota Statutes 1983 Supplement, section 136.144, is amended to read:

136.144 [PROMOTION OF UNIVERSITY; ACCEPTANCE OF GIFTS.]

The board may receive and accept on behalf of the state and for the state universities any gift, bequest, devise, endowment, or grant in the form of cash which any person, firm, corporation, association, or governmental agency may make to the board by will, deed, gift, or otherwise to carry out the purposes of section 136.143. Unless otherwise so expressed in the terms of the gift, bequest, devise, endowment, or grant, moneys so received are not subject to the laws requiring budgeting, allotment, and encumbrance as provided in chapter 16A, or otherwise. ~~These moneys shall be deposited in the state treasury and are appropriated to the board for use according to this section.~~ These moneys shall not be taken into account in determining appropriations or allocations.

Sec. 17. [136.26] [STATE UNIVERSITY VENDING CONTRACTS.]

*Notwithstanding any other law to the contrary, the state university system will award contracts for vending machine services to the vendor who offers the highest commission rate to a state university, all other factors being substantially equal.*

Sec. 18. Minnesota Statutes 1982, section 136.506, is amended to read:

136.506 [FUNDS, TREASURER'S DUTIES AUTHORITY OF BOARD.]

The state ~~treasurer~~ university board is appointed custodian of all funds received from the federal government under sections 136.501 to 136.507 and is charged with the duty and responsibility of receiving and providing for the proper custody and proper disbursement of money paid to the state and the appropriations made for such purpose.

Sec. 19. Minnesota Statutes 1982, section 136.55, subdivision 2, is amended to read:

Subd. 2. All amounts so allocated shall be deposited in an annuity account which is ~~hereby established in the state treasury by the state university board.~~ ~~There is annually appropriated from the annuity account in the state treasury to the state university board all moneys deposited therein for the~~ Payment of annuity premiums *shall be made* when due or ~~for other application~~ in accordance with the salary agreement entered into between the employee and the state university board. The moneys in the annuity account ~~in the state treasury~~ are not subject to the budget, allotment, and incumbrance system provided for in chapter 16A, and any act amendatory thereof.

Sec. 20. Minnesota Statutes 1982, section 136A.02, subdivision 1a, is amended to read:

Subd. 1a. *The term of each board member shall be six years. The membership terms of membership, compensation, removal of members, and filling of vacancies on the board shall be as provided in section 15.0575.*

Sec. 21. Minnesota Statutes 1983 Supplement, section 136A.121, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY FOR GRANTS-IN-AID.] An applicant shall be eligible to be considered for a grant-in-aid, regardless of the applicant's sex, creed, race, color, national origin, or ancestry, under the provisions of sections 136A.09 to 136A.131 if the board finds that applicant:

(1) is a resident of the state of Minnesota;

(2) is a graduate of a secondary school or its equivalent, or is 17 years of age or over, and has met all requirements for admission as a full-time student to an eligible college or vocational school of his choice as defined in sections 136A.09 to 136A.131 ~~or has completed at least one academic year of study at a two-year institution and seeks transfer to a four-year eligible institution;~~

(3) has met such criteria pertaining to financial need as the board shall make by regulation.

Sec. 22. Minnesota Statutes 1983 Supplement, section 136A.26, is amended to read:

**136A.26 [MEMBERSHIPS; OFFICERS; COMPENSATION; REMOVAL.]**

Subdivision 1. [MEMBERSHIP.] The Minnesota higher education facilities authority shall consist of ~~six~~ *eight* members appointed by the governor with the advice and consent of the senate, and the executive director of the Minnesota higher education coordinating board. The executive director of the coordinating board may designate a member of the director's staff to sit in the director's place as a member of the authority.

All members to be appointed by the governor shall be residents of the state. *At least two members must reside outside the metropolitan area as defined in section 473.121, subdivision 2.* At least one of the members shall be a person having a favorable reputation for skill, knowledge, and experience in the field of state and municipal finance; and at least one shall be a person having a favorable reputation for skill, knowledge, and experience in the building construction field; and at least one of the members shall be a trustee, director, officer, or employee of an institution of higher education.

*Subd. 1a. [PRIVATE COLLEGE COUNCIL MEMBER.] The chief executive officer of the Minnesota private college council shall serve, without compensation, as an advisory, nonvoting member of the authority.*

Subd. 2. [TERM; COMPENSATION; REMOVAL.] The membership terms, compensation, removal of members, and filling of vacancies for authority members other than the executive director of the higher education coordinating board or the director's designee, *and the chief executive officer of the private college council,* shall be as provided in section 15.0575.

Sec. 23. Minnesota Statutes 1982, section 136A.32, subdivision 7, is amended to read:

Subd. 7. The authority may invest any bond proceeds, sinking funds or reserves in any ~~general obligation of the United States, the state of Minnesota or any of its municipalities and in securities issued by the following agencies of the United States: Federal Home Loan Banks, Federal Intermediate Credit Banks, Federal Land Banks, Federal National Mortgage Association, Government National Mortgage Association, and Banks for Cooperatives~~ *securities authorized for investment of debt service funds of municipalities pursuant to section 475.66, subdivision 3, including securities described in section 475.67, subdivision 8.* In addition, such bond proceeds, sinking funds and reserves may be

(1) deposited in time deposits of any state or national bank subject to the

limitations and requirements of chapter 118, or

(2) *invested in repurchase agreements with, providing for the repurchase of securities described in the preceding sentence by, a bank qualified as a depository of money of the authority, a national or state bank in the United States that is a member of the federal reserve system and whose combined capital and surplus equals or exceeds \$10,000,000, or a reporting dealer to the federal reserve bank of New York. Power to make any such investment or deposit is subject to the provisions of any applicable covenant or restriction in a resolution or trust agreement of the authority.*

Sec. 24. Minnesota Statutes 1982, section 136A.81, subdivision 1, is amended to read:

Subdivision 1. [FEES AND TUITION.] Except for an administration fee of \$6 a credit hour, to be collected only when a course is taken for credit, a senior citizen who is a legal resident of Minnesota is entitled without payment of tuition or activity fees to attend courses offered for credit, audit any courses offered for credit, or enroll in any noncredit adult vocational education courses in any state supported institution of higher education in Minnesota when space is available after all tuition-paying students have been accommodated. For the purposes of sections 136A.80 and 136A.81, the term "noncredit adult vocational education courses" shall not include those adult vocational education courses designed and offered specifically and exclusively for senior citizens.

*The provisions of section 136A.80 and 136A.81 do not apply to noncredit courses designed and offered by the University of Minnesota, the state university system, the community college system, and the area vocational-technical institutes specifically and exclusively for senior citizens. Senior citizens enrolled under the provisions of sections 136A.80 and 136A.81 shall not be included by such institutions in their computation of full time equivalent students when requesting staff or appropriations. The enrollee shall pay laboratory or material fees.*

Sec. 25. Minnesota Statutes 1982, section 169.966, subdivision 1a, is amended to read:

Subd. 1a. The state university board may establish rents, charges or fees ~~in an amount not to exceed \$1 per vehicle per day~~ for the use of parking facilities owned, leased, occupied, or operated by the state university board. The money collected by the board as rents, charges or fees in accordance with this subdivision shall be deposited in the university activity fund and is annually appropriated to the state university board for state university purposes and to maintain and operate parking lots and parking facilities.

Sec. 26. Minnesota Statutes 1982, section 169.966, is amended by adding a subdivision to read:

Subd. 8. [DELEGATION.] *The state university board may delegate its responsibilities under this section to a state university president. Actions of the president shall be presumed to be those of the board. The university president shall file with the board president the results of any public hearings and the subsequent adoption of any proposed rule, regulation, or ordinance enacted pursuant thereto.*

Sec. 27. [FUND TRANSFER AUTHORIZATION.]

*Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 573.] Notwithstanding any law to the contrary, by June 30, 1984, Independent School District No. 573, Hinckley, may permanently transfer up to \$900,000 from its general fund to its capital expenditure fund to provide partial funding for energy conservation, computer and other technological expansion, for facilities for a computer networking system, and to remodel and construct an addition to the elementary school.*

*Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 573 with Minnesota Statutes, section 645.021, subdivision 3.*

Sec. 28. [FUND TRANSFER AUTHORIZATION.]

*Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 4.] Notwithstanding any law to the contrary, for the school year 1984-1985 Independent School District No. 4, McGregor, may permanently transfer an amount not to exceed \$800,000 from the general fund to the capital expenditure fund for the purpose of fire safety and energy conservation expenditures and school building betterment.*

*Subd. 2. [NO LOCAL APPROVAL.] Pursuant to section 645.023, subdivision 1, clause (a), subdivision 1 is effective without local approval the day following final enactment.*

Sec. 29. [EFFECTIVE DATE; APPLICATION.]

*This article is effective the day following final enactment. Section 20 applies to members of the higher education coordinating board appointed following enactment of this act.*

Sec. 30. [REPEALER.]

*Minnesota Statutes 1982, sections 136.11, subdivision 6; and 136A.133, are repealed.*

## ARTICLE 5

### HEALTH AND HUMAN SERVICES

#### Section 1. COMMISSIONER OF PUBLIC WELFARE

The commissioner of public welfare shall phase in a change in departmental designation from "welfare" to "human services." To the extent possible, the commissioner shall exhaust existing forms and supplies and otherwise minimize the cost and disruption of the change.

The state share of money received under the state and local fiscal assistance act, known as the general revenue sharing program, shall be deposited in the medical assistance account and the state appropriation shall be reduced by a like amount.

(a) Implementation of Changes to the Long-

Term Care Reimbursement System 64,000

(b) Nursing Home Audits 70,000

The appropriations listed in (a) and (b) are added to the appropriation in Laws 1983, chapter 312, article 1, section 2, subdivisions 1 and 3.

(c) Title XX correction 1,666,000

For the purpose of distribution to counties named in this clause as their final portion of title XX money for federal fiscal years 1980, 1981, and 1982. Notwithstanding the provisions of section 256E.07, these moneys shall be allocated by the commissioner as follows:

Aitkin	\$ 24,297
Carlton	13,048
Carver	15,378
Clearwater	17,026
Cook	3,989
Hennepin	859,760
Kanabec	6,936
Kittson	2,484
Koochiching	12,880
Lake	916
LeSueur	703
Mahnomen	1,726
Pine	25,647
Pope	2,213
Ramsey	374,137
Red Lake	1,993
St. Louis	300,775
Wright	2,345

Acceptance by a county of the amount specified in this clause constitutes an agreement that, for federal fiscal years 1980, 1981, and 1982, full and final payment of title XX money has been received of the state.

(d) Child Day Care Sliding Fee 1,500,000

(e) Hearing Impaired Telecommunications 50,000

The appropriations listed in (c), (d), and (e) are added to the appropriation in Laws 1983, chapter 312, article 1, section 2, subdivisions 1 and 4.

(f) Medical Assistance Demonstration Projects 589,000

\$49,000 of this sum shall be used to fund two staff positions, only one of which is to be classified, and the related administrative support

costs to administer the Medicaid Prepayment Demonstration Project and the Social HMO Project, authorized by Minnesota Statutes, sections 256B.69 and 256B.71.

Notwithstanding Minnesota Statutes 1983 Supplement, section 256B.69, subdivision 3, the demonstration project geographic areas may include one urban, one suburban, and at least one rural county or some combination of suburban and rural counties.

\$270,000 of this sum shall be used to make grants to counties for administrative expenses incurred by counties participating in the demonstration projects.

\$270,000 of this sum is available only with the approval of the governor after consultation with the legislative advisory commission contingent on a finding by the commissioner of public welfare that the additional administrative costs are in fact being incurred by the participating counties.

(g) The temporary rules required to implement section 256B.501, subdivision 3, shall not be deemed invalid because of the commissioner's failure to promulgate them by October 1, 1983.

(h) General Assistance	7,741,000
(i) Fiscal Analysis Services	97,000
(j) Implementation of Health Care Policies	70,000

This appropriation shall be reduced if federal administrative reimbursement received is less than \$35,000.

Any unexpended balance remaining in the appropriation authorized by Laws 1983, chapter 199, section 20, does not cancel but is available for the second year of the biennium.

(k) Chronically Ill Children Waiver	35,000
(l) Community-based Services for Disabled Persons under Age 65	18,000

The appropriations in (f), (h), (i), (j), (k), and (l) are added to the appropriation in Laws 1983, chapter 312, article 1, section 2, subdivisions 1 and 5.

(m) American Indian Chemical Dependency Services	200,000
(n) Lakeside Chemical Dependency Center	250,000



Notwithstanding Laws 1983, chapter 312, article 1, section 2, subdivision 6, or any other law to the contrary, the commissioner of welfare shall augment the program with federal money and any additional money provided through shared service agreements, pursuant to Minnesota Statutes, section 246.57, after the amount of the state appropriation has been recovered and deposited in the general fund. General fund expenditures shall not exceed the amount of service charges recovered. Program expenditures in excess of recoveries shall be funded with money received under the federal alcohol, drug abuse, and mental health block grant.

The commissioner shall maintain records of the operations of this project, evaluate the efficiency and effectiveness of the treatment program, and report back to the legislature during the 1985 session on the amount deposited to the general fund from the shared service agreements and the necessity and viability of operating this project in the future.

(o) Mash-Ka-Wisen Treatment Facility	200,000
(p) Facilities for Adult Mentally Ill	2,217,000

This appropriation is for grants to counties to upgrade residential facilities serving adult mentally ill persons as authorized by Minnesota Statutes, section 245.73.

(q) Study of Services for Mentally Ill Persons	56,700
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By January 1985 the commissioner of public welfare shall report to the legislature on each county's available services for the mentally ill. This report shall include a description of each service, the number of clients served, the cost of services, and whether purchased or provided directly by the county.

Additionally, this report shall include these provisions, developed in consultation with counties, mental health service providers, mental health advocacy groups, and other appropriate professionals as follows:

- (1) a description and definition of services for mentally ill persons which comprise a comprehensive array of preventive, supportive and rehabilitative services, including residential arrangements;
- (2) recommendations specifying a minimum

capability which should be made available by counties for mentally ill persons; and

(3) specific recommendations designed to improve the quality of and access to services provided by the counties for mentally ill persons, including the administrative and program costs of each recommendation.

These recommendations shall be developed within the framework of Minnesota Statutes, chapter 256E.

The appropriations in (m), (n), (o), (p), and (q) are added to the appropriation in Laws 1983, chapter 312, article 1, section 2, subdivisions 1 and 6.

(r) The commissioner of welfare may add: eight positions to the support services complement for rulemaking purposes and for long-term care rates determination; one position to the social services complement for adult services; and one position to the income maintenance complement for administering community-based waived services for chronically ill children. The commissioner may also transfer the necessary funds from supplies and expense and other nonsalary resources to finance these positions.

(s) Any federal money received in excess of the estimates shown in the 1983 department of public welfare budget document shall, unless otherwise prohibited by federal law, be used to directly reduce state appropriations for the same or similar purposes, unless otherwise directed by the governor, after he has consulted with the legislative advisory commission.

(t) Intermediate Care Facility Bed Reduction Study

45,000

The commissioner of public welfare shall study alternatives for the development of a statewide facility bed reduction plan for intermediate care facilities for the mentally retarded.

In this study, the commissioner shall consider mechanisms for encouraging facilities to voluntarily decertify beds and for enabling facilities to provide alternative or waived services for residents affected by the reduction.

In addition, the commissioner shall:

(a) propose relocation plans for affected residents;

(b) analyze the effect on facility per diem rates that may result from any bed reductions;

(c) examine financing alternatives designed to facilitate reductions in bed capacity or conversions to waived services.

This study shall be presented to the legislature by January 1, 1985.

Sec. 2. COMMISSIONER OF ECONOMIC SECURITY

(a) Jobs Program 30,000,000

Any unexpended balance remaining in the first year does not cancel and shall be available for the second year.

This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 3, subdivisions 1 and 2.

None of this appropriation may be encumbered after May 31, 1985.

Any unexpended and unencumbered balance cancels December 31, 1985. To the extent permissible under federal and state law, the commissioner shall use money from the federal government and the private sector to fund the program.

(b) Minnesota Emergency Employment Development - Special Allowances 4,394,000 15,436,000

This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 3, subdivisions 1 and 3.

If the appropriation for either year is insufficient, the appropriation for the other year is available.

(c) Vocational Rehabilitation Services For Injured Workers 128,600

This appropriation is to provide funding for three positions. The commissioner of economic security may add six additional positions for vocational rehabilitation services and transfer the necessary funding for these positions from the basic client services activity to the workers' compensation activity. This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 3, subdivisions 1 and 5.

(d) Temporary Housing Demonstration Program 250,000

## Sec. 3. COMMISSIONER OF CORRECTIONS

(a) County Probation Services 137,700

This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 4, subdivisions 1 and 4.

(b) Crime Victim Centers 15,000

This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 4, subdivision 4.

(c) \$20,000 of the appropriation for Victims of Sexual Assault, Laws 1983, chapter 312, article 1, section 4, subdivision 4, for fiscal year 1984, does not cancel but is available until June 30, 1985.

## Sec. 4. COMMISSIONER OF HEALTH

(a) Epidemiologic Feasibility Study 93,000

This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 7, subdivisions 1 and 2, to determine the feasibility of full scale epidemiologic studies related to health effects of contaminated drinking water in New Brighton and St. Louis Park. To the extent possible, the commissioner of health shall contract for services with the University of Minnesota when performing the feasibility study. 2.2 positions are authorized as temporary personnel.

(b) Health Manpower Credentialing 100,000

This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 7, subdivisions 1 and 3.

## Sec. 5. STATE PLANNING AGENCY

State Hospital Plan 50,000 200,000

The director of the state planning agency may increase the approved complement by two positions. Any unexpended balance remaining the first year does not cancel and shall be available for the second year.

## Sec. 6. CONTINGENT FOR STATE INSTITUTIONS

Cancellation of Contingent Account (500,000)

The appropriation in Laws 1983, chapter 312, article 1, section 9 is cancelled.

## Sec. 7. Minnesota Statutes 1983 Supplement, section 116J.70, subdivision

2a, is amended to read:

Subd. 2a. [LICENSE; EXCEPTIONS.] "Business license" or "license" does not include the following:

(1) Any occupational license issued by a licensing board listed in section 214.01 or any occupational registration issued by the commissioner of health pursuant to section 214.13;

(2) Any license issued by a county, home rule charter city, statutory city, township or other political subdivision;

(3) Any license required to practice the following occupation regulated by the following sections:

- (a) Abstracters regulated pursuant to chapter 386;
- (b) Accountants regulated pursuant to chapter 326;
- (c) Adjusters regulated pursuant to chapter 72B;
- (d) Architects regulated pursuant to chapter 326;
- (e) Assessors regulated pursuant to chapter 270;
- (f) Attorneys regulated pursuant to chapter 481;
- (g) Auctioneers regulated pursuant to chapter 330;
- (h) Barbers regulated pursuant to chapter 154;
- (i) Beauticians regulated pursuant to chapter 155;
- (j) Boiler operators regulated pursuant to chapter 183;
- (k) Chiropractors regulated pursuant to chapter 148;
- (l) Collection agencies regulated pursuant to chapter 332;
- (m) Cosmetologists regulated pursuant to chapter 155;
- (n) Dentists and dental hygienists regulated pursuant to chapter 150A;
- (o) Detectives regulated pursuant to chapter 326;
- (p) Electricians regulated pursuant to chapter 326;
- (q) Embalmers regulated pursuant to chapter 149;
- (r) Engineers regulated pursuant to chapter 326;
- (s) Insurance brokers and salespersons regulated pursuant to chapter 60A;
- (t) Midwives regulated pursuant to chapter 148;
- (u) Morticians regulated pursuant to chapter 149;
- (v) Nursing home administrators regulated pursuant to chapter 144A;
- (w) Optometrists regulated pursuant to chapter 148;
- (x) Osteopathic physicians regulated pursuant to chapter 147;
- (y) Pharmacists regulated pursuant to chapter 151;
- (z) Physical therapists regulated pursuant to chapter 148;
- (aa) Physicians and surgeons regulated pursuant to chapter 147;

- (bb) Plumbers regulated pursuant to chapter 326;
- (cc) Podiatrists regulated pursuant to chapter 153;
- (dd) Practical nurses regulated pursuant to chapter 148;
- (ee) Professional fundraisers regulated pursuant to chapter 309;
- (ff) Psychologists regulated pursuant to chapter 148;
- (gg) Real estate brokers, salespersons and others regulated pursuant to chapters 82 and 83;
- (hh) Registered nurses regulated pursuant to chapter 148;
- (ii) Securities brokers, dealers, agents and investment advisers regulated pursuant to chapter 80A;
- (jj) Steamfitters regulated pursuant to chapter 326;
- (kk) Teachers and supervisory and support personnel regulated pursuant to chapter 125;
- (ll) Veterinarians regulated pursuant to chapter 156;
- (mm) Watchmakers regulated pursuant to chapter 326;
- (nn) Water conditioning contractors and installers regulated pursuant to chapter 326;
- (oo) Water well contractors regulated pursuant to chapter 156A;
- (pp) Water and waste treatment operators regulated pursuant to chapter 115;
- (qq) Motor carriers regulated pursuant to chapter 221;
- (4) Any driver's license required pursuant to chapter 171;
- (5) Any aircraft license required pursuant to chapter 360;
- (6) Any watercraft license required pursuant to chapter 361;
- (7) Any license, permit, registration, certification, or other approval pertaining to a regulatory or management program related to the protection, conservation, or use of or interference with the resources of land, air or water, which is required to be obtained from a state agency or instrumentality; and

(8) Any pollution control rule or standard established by the pollution control agency or any health rule or standard established by the commissioner of health or any licensing rule or standard established by the commissioner of public welfare.

Sec. 8. Minnesota Statutes 1983 Supplement, section 144.651, subdivision 9, is amended to read:

Subd. 9. [INFORMATION ABOUT TREATMENT.] Patients and residents shall be given by their physicians complete and current information concerning their diagnosis, treatment, alternatives, risks, and prognosis as required by the physician's legal duty to disclose. This information shall be in terms and language the patients or residents can reasonably be expected to understand. Patients and residents may be accompanied by a family member

or other chosen representative. This information shall include the likely medical or major psychological results of the treatment and its alternatives. In cases where it is medically inadvisable, as documented by the attending physician in a patient's or resident's medical record, the information shall be given to the patient's or resident's guardian or other person designated by the patient or resident as his or her representative. Individuals have the right to refuse this information.

*Every patient or resident suffering from any form of breast cancer shall be fully informed, prior to or at the time of admission and during her stay, of all alternative effective methods of treatment of which the treating physician is knowledgeable, including surgical, radiological, or chemotherapeutic treatments or combinations of treatments and the risks associated with each of those methods.*

Sec. 9. Minnesota Statutes 1982, section 214.001, subdivision 2, is amended to read:

Subd. 2. [CRITERIA FOR REGULATION.] The legislature declares that no regulation shall hereafter be imposed upon any occupation unless required for the safety and well being of the citizens of the state. In evaluating whether an occupation shall hereafter be regulated, the following factors shall be considered:

(a) Whether the unregulated practice of an occupation may harm or endanger the health, safety and welfare of citizens of the state and whether the potential for harm is recognizable and not remote;

(b) Whether the practice of an occupation requires specialized skill or training and whether the public needs and will benefit by assurances of initial and continuing occupational ability; and

(c) Whether the citizens of this state are or may be effectively protected by other means; and

(d) *Whether the overall cost effectiveness and economic impact would be positive for citizens of the state.*

Sec. 10. Minnesota Statutes 1983 Supplement, section 214.06, subdivision 1, is amended to read:

Subdivision 1. Notwithstanding any law to the contrary, the commissioner of health as authorized by section 214.13, all health related licensing boards and all nonhealth related licensing boards shall by rule, with the approval of the commissioner of finance, adjust any fee which the commissioner of health or the board is empowered to assess a sufficient amount so that the total fees collected by each board will as closely as possible equal anticipated expenditures during the fiscal biennium, as provided in section 16A.128.

*For members of an occupation registered after July 1, 1984 by the commissioner of health under the provisions of section 214.13, the fee established must include an amount necessary to recover, over a five year period, the commissioner's direct expenditures for adoption of the rules providing for registration of members of the occupation. All fees received shall be deposited with the state treasurer and credited to the general fund.*

Sec. 11. Minnesota Statutes 1982, section 214.13, subdivision 1, is

amended to read:

Subdivision 1. [APPLICATION FOR CREDENTIAL.] The commissioner of health shall promote the recognition of human services occupations useful in the effective delivery of human services. The commissioner shall coordinate the development of a credentials policy among the health related licensing boards consistent with section 214.001. The commissioner shall, consistent with section 214.001, establish procedures for the identification of human services occupations not now credentialed by the state, recommend appropriate regulatory modes, and promulgate by rule standards and procedures relating to the credentialing of persons practicing in the affected occupations. *At the time of submission of a letter of intent to enter the credentialing process, an occupational applicant group shall pay a fee of \$1,000 to the commissioner. The fee is nonrefundable and must be deposited with the state treasurer and credited to the general fund. The commissioner may require an occupational applicant group to submit information relating to, and to recommend and justify regulatory modes and standards consistent with, the provisions of section 214.001.* If the commissioner determines that credentialing of an occupation is appropriate, the commissioner is empowered only to register the occupation. Before promulgating any rules resulting in registration for an occupation the commissioner shall consult with state boards or agencies charged with regulating similar occupations in order to define the scope and range of practice for the registered occupation and the degree of supervision required. As used in this section and section 214.14, registration ~~shall be~~ is defined as in section 214.001, subdivision 3, clause (c).

Sec. 12. Minnesota Statutes 1982, section 214.13, subdivision 2, is amended to read:

Subd. 2. [OTHER AGENCY'S COMMENT.] Before promulgating any rules regulating a specific occupation under this section, the commissioner shall determine whether a substantial number of persons in that occupation will be employed by an employer who is regulated by or funded through another state agency. If the commissioner so determines, then he must submit the proposed rules to the head or governing board of that agency for review and ~~approval~~ *comment*. The agency shall review the rules to insure compliance with laws which are administered or enforced by that agency. ~~The rules must have received the approval of that agency before promulgation~~ *Agency comment shall be forwarded to the commissioner within 90 days of receiving the proposed rules. After receipt of agency comment, the commissioner may proceed to promulgate the rules.*

Sec. 13. Minnesota Statutes 1982, section 214.13, subdivision 3, is amended to read:

Subd. 3. [RULES; EFFECT; REPORT.] Rules promulgated by the commissioner pursuant to subdivision 1 may include procedures and standards relating to the registration requirement, the scope of authorized practice, fees, supervision required, continuing education, career progression and disciplinary matters. ~~These rules shall not be in conflict with provisions of chapter 214 and Laws 1976, Chapter 222, Sections 1 to 7. Notwithstanding any law to the contrary, persons registered under the authority of the rules promulgated by the commissioner shall not, for a period of four years after~~



*the effective date of the rules, be subject to any action by a health related licensing board for violation of the board's laws or rules provided the person's practice or conduct is recognized by the rules promulgated by the commissioner. Three years after the effective date of the commissioner's rules, the commissioner shall make a report to the legislature on the usefulness of the new occupational group, any problems encountered in administering the regulation of the group, and any necessary statutory changes recommended to continue, discontinue, or modify the regulation of the group.*

Sec. 14. Minnesota Statutes 1983 Supplement, section 214.13, subdivision 4, is amended to read:

Subd. 4. The commissioner of health shall wherever possible delegate the administration of regulation activities to a health related licensing board with the concurrence of that board. If the commissioner of health delegates this function, the licensing board ~~shall~~ *may* regularly bill the commissioner of health for the cost of performing this function *the licensing board may directly set and charge fees in accordance with the provisions of section 214.06.* The commissioner of health may establish an advisory ~~task force~~ *council* to advise him or the appropriate health related licensing board on matters relating to the registration and regulation of an occupation. A ~~task force~~ *council* shall have seven members appointed by the commissioner of which five are members of the registered occupation or related registered or licensed occupations, and two are public members. A ~~task force~~ *council* shall expire, and the terms, compensation and removal of members shall be as provided in section 15.059.

Sec. 15. Minnesota Statutes 1982, section 214.13, subdivision 5, is amended to read:

Subd. 5. [RECOMMENDATION ON REGULATION; APPLICATION RENEWAL.] The commissioner of health shall exercise care to prevent the proliferation of unessential registered human services occupations. If in evaluating a currently unregistered occupation the commissioner determines that registration of the occupation is not appropriate, but that implementation of another mode as set forth in section 214.001, subdivision 3, is appropriate the commissioner shall promptly so report to the legislature. *For a period of two years after a determination by the commissioner as to the appropriate regulatory mode, if any, for an occupational applicant group, the same or substantially equivalent group may not submit a letter of intent to enter the credentialing process, unless invited to do so by the commissioner.*

Sec. 16. [214.141] [ADVISORY COUNCIL; MEMBERSHIP.]

*There is established a human services occupations advisory council to assist the commissioner of health in formulating policies and rules pursuant to section 214.13. The commissioner shall determine the council's duties and shall establish procedures for its proper functioning, including, but not limited to, methods for selecting temporary members and methods of communicating recommendations and advice to the commissioner for his consideration. The council shall consist of no more than 15 members. Thirteen members shall be appointed by the commissioner, one of whom the commissioner shall designate as chairman. The members shall be selected as follows: four members shall represent currently licensed or registered human services occupations; two members shall represent human services occupa-*

tions which are not currently registered; two members shall represent licensed health care facilities, which can include a health maintenance organization as defined in section 62D.02; one member shall represent the higher education coordinating board; one member shall represent the state planning agency; one member shall represent a third party payor to health care costs; and two members shall be public members as defined by section 214.02.

In cases in which the council has been charged by the commissioner to evaluate an application submitted under the provisions of section 214.13, the commissioner may appoint to the council as temporary voting members, for the purpose of evaluating that application alone, one or two representatives from among the appropriate licensed or registered human services occupations or from among the state agencies that have been identified under section 214.13, subdivision 2. In determining whether a temporary voting member or members should be appointed and which human services occupations or state agencies should be represented by temporary voting members, the commissioner shall attempt to systematically involve those who would be most directly affected by a decision to credential a particular applicant group and who are not already represented on the council. The terms of temporary voting members shall not exceed 12 months. The terms of the other council members, and the compensation and removal of all members, shall be as provided in section 15.059.

Sec. 17. Minnesota Statutes 1982, section 241.66, subdivision 2, is amended to read:

Subd. 2. [MANDATORY DATA COLLECTION.] ~~Every hospital licensed pursuant to sections 144.50 to 144.58, every physician licensed to practice in this state, every public health nurse, every social services agency, every community health agency, and Every local law enforcement agency shall collect data related to battered women in the form required by rule of the commissioner. The data shall be collected and transmitted to the commissioner at such times as he shall, by rule, require.~~

Sec. 18. Minnesota Statutes 1982, section 245.811, is amended to read:

245.811 [FEES.]

Subdivision 1. [COMMISSIONER'S AUTHORITY.] The commissioner may charge a reasonable fee for the issuance or renewal of a license except that no fee may be charged to a day care or residential facility for the mentally retarded for a family foster care or family day care home license. ~~In no event shall the fee exceed \$150.~~ Fees may be waived at the discretion of the commissioner.

Subd. 2. [RULES.] The commissioner may adopt reasonable rules and regulations pursuant to chapter 14 as may be necessary to carry into effect the provisions of subdivision 1.

Sec. 19. [246.023] [INTERAGENCY BOARD.]

Subdivision 1. [LEGISLATIVE POLICY.] It is recognized that closure and consolidation of state hospitals have negative economic effects upon public employees and communities. It is the policy of the state that deinstitutionalization policies shall be carried out in a manner that ensures fair and equitable arrangements to protect the interests of employees and communi-

*ties affected by deinstitutionalization of state hospitals.*

*Subd. 2. [INTERAGENCY BOARD.] There is established an interagency board to be known as the institutional care and economic impact planning board. The board shall consist of the following members: the commissioners of public welfare, administration, employee relations, economic security, energy and economic development; the director of the state planning agency; and other appropriate agency heads. The board shall be directed by the director of the state planning agency with assistance from the commissioner of public welfare in consultation with the other agency heads.*

*Subd. 3. [STUDY.] A comprehensive study shall be conducted by the interagency board to provide information on topics to include, but not be limited to, the following:*

*(1) projected displacement of state hospital employees because of deinstitutionalization by number, location, and job classification;*

*(2) the extent to which displacement can be mitigated through attrition, retirement, retraining, and transfer;*

*(3) the development of cooperative arrangements between the state and local units of government in the carrying out of these goals;*

*(4) the necessary changes in the biennial budget to effect any fiscal and policy recommendations of the plan;*

*(5) the necessary interagency agreements among and between appropriate departments and agencies as needed to effect the recommendations contained in the plan; and*

*(6) the energy efficiency of all state hospital buildings.*

*Notwithstanding the provisions of sections 13.43 and 13.46, the state planning agency shall, for purposes of the study required by this subdivision, have access to private personnel data and private client data as necessary to carry out the mandates of this act until June 30, 1985.*

*Subd. 4. [PLAN.] The board shall develop a plan. The plan shall include proposals which protect the general interests of employees and communities affected by the deinstitutionalization of state hospitals, including proposals that attempt to preserve employment rights and benefits, provide training and retraining of employees and, to the extent possible, promote the employment of these employees. In addition, the plan shall propose specific methods for assuring minimal impact on the economic life of communities affected by the deinstitutionalization of state hospitals. The plan shall provide specific direction with respect to the following:*

*(1) retention of collective bargaining agreements including seniority, vacation, health insurance and other contractual benefits, and pension rights;*

*(2) maximum utilization of state hospital employees in the provision of noninstitutional services to the mentally retarded;*

*(3) negotiated agreements with exclusive representatives addressing job security issues, where deinstitutionalization causes displacement of employees;*

*(4) development of noninstitutional, state-operated or nonstate-operated*

*services for the mentally retarded, including community-based intermediate care facilities for the mentally retarded, supported living arrangements, semi-independent living arrangements, day activity services, and other services;*

*(5) methods for ensuring that staff displaced by termination of programs at state hospitals are utilized to provide needed services within the continuum of care for individuals;*

*(6) alternative use of state hospital facilities made available by program closures;*

*(7) community retraining options for displaced personnel;*

*(8) methods for involving the following groups in the planning process: parents and guardians of hospital residents, community business and economic leaders, advocates, community providers, units of local government, and affected exclusive representatives; and*

*(9) preparation of an economic impact statement and alternative economic development strategies for each state hospital region likely to be affected by program reductions in the regional state facility.*

*Subd. 5. [REPORT; IMPLEMENTATION.] The interagency board shall complete both the study required under subdivision 3 and the plan required under subdivision 4, on or before January 31, 1985, and shall present them to the legislative commission on long-term health care before February 1, 1985. Board members shall, to the extent possible, propose legislation for program implementation based upon the plan including, if appropriate, pilot demonstration projects.*

**Sec. 20. [LEGISLATIVE COMMISSION ON LONG-TERM CARE.]**

*The legislative commission on long-term health care authorized by Laws 1983, chapter 199, section 17, shall:*

*(1) monitor the deinstitutionalization of state hospitals in accord with the plan developed pursuant to section 19;*

*(2) study the impact of state hospital deinstitutionalization on affected communities;*

*(3) ensure that displaced state hospital employees are provided opportunities for reemployment or retraining; and*

*(4) evaluate the comparative costs to the state of institutional and noninstitutional care for mentally retarded persons.*

**Sec. 21. Minnesota Statutes 1983 Supplement, section 256.01, subdivision 2, is amended to read:**

**Subd. 2. [SPECIFIC POWERS.] Subject to the provisions of section 241.021, subdivision 2, the commissioner of public welfare shall:**

**(1) Administer and supervise all forms of public assistance provided for by state law and other welfare activities or services as are vested in the commissioner.**

**(2) Administer and supervise all child welfare activities; promote the enforcement of laws protecting handicapped, dependent, neglected and delin-**

quent children, and children born to mothers who were not married to the children's fathers at the times of the conception nor at the births of the children; license and supervise child-caring and child-placing agencies and institutions; supervise the care of children in boarding and foster homes or in private institutions; and generally perform all functions relating to the field of child welfare now vested in the state board of control.

(3) Administer and supervise all noninstitutional service to handicapped persons. The commissioner may provide and contract for the care and treatment of qualified indigent children in facilities other than those located and available at state hospitals when it is not feasible to provide the service in state hospitals.

(4) Assist and actively cooperate with other departments, agencies and institutions, local, state, and federal, by performing services in conformity with the purposes of Laws 1939, chapter 431.

(5) Act as the agent of and cooperate with the federal government in matters of mutual concern relative to and in conformity with the provisions of Laws 1939, chapter 431, including the administration of any federal funds granted to the state to aid in the performance of any functions of the commissioner as specified in Laws 1939, chapter 431, and including the promulgation of rules making uniformly available medical care benefits to all recipients of public assistance, at such times as the federal government increases its participation in assistance expenditures for medical care to recipients of public assistance, the cost thereof to be borne in the same proportion as are grants of aid to said recipients.

(6) Establish and maintain any administrative units reasonably necessary for the performance of administrative functions common to all divisions of the department.

(7) Administer and supervise any additional welfare activities and services as are vested by law in the department.

(8) The commissioner is designated as guardian of both the estate and the person of all the wards of the state of Minnesota, whether by operation of law or by an order of court, without any further act or proceeding whatever, except as to persons committed as mentally retarded or epileptic.

(9) Act as coordinating referral and informational center on requests for service for newly arrived immigrants coming to Minnesota.

(10) The specific enumeration of powers and duties as hereinabove set forth shall in no way be construed to be a limitation upon the general transfer of powers herein contained.

(11) Establish county, regional, or state-wide schedules of maximum fees and charges which may be paid by local agencies for medical, dental, surgical, hospital, nursing and nursing home care and medicine and medical supplies under all programs of medical care provided by the state and for congregate living care under the income maintenance programs.

(12) Have the authority to conduct and administer experimental projects to test methods and procedures of administering assistance and services to recipients or potential recipients of public welfare. To carry out such experimental projects, it is further provided that the commissioner of public welfare

is authorized to waive the enforcement of existing specific statutory program requirements, regulations, and standards in one or more counties. The order establishing the waiver shall provide alternative methods and procedures of administration, shall not be in conflict with the basic purposes, coverage, or benefits provided by law, and in no event shall the duration of a project exceed two years. It is further provided that no order establishing an experimental project as authorized by the provisions of this section shall become effective until the following conditions have been met:

(a) The proposed comprehensive plan including estimated project costs and the proposed order establishing the waiver shall be filed with the secretary of the senate and chief clerk of the house of representatives at least 60 days prior to its effective date.

(b) The secretary of health, education, and welfare of the United States has agreed, for the same project, to waive state plan requirements relative to state-wide uniformity.

(c) A comprehensive plan, including estimated project costs, shall be approved by the legislative advisory commission and filed with the commissioner of administration.

(13) In accordance with federal requirements establish procedures to be followed by local welfare boards in creating citizen advisory committees, including procedures for selection of committee members.

(14) Allocate federal fiscal disallowances or sanctions which are based on quality control error rates for the aid to families with dependent children, medical assistance, or food stamp program in the following manner:

(a) One-half of the total amount of the disallowance shall be borne by the county boards responsible for administering the programs and shall be shared by each county board in the same proportion as that county's expenditures for the sanctioned program are to the total of all counties' expenditures for that program. Each county shall pay its share of the disallowance to the state of Minnesota. When a county fails to pay the amount due hereunder, the commissioner may deduct the amount from reimbursement otherwise due the county, or the attorney general, upon the request of the commissioner, may institute civil action to recover the amount due.

(b) Notwithstanding the provisions of paragraph (a), if the disallowance results from knowing noncompliance by one or more counties with a specific program instruction, and that knowing noncompliance is a matter of official county board record, the commissioner may require payment or recover from the county or counties, in the manner prescribed in paragraph (a), an amount equal to the portion of the total disallowance which resulted from the non-compliance, and may distribute the balance of the disallowance according to paragraph (a).

(15) *Develop and implement special projects that maximize reimbursements and result in the recovery of money to the state. For the purpose of recovering state money, the commissioner may enter into contracts with third parties. Any recoveries that result from projects or contracts entered into under this paragraph shall be deposited in the state treasury and credited to a special account until the balance in the account reaches \$400,000. When the balance in the account exceeds \$400,000, the excess shall be transferred and*

*credited to the general fund. All money in the account is appropriated to the commissioner for the purposes of this paragraph.*

Sec. 22. Minnesota Statutes 1983 Supplement, section 256.737, is amended to read:

256.737 [COMMUNITY WORK EXPERIENCE PROGRAM.]

In order that persons receiving aid under this chapter may be assisted in achieving self-sufficiency by enhancing their employability through meaningful work experience and training and the development of job search skills, the commissioner of public welfare may ~~establish~~ *continue the* pilot community work experience demonstration programs *that were approved by January 1, 1984. No new pilot community work experience demonstration programs may be established.* The commissioner shall: (a) assist counties in the design, implementation, and evaluation of these demonstration programs; (b) promulgate, in accordance with chapter 14, temporary rules necessary for the implementation of this section, except that the time restrictions of section 14.35 shall not apply and the rules may be in effect until the termination of the demonstration programs; and (c) seek any federal waivers necessary for proper implementation of this section in accordance with federal law. The commissioner shall prohibit use of participants in the programs to do work that was part or all of the duties or responsibilities of an authorized public employee position established as of January 1, 1983. *The exclusive bargaining representative shall be notified no less than 14 days in advance of any placement by the community work experience program. Concurrence with respect to job duties of persons placed under the community work experience program shall be obtained from the appropriate exclusive bargaining representative. The appropriate oversight committee shall be given monthly lists of all job placements under a community work experience program.*

Projects shall end no later than June 30, ~~1984~~ 1985, and a preliminary report shall be made to the legislature by February 15, ~~1984~~ 1985, on the feasibility of permanent implementation and on the cost effectiveness of each of the demonstration programs.

Sec. 23. Minnesota Statutes 1982, section 256.851, is amended to read:

256.851 [RULES.]

The commissioner of public welfare shall promulgate temporary and permanent rules necessary to implement Laws 1981, Third Special Session Chapter 3, Sections 1 to 19, *and sections 256.72 to 256.871.*

Sec. 24. [256B.49] [CHRONICALLY ILL CHILDREN; HOME AND COMMUNITY-BASED WAIVER STUDY AND APPLICATION.]

*Subdivision 1. [STUDY; WAIVER APPLICATION.] The commissioner shall authorize a study to assess the need for home and community-based waivers for chronically ill children who have been and will continue to be hospitalized without a waiver, and for disabled individuals under the age of 65 who are likely to reside in an acute care or nursing home facility in the absence of a waiver. If a need for these waivers can be demonstrated, the commissioner shall apply for federal waivers necessary to secure, to the extent allowed by law, federal participation under United States Code, title 42, sections 1396-1396p, as amended through December 31, 1982, for the*

*provision of home and community-based services to chronically ill children who, in the absence of such a waiver, would remain in an acute care setting, and to disabled individuals under the age of 65 who, in the absence of a waiver, would reside in an acute care or nursing home setting. If the need is demonstrated, the commissioner shall request a waiver under United States Code, title 42, sections 1396-1396p, to allow medicaid eligibility for blind or disabled children with ineligible parents where income deemed from the parents would cause the applicant to be ineligible for supplemental security income if the family shared a household and to furnish necessary services in the home or community to disabled individuals under the age of 65 who would be eligible for medicaid if institutionalized in an acute care or nursing home setting. These waivers are requested to furnish necessary services in the home and community setting to children or disabled adults under age 65 who are medicaid eligible when institutionalized in an acute care or nursing home setting. The commissioner shall assure that the cost of home and community-based care will not be more than the cost of care if the eligible child or disabled adult under age 65 were to remain institutionalized.*

*Subd. 2. [RULES.] The commissioner of public welfare may adopt temporary and permanent rules as necessary to implement subdivision 1.*

Sec. 25. Minnesota Statutes 1983 Supplement, section 256B.501, subdivision 10, is amended to read:

Subd. 10. [RULES.] To implement this section, the commissioner shall promulgate temporary and permanent rules in accordance with chapter 14. To implement subdivision 3, the commissioner shall promulgate temporary rules by October 1, 1983, and permanent rules in accordance with sections 14.01 to 14.38. Notwithstanding the provisions of section 14.35, the temporary rule promulgated to implement subdivision 3 shall be effective for up to 720 days.

Sec. 26. Minnesota Statutes 1983 Supplement, section 256D.01, subdivision 1, is amended to read:

Subdivision 1. [POLICY; ~~STANDARDS OF ASSISTANCE~~.] The objectives of sections 256D.01 to 256D.21 are to provide a sound administrative structure for public assistance programs; to maximize the use of federal money for public assistance purposes; and to provide an integrated public assistance program for all persons in the state without adequate income or resources to maintain a subsistence reasonably compatible with decency and health.

It is declared to be the policy of this state that persons unable to provide for themselves and not otherwise provided for by law and who meet the eligibility requirements of sections 256D.01 to 256D.21 are entitled to receive grants of general assistance necessary to maintain a subsistence reasonably compatible with decency and health. Providing this assistance is a matter of public concern and a necessity in promoting the public health and welfare.

*Subd. 1a. [STANDARDS.] A principal objective in providing general assistance is to provide for persons ineligible for federal programs who are unable to provide for themselves. To achieve these aims, the commissioner shall establish minimum standards of assistance for general assistance. The minimum standard of assistance determines the total amount of the general*



assistance grant without separate standards for shelter, utilities, or other needs and shall not be less than the combined total of the minimum standards of assistance for shelter and basic needs in effect on February 1, 1983. The standards of assistance shall not be lower for a recipient sharing a residence with another person unless that person is a responsible relative of the recipient who is also eligible for general assistance. *The standards shall be lowered for recipients who share a residence with a responsible relative who also receives general assistance or who receives AFDC. If the responsible relative is receiving AFDC, then the amount payable to the general assistance recipient must not exceed the amount that would be attributable to him if he were included in the AFDC grant. For recipients who are not exempt from registration with the department of economic security pursuant to section 256D.111, subdivision 2, clauses (a), (f), (g), and (h), and who share a residence with a responsible relative who is not eligible for general assistance, the standards shall be lowered, subject to these limitations:*

*(a) The general assistance grant shall be in an amount such that total household income is equal to the AFDC standard for a household of like size and composition, except that the grant shall not exceed that paid to a general assistance recipient living independently.*

*(b) Benefits received by a responsible relative under the supplemental security income program, the social security disability program, a workers' compensation program, the Minnesota supplemental aid program, or on the basis of the relative's disability, must not be included in the household income calculation.*

*Subd. 1b. [RULES.] The commissioner shall adopt temporary and permanent rules to set standards of assistance and methods of calculating payment to conform with subdivision 1a. The minimum standards of assistance shall authorize the payment of rates negotiated by local agencies for recipients living in a room and board arrangement. In order to maximize the use of federal funds, the commissioner shall adopt rules, to the extent permitted by federal law for eligibility for the emergency assistance program under aid to families with dependent children, and under the terms of sections 256D.01 to 256D.21 for general assistance, to require use of the emergency program under aid to families with dependent children as the primary financial resource when available. The commissioner shall provide by rule for eligibility for general assistance of persons with seasonal income, and may attribute seasonal income to other periods not in excess of one year from receipt by an applicant or recipient.*

Sec. 27. Minnesota Statutes 1982, section 256D.02, subdivision 6, is amended to read:

Subd. 6. "Child" means an adult or minor child of an individual who is under the age of 18.

Sec. 28. Minnesota Statutes 1982, section 256D.02, subdivision 8, is amended to read:

Subd. 8. "Income" means any form of income, including remuneration for services performed as an employee and net earnings from self-employment, reduced by the amount attributable to employment expenses as defined by the commissioner. The amount attributable to employment expenses shall in-

clude amounts paid or withheld for federal and state personal income taxes and federal social security taxes.

“Income” includes any payments received as an annuity, retirement, or disability benefit, including veteran’s or workers’ compensation; old age, survivors, and disability insurance; railroad retirement benefits; unemployment benefits; and benefits under any federally aided categorical assistance program, supplementary security income, or other assistance program; rents, dividends, interest and royalties; and support and maintenance payments ~~except that~~. Such payments may not be considered as available to meet the needs of any person other than the person for whose benefit they are received, unless that person is under a legal duty to support another family member *and the income is not excluded under section 256D.01, subdivision 1a*. Goods and services provided in lieu of cash payment shall be excluded from the definition of income, *except that payments made for room, board, tuition or fees by a parent, on behalf of a child enrolled as a full-time student in a post-secondary institution, must be included as income.*

Sec. 29. Minnesota Statutes 1982, section 256D.02, is amended by adding a subdivision to read:

*Subd. 15. “Full-time student” means a student at a post-secondary institution who attends training for a minimum of 25 hours per week if the training does not involve shop practice and for a minimum of 30 hours per week if the training involves shop practice, or who registers for and attends a minimum of 12 semester hours per semester or 12 quarter hours per quarter.*

Sec. 30. Minnesota Statutes 1983 Supplement, section 256D.03, subdivision 4, is amended to read:

Subd. 4. [GENERAL ASSISTANCE MEDICAL CARE; SERVICES.] (a) Reimbursement under the general assistance medical care program shall be limited to the following categories of service: inpatient hospital care, outpatient hospital care, services provided by medicare certified rehabilitation agencies, prescription drugs, *equipment necessary to administer insulin and diagnostic supplies and equipment for diabetics to monitor blood sugar level, eyeglasses and eye examinations provided by a physician or optometrist, hearing aids, prosthetic devices, laboratory and x-ray services, physician’s services, medical transportation, and dental care.* In addition, payments of state aid shall be made for day treatment services provided by a mental health center established under sections 245.61 to 245.69, subdivision 1, and funded through chapter 256E and for prescribed medications for persons who have been diagnosed as mentally ill as necessary to prevent more restrictive institutionalization.

(b) In order to contain costs, the county board shall, with the approval of the commissioner of public welfare, select vendors of medical care who can provide the most economical care consistent with high medical standards and may contract with organizations on a prepaid capitation basis to provide these services. The commissioner shall encourage county boards to submit proposals for demonstration projects designed to provide services in an economical manner or to control utilization, with safeguards to ensure that necessary services are provided. Payment for services provided pursuant to this subdivision shall be as provided to medical assistance vendors of these services under section 256B.02, subdivision 8, except that where counties enter

into prepaid capitation agreements, payments shall be as provided in section 256.966, subdivision 2.

(c) The commissioner of public welfare may reduce payments provided under sections 256D.01 to 256D.21 and 261.23 in order to remain within the amount appropriated for general assistance medical care, within the following restrictions. For the period July 1, 1983 to June 30, 1984, reductions below the cost per service unit allowable under section 256.966, are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 45 percent; payments for all other inpatient hospital care may be reduced no more than 35 percent. Reductions below the payments allowable under section 256.967 for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than 25 percent. For the period July 1, 1984 to June 30, 1985, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 30 percent; payments for all other inpatient hospital care may be reduced no more than 20 percent. Reductions below the payments allowable under section 256.967 for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than ten percent. There shall be no copayment required of any recipient of benefits for any services provided under this subdivision. *A hospital receiving a reduced payment as a result of this section may apply the unpaid balance toward satisfaction of the hospital's bad debts.*

(d) Any county may, from its own resources, provide medical payments for which state payments are not made.

Sec. 31. Minnesota Statutes 1982, section 256D.06, subdivision 3, is amended to read:

Subd. 3. When a general assistance grant is used to pay a negotiated rate for a recipient living in a room and board arrangement or congregate living care, *or when a recipient is living in a state hospital or nursing home, the recipient shall receive an allowance for clothing and personal needs and the allowance shall not be less than that authorized for a medical assistance recipient pursuant to section 256B.35.*

Sec. 32. Minnesota Statutes 1983 Supplement, section 256D.111, subdivision 1, is amended to read:

#### 256D.111 [REGISTRATION FOR WORK; DISQUALIFICATION.]

Subdivision 1. [REGISTRATION REQUIREMENT.] Unless exempt in accordance with the provisions of subdivision 2, an adult who is a recipient of general assistance and who is not employed is required to register for employment services with the department of economic security, be available for work and comply with reasonable reporting and job search requirements as established by the commissioner of economic security in permanent or temporary rule, and accept any offer of suitable employment. *The department of economic security shall promptly verify the names of persons registered under this subdivision for the local agencies.*

Sec. 33. Minnesota Statutes 1983 Supplement, section 256D.111, is amended by adding a subdivision to read:

*Subd. 1a.* [REFERRAL TO THE MINNESOTA EMERGENCY DEVELOPMENT PROGRAM.] *Until December 31, 1985, the commissioner of economic security shall refer for services, under the Minnesota emergency employment development program, all persons required to register for work under this section.*

Sec. 34. Minnesota Statutes 1983 Supplement, section 256D.111, subdivision 2, is amended to read:

**Subd. 2.** [EXEMPTIONS.] A recipient is not required to register for employment services with the department of economic security and comply with the other requirements of subdivision 1 if he is:

(a) a person who is suffering from a permanent or temporary illness, injury, or incapacity which is medically certified and which prevents the person from obtaining or retaining employment;

(b) a person whose presence in the home on a substantially continuous basis is required because of the certified illness, injury, incapacity, or the age of another member of the household;

(c) a person who has been placed in a licensed or certified facility for purposes of physical or mental health or rehabilitation, or in an approved chemical dependency domiciliary facility, if the placement is based on illness or incapacity and is pursuant to a plan developed or approved by the local agency through its director or designated representative;

(d) a person who resides in a shelter facility described in section 256D.05, subdivision 3;

(e) a person who is or may be eligible for displaced homemaker services, programs, or assistance under section 4.40, but only if that person is enrolled as a full-time student;

(f) a person not described in clause (a) or (c) who is diagnosed by a licensed physician or licensed consulting psychologist as mentally retarded or mentally ill, and that condition prevents the person from obtaining or retaining employment;

(g) a person who has an application pending for the social security disability program or the program of supplemental security income for the aged, blind and disabled, or who has been terminated from either program and has an appeal from that termination pending;

(h) a person who is unable to obtain or retain employment because his advanced age significantly affects his ability to seek or engage in substantial work;

(i) a person *completing a secondary education program or one who has been referred to, has applied for, or is in a work training, work experience, vocational rehabilitation, or other employment related educational vocational or technical training program; but however, the period of time that the person is exempted pursuant to under this clause, while awaiting waiting for acceptance into the program, shall not exceed be more than two months;*

(j) an adult member of a household with children in which another adult is

employed full time or has registered for employment services with the department of economic security or been accepted in a work training program;  
or

(k) a person who has been certified as unemployable by the commissioner of economic security who has substantial barriers to employment, including but not limited to factors relating to work or training history, as determined by the local agency in accordance with permanent or temporary rules adopted by the commissioner after consultation with the commissioner of economic security; or

(l) a person who is certified by the commissioner of economic security as lacking work skills or training or as being unable to obtain work skills or training necessary to secure employment, as defined in a permanent or temporary rule adopted by the commissioner of economic security in consultation with the commissioner.

*The exemption of a person described in clause (k) or (l) shall be reassessed annually.*

Sec. 35. Minnesota Statutes 1983 Supplement, section 256D.111, subdivision 5, is amended to read:

Subd. 5. [RULEMAKING.] The commissioner shall adopt rules and is authorized to adopt temporary rules:

(a) providing for a reasonable period of disqualification from the receipt of general assistance for a recipient who is not exempt pursuant to subdivision 2 and who has been finally determined pursuant to the procedure prescribed in subdivision 4 to have failed to comply with the requirements of subdivision 1, provided that the period of disqualification for the first failure to comply shall not exceed one month, *unless a recipient is disqualified as unavailable for work due to full-time student status as defined in section 256D.02, subdivision 15;*

(b) providing for the use of vouchers or vendor payments with respect to the family of a recipient described in clause (a); and

(c) providing that at the time of the approval of an application for general assistance, the local agency gives to the recipient a written notice in plain and easily understood language describing the recipient's job registration, search, and acceptance obligations under this section; and the period of disqualification that will be imposed for a failure to comply with those obligations.

Sec. 36. Minnesota Statutes 1983 Supplement, section 256D.112, is amended to read:

256D.112 [TEMPORARY AUTHORITY TO REFER CERTAIN RECIPIENTS TO COMMISSIONER OF ECONOMIC SECURITY.]

*Until September 30, 1984, the local agency shall refer a recipient to the commissioner of economic security for services under the Minnesota Emergency Employment Development Act jobs program upon the payment to the recipient of a one-month grant. A referral shall be in writing; shall describe the jobs program for which the referral is being made; shall state the address of the office to which the recipient is being referred; and shall state that if the*

recipient is not accepted for participation in the jobs program, the recipient should return to the local agency. Notwithstanding the provisions of section 256D.111, subdivision 3, and section 256D.10, assistance to a general assistance recipient referred to the commissioner of economic security pursuant to this section shall be suspended at the time of the referral for a period of 30 days following the period for which a grant has been issued. If the recipient does not return to the local agency within the 30-day period, assistance shall be terminated. This section does not apply:

(1) to persons that the commissioner of economic security has determined, pursuant to section 268.80, are not eligible for the Minnesota Emergency Employment Development jobs program; are not likely to secure a job through the jobs program; or are not able to successfully perform a job available through the jobs program;

(2) to persons who are recipients of general assistance on October 1, 1983; and

(3) to persons whom the local agency has substantial reason to believe are covered by section 256D.111, subdivision 2.

Nothing in this section shall be construed as prohibiting any recipient who has not been referred by the local agency from applying to the commissioner of economic security for services under the Minnesota emergency employment development jobs program. The local agency shall provide to all recipients a written description of the Minnesota emergency employment development jobs program.

~~Upon receipt of notice from the commissioner of public welfare that the Minnesota emergency employment development jobs program is terminated after September 30, 1984, this section is ineffective and the local agency shall not refer any recipient to the commissioner of economic security under this section.~~

Sec. 37. Minnesota Statutes 1982, section 256D.15, is amended to read:

256D.15 [RELATIVE'S RESPONSIBILITY.]

The financial responsibility of a relative for an applicant *for* or recipient of general assistance shall not extend beyond the relationship of a spouse, or a parent of an ~~applicant or recipient who is a child~~ *adult child who resides with the parent, or the parent of a minor child regardless of where the minor child resides.*

Sec. 38. Minnesota Statutes 1982, section 256E.03, subdivision 2, is amended to read:

Subd. 2. "Community social services" means services provided or arranged for by county boards to fulfill the responsibilities prescribed in section 256E.08, subdivision 1 to the following groups of persons:

(a) Families with children under age 18, who are experiencing child dependency, neglect or abuse, and also pregnant adolescents, adolescent parents under the age of 18, and their children;

(b) Persons who are under the guardianship of the commissioner of public welfare as dependent and neglected wards;

(c) Adults who are in need of protection and vulnerable as defined in sec-

tion 626.557;

(d) Persons age 60 and over who are experiencing difficulty living independently and are unable to provide for their own needs;

(e) Emotionally disturbed children and adolescents, chronically and acutely mentally ill persons who are unable to provide for their own needs or to independently engage in ordinary community activities;

(f) Mentally retarded persons as defined in section 252A.02, subdivision 2 who are unable to provide for their own needs or to independently engage in ordinary community activities;

(g) Drug dependent and intoxicated persons as defined in section 254A.02, subdivisions 5 and 7, and persons at risk of harm to self or others due to the ingestion of alcohol or other drugs; and

(h) *Parents whose income is at or below 70 percent of the state median income and who are in need of child care services in order to secure or retain employment or to obtain the training or education necessary to secure employment; and*

(i) Other groups of persons who, in the judgment of the county board, are in need of social services.

Community social services do not include public assistance programs known as aid to families with dependent children, Minnesota supplemental aid, medical assistance, general assistance, general assistance medical care, or community health services authorized by sections 145.911 to 145.922.

Sec. 39. Minnesota Statutes 1982, section 256E.07, subdivision 1, is amended to read:

Subdivision 1. [FORMULA.] In federal fiscal year ~~1980~~ 1985 and subsequent years, money for social services that is received from the federal government to reimburse counties for social service expenditures pursuant to title XX of the social security act shall be allocated to each county according to the following formula:

(a) Two-thirds shall be allocated on the basis of the annual average number of unduplicated active *monthly* caseloads in each county in the following programs: aid to families with dependent children, medical assistance, *general assistance*, supplementary security income, and Minnesota supplemental aid.

(b) One-third shall be allocated on the basis of the number of persons residing in the county as determined by the most recent ~~data~~ *estimate* of the state demographer.

(c) The commissioner shall allocate to the counties pursuant to this section the total money received from the federal government for social services pursuant to title XX of the social security act, except that portion of the state's allocation which the legislature authorizes for administrative purposes and for migrant day care.

~~(d) In federal fiscal year 1980 and in subsequent years the minimum title XX share of a county shall be the sum of:~~

~~(1) The title XX earnings of that county in calendar year 1978, except that in~~

the counties of Hennepin, Ramsey and St. Louis the greater of 99 percent of their title XX earnings in calendar year 1978 or 99 percent of their allocation in federal fiscal year 1979; and

(2) One-half of the amount that the county would be entitled to by applying the allocation formula described in paragraphs (a), (b), and (c) to the amount of title XX money received by the state which is in excess of the state's 1979 federal fiscal year allocation.

If the amount allocated to any county pursuant to paragraphs (a), (b), and (c) is less than the minimum title XX share of that county, its allocation shall be raised to its minimum title XX share through a percent reduction applied to the amounts that allocations to other counties exceed their minimum title XX shares. If in any year the amount of title XX funds to the state is reduced below the level it received in federal fiscal year 1979, the guarantee provided in this paragraph shall be reduced by a percentage reduction equal to the percentage reduction in title XX money to the state as a whole. The commissioner of public welfare shall annually review the use of title XX money by each county and reallocate unused money among the other counties, except Hennepin, Ramsey and St. Louis Counties, so as to raise them to their earnings in federal fiscal year 1979. Any federal title XX money unused after this reallocation shall be reallocated by the commissioner according to the formula in paragraphs (a), (b), and (c) so that all available federal money is used within the federal fiscal year.

Sec. 40. Minnesota Statutes 1982, section 256E.07, is amended by adding a subdivision to read:

*Subd. 1a. [PHASE-IN] Notwithstanding the provisions of subdivision 1, the allocation formula for federal fiscal years 1985 through 1993 is as follows:*

*(a) Whenever the amount of federal title XX funds available for allocation to counties is the same as the amount available in the previous fiscal year:*

*(1) Each county's current year formula share shall be determined pursuant to subdivision 1;*

*(2) For all counties whose previous year allocation exceeds its current year formula share, the difference shall be divided by the number of years remaining until federal fiscal year 1994; the resulting amount shall be subtracted from the previous year allocation to obtain the final allocation;*

*(3) For all counties whose current year formula share equals or exceeds its previous year allocation, any difference shall be divided by the number of years remaining until federal fiscal year 1994. The resulting amount shall be added to the previous year allocation to obtain the final allocation.*

*(b) Whenever the amount of federal title XX funds available for allocation to counties is less than the amount available in the previous year, the procedure described in clause (a) shall be followed, except that each county's previous year allocation shall mean its actual previous year allocation reduced in proportion to the reduction in federal fund availability.*

*(c) Whenever the amount of federal title XX funds available for allocation to counties is greater than the amount available in the previous year, the procedure described in clause (a) shall be followed, except that each*



county's previous year allocation shall mean:

(1) the actual previous year allocation; plus

(2) the amount to which the county would be entitled by apportioning 40 percent of the excess federal funds available according to the distribution formula contained in subdivision 1; plus

(3) for all counties whose current year formula share exceeds the amount prescribed by items (1) and (2) of this paragraph, the amount to which the county would be entitled by apportioning the remaining 60 percent of the excess federal funds available among the remaining counties according to the distribution formula contained in subdivision 1.

For the purposes of the federal fiscal year 1985 allocation, the federal fiscal year 1982 corrected allocation shall be considered the previous year allocation.

Sec. 41. Minnesota Statutes 1982, section 256E.07, is amended by adding a subdivision to read:

*Subd. 1b.* [UNUTILIZED FUNDS.] *The commissioner of public welfare shall annually review the use of title XX allocations by county and, pursuant to the formula found in subdivision 1, reallocate unused money among those counties who have expended their full portion.*

Sec. 42. [268.38] [TEMPORARY HOUSING DEMONSTRATION PROGRAM.]

*Subdivision 1.* [DEFINITIONS.] *For the purpose of this section the following terms have the meanings given:*

(a) "Temporary housing" means housing provided for a limited duration not exceeding six months and available for occupancy on a 24-hour continuous basis.

(b) "Support services" means an assessment service that identifies the needs of individuals for independent living and arranges or provides for the appropriate educational, social, legal, advocacy, child care, employment, financial, or information and referral services to meet these needs.

(c) "Commissioner" means the commissioner of economic security.

*Subd. 2.* [ESTABLISHMENT AND ADMINISTRATION.] *A temporary housing demonstration program is established to be administered by the commissioner. The commissioner may make grants to eligible recipients or enter into agreements with community action agencies or other public or private nonprofit agencies to make grants to eligible recipients to initiate, maintain, or expand programs to provide temporary housing and support services for persons in need of temporary housing. The commissioner shall ensure that money appropriated to implement this section is distributed as soon as practicable. The commissioner may make grants directly to eligible recipients.*

*The program shall terminate on June 30, 1985.*

*Subd. 3.* [ELIGIBLE RECIPIENTS.] *A housing and redevelopment authority established under section 462.425 or a community action agency recognized under section 268.53 is eligible for assistance under the program. In*

addition, a partnership, joint venture, corporation, or association that meets the following requirements is also eligible:

(1) it is established for a purpose not involving pecuniary gain to its members, partners, or shareholders;

(2) it does not pay dividends or other pecuniary remuneration, directly or indirectly, to its members, partners, or shareholders; and

(3) in the case of a private, nonprofit corporation, it is established under and in compliance with chapter 317.

*Subd. 4. [APPLICATIONS.] An eligible recipient may apply to the commissioner, or to a nonprofit agency designated by the commissioner, for a grant to initiate, maintain, or expand a program providing temporary housing and support services for persons in need of temporary housing. The application must include:*

(1) a proposal for the provision of temporary housing and support services, including program objectives, availability of adequate funding, appropriateness of the proposed program for the population to be served, and how the program will help individuals to move into permanent housing;

(2) a proposed budget;

(3) a plan for collection of required data and the method to be used for program evaluation; and

(4) evidence of the participation in the development of the application of any agency or governmental body that will provide essential services or assistance to the program.

*Subd. 5. [CRITERIA FOR GRANT AWARDS.] Criteria for the award of grants must include:*

(1) evidence that the application meets all program requirements;

(2) evidence of the need of the applicant for state assistance and of the need for the particular program;

(3) indication of long-range plans for future funding if the need continues to exist for the service; and

(4) assurance that grants are awarded to as wide a variety of programs as possible, with emphasis on programs that concentrate on long-term solutions to individual housing problems.

*Subd. 6. [PROGRAMS DESIGNATED.] At least two programs funded must be located in the seven-county metropolitan area and at least one program must be located outside of the metropolitan area. At least one program must be designed primarily to serve families with children, at least one program must be designed primarily to serve single persons, and at least one program must be designed primarily to serve persons leaving a shelter for family abuse.*

*Subd. 7. [FUNDING COORDINATION.] To the extent practicable, grant recipients shall combine funds awarded under this section with other funds from public and private sources. Programs receiving funds under this section are also eligible for assistance under section 462A.05, subdivision 20.*

*Subd. 8. [PROGRAM INFORMATION.] In order to collect uniform data to better measure the nature and extent of the need for temporary housing, grant recipients shall collect and make available to the commissioner the following information:*

- (1) number of requests received for temporary housing, including the number of persons requiring assistance;*
- (2) number of persons for whom services are provided, including differentiation between adults and minor children;*
- (3) reasons for seeking assistance;*
- (4) length of stay;*
- (5) reasons for leaving the housing program;*
- (6) demand for support services;*
- (7) follow-up information on status of persons assisted, if possible; and*
- (8) source of income, race, and sex of persons assisted.*

*Subd. 9. [PRIVATE DATA.] Personal history information and other information collected, used, or maintained by a grant recipient from which the identity of any individual receiving services may be determined is private data on individuals, as defined in section 13.02, subdivision 12, and the grant recipient shall maintain the data in accordance with the provisions of chapter 13.*

*Subd. 10. [RULES.] The commissioner may adopt temporary rules, in accordance with chapter 14, as necessary to implement this section. Notwithstanding section 14.35, temporary rules adopted under this section shall remain in effect until June 30, 1985.*

*Subd. 11. [REPORT TO THE LEGISLATURE.] The commissioner of economic security shall report to the legislature by March 15, 1985. The report must include:*

- (1) the number of programs funded;*
- (2) the results of evaluations of those programs;*
- (3) an evaluation of the data collected on the programs funded and additional data available to the commissioner to further identify the need for temporary housing and available resources; and*
- (4) recommendations for future action by the legislature.*

*Subd. 12. [LICENSING REQUIREMENTS NOT APPLICABLE.] The requirements of sections 245.781 to 245.812 do not apply to temporary housing and support services funded under this section unless the commissioner of public welfare determines that the program is primarily a residential facility within the meaning of section 245.782, subdivision 6.*

Sec. 43. Minnesota Statutes 1983 Supplement, section 268.672, subdivision 6, is amended to read:

Subd. 6. [ELIGIBLE JOB APPLICANT.] "Eligible job applicant" means a person who: (1) has been a resident of this state for at least one month, (2) is unemployed, (3) is not receiving and is not qualified to receive unemploy-

ment compensation or workers' compensation, and (4) is determined by the employment administrator to be likely to be available for employment by an eligible employer for the duration of the job.

*In addition, a farmer who resides in a county qualified under Federal Disaster Relief and who can demonstrate severe financial need may be considered unemployed under this subdivision.*

Sec. 44. Minnesota Statutes 1983 Supplement, section 268.673, subdivision 5, is amended to read:

Subd. 5. [REPORT TO GOVERNOR AND LEGISLATURE.] The coordinator shall report to the legislative advisory commission, *the chairpersons of the house and senate governmental operations committees, the chairperson of the health, welfare, and corrections division of the house appropriations committee, the chairperson of the health and human services subcommittee of the senate finance committee,* and the governor on a quarterly basis: (1) the number of persons employed; (2) the number and type of employers under the program; (3) the amount of money spent in each service delivery area for wages for each type of employment and each type of other expense; (4) the number of persons who have completed participation in the program and their current employment, educational, or training status; (5) *the specific allocation of discretionary funds;* and ~~(5)~~ (6) any other information requested by the commission or the governor or deemed pertinent by the coordinator. *Each report must include cumulative information, as well as information for each quarter.*

Sec. 45. Minnesota Statutes 1983 Supplement, section 268.675, is amended to read:

268.675 [ALLOCATION OF FUNDS AMONG SERVICE DELIVERY AREAS.]

~~(a)~~ *Ninety Subdivision 1.* [SERVICE DELIVERY AREA PORTION.] *Eighty percent of the funds available for allocation to employment administrators for the program must be allocated among service delivery areas as follows: (1) each service delivery area shall be eligible to receive that proportion of the funds available which equals the number of unemployed persons in the service delivery area divided by the total number of unemployed persons in the state for the 12-month period ending the most recent March 31; (2) however, 15 percent of the amount which would be allocated under paragraph (1) to each service delivery area in which the unemployment rate, for the 12-month period ending the most recent March 31, is less than the statewide unemployment rate on that date shall not be allocated according to paragraph (1). This amount shall be pooled and distributed at the discretion of the coordinator only to employment administrators in these service delivery areas with lower than average unemployment rates who have demonstrated outstanding performance from May 1, 1984, to August 1, 1984, in placement of persons who would otherwise be eligible to receive general assistance, as shown by:*

*(i) the proportion of general assistance-eligible applicants who have been placed in private sector jobs under the program, relative to the total number of general assistance-eligible applicants placed under the program; or*

*(ii) the proportion of general assistance-eligible applicants placed in all*

*jobs under the program, relative to total job placements under the program.*

(b) Ten percent of the funds available for allocation to employment administrators under the program must be allocated at the discretion of the coordinator to employment administrators:

(1) who will maximize the use of the funds through coordination with other programs and state, local, and federal agencies, through the use of matching funds or through the involvement of low-income constituent groups;

(2) who have demonstrated need beyond the allocation available under clause (1); or

(3) who have demonstrated outstanding performance in job creation; or

(4) who have demonstrated that the unemployed persons in the service delivery area incur unusual costs related to employment under sections 268.671 to 268.686.

*Subd. 3. [HIGH UNEMPLOYMENT REGIONS.] Ten percent of the funds available for allocation to employment administrators under the program must be allocated by the coordinator to employment administrators for use in regions that have unemployment rates for the 12-month period ending the most recent March 31 which meet or exceed 140 percent of the statewide unemployment rate. Funds must be allocated to regions in proportion to the number of unemployed persons within the region.*

Sec. 46. Minnesota Statutes 1983 Supplement, section 268.676, subdivision 1, is amended to read:

Subdivision 1. [AMONG JOB APPLICANTS.] Allocation of funds among eligible job applicants within a service delivery area shall be determined by the employment administrator in each service delivery area. The employment administrator shall give priority to:

(1) applicants living in households with no other income source; and

(2) applicants who would otherwise be eligible to receive general assistance under ~~Minnesota Statutes 1980, section 256D.05.~~

*In service delivery areas where the unemployment rate for the 12-month period ending the most recent March 31 is below the statewide unemployment rate at that time, the employment administrator shall give higher priority to applicants described in clause (2) than to those described in clause (1).*

Sec. 47. Minnesota Statutes 1983 Supplement, section 268.676, subdivision 2, is amended to read:

Subd. 2. [AMONG EMPLOYERS.] Allocation of funds among eligible employers within a service area shall be determined by the employment administrator within each service delivery area according to the priorities in sections 268.68 and 268.681. The employment administrator shall give priority to funding private sector jobs to the extent that eligible businesses apply for funds. If possible, no more than ~~60~~ 40 percent of the funds may be allocated for jobs with eligible government and nonprofit agencies during the biennium.

Sec. 48. Minnesota Statutes 1983 Supplement, section 268.677, is amended to read:

## 268.677 [USE OF FUNDS.]

Funds appropriated for the purposes of sections 268.671 to 268.686 may be used as follows:

(a) To provide a state contribution for wages and fringe benefits for eligible job applicants for a maximum of 1,040 hours over a maximum period of 26 weeks per job applicant. For eligible job applicants participating in a job training program, the state contribution for wages may be used for a maximum period of 52 weeks per job applicant. The state contribution for wages shall be up to \$4 per hour for each eligible job applicant employed. The state contribution for fringe benefits may be up to \$1 per hour for each eligible job applicant employed. However, the employer may use funds from other sources to provide increased wages to the applicants it employs. At least 75 percent of the funds appropriated for the program must be used to pay wages for eligible job applicants;

(b) To reimburse the commissioner of economic security in an amount not to exceed one percent of the funds appropriated for the actual cost of administering sections 268.671 to 268.686, and to reimburse the employment administrators in an amount not to exceed 4-1/2 percent of the funds appropriated for their actual cost of administering sections 268.671 to 268.686. The commissioner of economic security and the employment administrators shall reallocate funds from other sources to cover the administrative costs of this program whenever possible;

(c) To provide child care services or subsidies to applicants employed under sections 268.671 to 268.686;

(d) To provide workers' compensation coverage to applicants employed by government or nonprofit agencies under sections 268.671 to 268.686;

(e) To provide job search assistance, labor market orientation, job seeking skills, and referral for other services;

(f) To purchase supplies and materials for projects creating permanent improvements to public property in an amount not to exceed one percent of the funds appropriated.

The employment administrator of each service delivery area shall submit to the coordinator a spending plan establishing that funds allocated to the service delivery area will be used by ~~October 1, 1984~~, in the manner required by sections 268.671 to 268.686. Any funds allocated to the service delivery area for which there is no spending plan approved by the coordinator shall cancel back to the Minnesota emergency employment development account and may be reallocated by the coordinator to other employment administrators.

Sec. 49. Minnesota Statutes 1983 Supplement, section 268.685, is amended to read:

## 268.685 [TERMINATION; NOTIFICATION.]

The commissioner of economic security shall immediately terminate the Minnesota emergency employment development program if and when none of the money appropriated under Laws 1983, chapter 312, article 1, section 3 *or under this act* remains. The commissioner of economic security shall immediately notify the commissioner of public welfare of the program's termi-

nation. The commissioner of public welfare shall immediately notify each local agency referring recipients under section 256D.112 of the program's termination and require the local agency to cease transferring recipients.

On the date the program is terminated, any balance remaining in the Minnesota emergency employment development account established under section 268.681, subdivision 4 shall cancel to the general fund. Any payments received under section 268.681, subdivisions 3 and 4 on or after that date shall be deposited in the general fund.

Sec. 50. Minnesota Statutes 1983 Supplement, section 268.686, is amended to read:

268.686 [SUNSET.]

Laws 1983, chapter 312, article 7, sections 1 to 18 are repealed ~~June 30, 1985~~ January 1, 1986.

Sec. 51. Minnesota Statutes 1983 Supplement, section 268.80, is amended to read:

268.80 [APPLICATION PROCESS; DETERMINATIONS.]

Any person may apply to the commissioner for services under the Minnesota emergency employment development jobs program. Upon receiving an application, the commissioner shall promptly determine the person's eligibility for services under the program; the person's ability to successfully perform a job available through the program; and, within three business days, the person's eligibility for an allowance pursuant to section 268.81. *The commissioner shall not accept applications for the allowance after September 30, 1984.* In determining the eligibility of a person for the allowance, the commissioner shall apply the eligibility standards set forth in sections 256D.01 to 256D.21. A person referred by a local agency pursuant to the provisions of section 256D.112 *prior to October 1, 1984* shall be deemed to be eligible for the allowance. If the commissioner finds at any time that a person is not eligible for services under the jobs program, or if the commissioner determines after a three-month period that the person is unlikely to secure a job through the jobs program, then the commissioner shall issue a written determination stating the findings and provide the person with a written referral to the appropriate local agency. *However, once a person has been referred to the local agency because of a determination that the person is unlikely to secure a job through the emergency employment development jobs program, the person may not be referred back to the commissioner for the payment of the allowance under section 268.81. If the person is receiving an allowance, the allowance will be terminated upon provision of a notice of termination of the allowance which must coincide with issuance of the allowance and must include a written referral to the local agency. Upon sending a notice of termination, the commissioner shall forward copies of applications, verifications, and other documents related to the person's eligibility for and payments of general assistance to the local agency. If the person applies to the local agency for general assistance before or on the last date of the period covered by the allowance, the person is eligible for general assistance, and the local agency shall issue a general assistance payment to cover the calendar month immediately following the calendar month covered by the last allowance. The local agency shall use verifications obtained in its deter-*

*mination of eligibility pursuant to section 256D.112 and those provided by the commissioner and may only require the applicant to supply verification of factors that the local agency has reason to believe have changed. If the commissioner finds at any time, pursuant to standards established by the commissioner by rule or temporary rule, that a person is not able to successfully perform a job available through the jobs program, the commissioner shall issue a written determination stating the findings and explaining the person's right to appeal pursuant to section 268.82, and shall provide the person with a written referral to the appropriate local agency. If the commissioner finds that a person is not eligible for an allowance pursuant to section 268.81, the commissioner shall advise the person in writing that the person may make an application for general assistance with the appropriate local agency.*

Sec. 52. Minnesota Statutes 1983 Supplement, section 268.81, is amended to read:

268.81 [PAYMENT OF ALLOWANCE.]

*A person accepted pursuant to section 268.80 for participation in the Minnesota emergency employment development jobs program and determined by the commissioner to satisfy the eligibility standards set forth in sections 256D.01 to 256D.21, shall be paid a cash allowance by the commissioner in an amount which is not less than the amount of the general assistance grant that the person would otherwise receive pursuant to sections 256D.01 to 256D.21. The commissioner shall adopt a permanent or temporary rule establishing the amounts of allowances to be paid pursuant to this section. The initial allowance shall be paid to the person as soon as administratively feasible. A person referred by a local agency pursuant to section 256D.112 shall be paid the initial allowance upon the expiration of the period covered by the one-month grant received from the local agency. Thereafter, the allowance shall be paid at intervals as the commissioner shall prescribe by rule or temporary rule. ~~Until June 30, 1985, a person receiving an allowance when the Minnesota emergency employment development jobs program is terminated under section 268.685, shall continue to be paid an allowance under this section if he continues to meet the eligibility standards set forth in sections 256D.01 to 256D.21. After December 31, 1984, the department of economic security shall make no allowance payments. All persons who receive an allowance during December 1984 shall be provided a notice of termination of the allowance which must coincide with issuance of the allowance and must include a written referral to the local agency. Upon sending a notice of termination, the commissioner shall forward copies of applications, verifications, and other documents related to the person's eligibility for and payments of general assistance to the local agency. If the person applies to the local agency for general assistance before or on the final day of the period covered by the allowance, the person is eligible for general assistance, and the local agency shall issue a general assistance payment to cover the calendar month immediately following the calendar month covered by the last allowance. The local agency shall use verifications obtained in its determination of eligibility pursuant to section 256D.112 and those provided by the commissioner and may only require the applicant to supply verification of factors that the local agency has reason to believe have changed.~~*

Sec. 53. Minnesota Statutes 1983 Supplement, section 357.021, subdivision 2a, is amended to read:



Subd. 2a. [CERTAIN FEE PURPOSES.] Of the marriage dissolution fee collected pursuant to subdivision 1, the clerk shall pay \$35 to the state treasurer to be deposited in the ~~general~~ *special revenue* fund to be used as follows: \$15 for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established under section 4.40; and \$20 is appropriated to the commissioner of corrections for the purpose of funding emergency shelter services and support services to battered women, on a matching basis with local money for 20 percent of the costs and state money for 80 percent. Of the \$15 for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established under section 4.40, \$6.75 is appropriated to the commissioner of corrections and \$8.25 is appropriated to the commissioner of economic security. *The commissioner of economic security may use money appropriated in this subdivision for the administration of a displaced homemaker program regardless of the date on which the program was established.*

~~The state treasurer shall identify and report to the commissioner of finance all amounts deposited in the general fund under this section.~~

Sec. 54. Minnesota Statutes 1983 Supplement, section 517.08, subdivision 1c, is amended to read:

Subd. 1c. [DISPOSITION OF LICENSE FEE.] Of the marriage license fee collected pursuant to subdivision 1b, the clerk shall pay \$25 to the state treasurer to be deposited in the ~~general~~ *special revenue* fund to be used as follows: \$15 for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established by July 1, 1983, under section 4.40; and \$10 is appropriated to the commissioner of economic security for the purpose of funding displaced homemaker programs established after July 1, 1983, under section 4.40 in areas of the state where those programs previously did not exist or adjunct programs that extend access to current programs in northeastern Minnesota, on a matching basis with local funds providing 20 percent of the costs and state funds providing 80 percent. Of the \$15 for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established by July 1, 1983, under section 4.40, \$6.75 is appropriated to the commissioner of corrections and \$8.25 is appropriated to the commissioner of economic security. *The commissioner of economic security may transfer money to and from the appropriation designated in this subdivision for the administration of displaced homemaker programs established by July 1, 1983, and the appropriation designated for programs established after July 1, 1983, if necessary to continue the administration of programs established by July 1, 1983, while developing and administering programs established after that date as required in this subdivision.*

~~The state treasurer shall identify and report to the commissioner of finance all amounts deposited in the general fund and appropriated under this section.~~

Sec. 55. Laws 1983, chapter 199, section 17, subdivision 2, is amended to

read:

Subd. 2. The commission shall consist of ~~six~~ seven members of the house of representatives appointed by the speaker and ~~six~~ seven members of the senate appointed by the subcommittee on committees.

Sec. 56. [LABORATORY FEES.]

*Notwithstanding Laws 1983, chapter 312, article 1, section 7, subdivision 2, the commissioner of health shall charge a fee of not less than \$5 for medical laboratory services for which fees are charged under section 144.123.*

Sec. 57. [MORATORIUM ON HOSPITAL CAPACITY EXPANSION.]

*Subdivision 1. [RESTRICTED CONSTRUCTION OR MODIFICATION.] Until June 30, 1987, the following construction or modification may not be commenced:*

*(1) any erection, building, alteration, reconstruction, modernization, improvement, extension, lease, or other acquisition by or on behalf of a hospital that increases the bed capacity of a hospital, relocates hospital beds from one physical facility, complex, or site to another, or otherwise results in an increase or redistribution of hospital beds within the state; and*

*(2) the establishment of a new hospital.*

*This section does not apply to:*

*(1) a hospital, clinic, or other health care facility that is a national referral center engaged in substantial programs of patient care, medical research, and medical education meeting state and national needs that receives more than 40 percent of its patients from outside the state of Minnesota;*

*(2) a project for construction or modification for which a health care facility held an approved certificate of need on May 1, 1984, regardless of the date of expiration of the certificate;*

*(3) a project for which a certificate of need was denied prior to the date of enactment of this act if a timely appeal results in an order reversing the denial; or*

*(4) a project exempted from certificate of need requirements by Laws 1981, chapter 200, section 2.*

*Nothing in this section prohibits the relocation or redistribution of hospital beds within a hospital building or identifiable complex of buildings provided the relocation or redistribution does not result in: (1) an increase in the overall bed capacity at that site; (2) relocation of hospital beds from one physical site or complex to another; or (3) redistribution of hospital beds within the state or a region of the state.*

Subd. 2. [EMERGENCY WAIVER.] *The commissioner shall grant an emergency waiver from the provisions of this section if the need for the project is a result of fire, tornado, flood, storm damage or other similar disaster, if adequate health care facilities are not available for the people who previously used the applicant facility and if the request for an emergency waiver is limited in nature and scope only to those repairs necessitated by the natural disaster.*

Subd. 3. [ENFORCEMENT.] *The district court in Ramsey County has*

jurisdiction to enjoin an alleged violation of subdivision 1. At the request of the commissioner of health, the attorney general may bring an action to enjoin an alleged violation. The commissioner of health shall not issue a license for any portion of a hospital in violation of subdivision 1. No hospital in violation of subdivision 1 may apply for or receive public funds under chapters 245 to 256B, or from any other source.

*Subd. 4. [DEFINITIONS.] Except as indicated in this subdivision, the terms used in this section have the meanings given them under Minnesota Statutes 1982, sections 145.832 to 145.845 and the rules adopted thereunder.*

*The term "hospital" has the meaning given it in section 144.696, subdivision 3.*

**Sec. 58. [INSTRUCTION TO REVISOR.]**

*The revisor of statutes shall change the references to the commissioner or department of "public welfare" wherever they appear in the Minnesota Statutes to refer to the commissioner or department of "human services" in Minnesota Statutes 1984.*

**Sec. 59. [REPEALER.]**

*Minnesota Statutes 1982, section 256E.07, subdivision 3, and Laws 1983, chapter 289, section 102, are repealed.*

**Sec. 60. [APPLICATION.]**

*The changes mandated by section 45 of this article are effective only for money appropriated in section 2, clause (a). Funds appropriated prior to the effective date of this act shall continue to be allocated as provided in Laws 1983, chapter 312, article 7, section 5.*

**Sec. 61. [EFFECTIVE DATES.]**

*Sections 7, 17 to 21, 23, 24, 39 to 49, 53 to 56, 59, and 60 are effective the day following final enactment. Sections 26 to 29, 32, 35, 37, and section 34, subdivision 2, clause (i) are effective June 1, 1984. Section 34, subdivision 2, clauses (k) and (l) are effective October 1, 1984."*

Delete the title and insert:

"A bill for an act relating to the organization and operation of state government; clarifying, providing for deficiencies in, and supplementing appropriations for the expenses of state government with certain conditions; creating and modifying agencies and functions; fixing and limiting fees; requiring studies and reports; appropriating money; amending Minnesota Statutes 1982, sections 3.099, subdivision 2; 3.3005; 3.351; 10.12; 10.14; 10.15; 11A.08, subdivision 3; 15.0597, subdivision 1; 16.02, by adding a subdivision; 16.026, subdivisions 3 and 7; 16.081; 16.80, subdivision 1; 16A.04, subdivisions 1 and 4; 16A.06; 16A.065; 16A.125, subdivision 6; 16A.13, subdivisions 1 and 2; 16A.131, subdivision 1; 16A.14, subdivision 2; 16A.28; 16A.45; 17.03, by adding a subdivision; 17A.03, by adding subdivisions; 17A.04, subdivisions 1, 6, 7, and 8; 17A.05; 17A.07; 17A.10; 17A.11; 17A.12; 43A.27, by adding a subdivision; 43A.30, by adding a subdivision; 84.085; 84A.53; 84A.54; 84A.55, subdivision 9; 84B.03, by adding a subdivision; 94.16; 116J.19, subdivision 13; 116J.36, as amended; 116J.88, by adding a subdivision; 116J.89, by adding a subdivision;

117.195, subdivision 1; 117.232, subdivision 1; 125.031; 136.11, subdivisions 2 and 7; 136.506; 136.55, subdivision 2; 136A.02, subdivision 1a; 136A.32, subdivision 7; 136A.81, subdivision 1; 138.025, subdivision 11; 144.414; 155A.06, subdivision 1; 158.07; 158.08; 161.173; 161.174; 161.242, subdivisions 3 and 4; 161.31, subdivision 1; 168.27, subdivisions 2 and 3; 168.33, subdivision 2; 169.966, subdivision 1a, and by adding a subdivision; 174.22, subdivisions 5, 10, 13, and by adding a subdivision; 174.23, subdivisions 2 and 4; 174.24, subdivision 1, 2, and 5; 174.265, subdivision 3; 179.741, subdivision 2; 214.001, subdivision 2; 214.13, subdivisions 1, 2, 3, and 5; 221.295; 239.10; 241.66, subdivision 2; 245.811; 256.851; 256D.02, subdivisions 6, 8, and by adding a subdivision; 256D.06, subdivision 3; 256D.15; 256E.03, subdivision 2; 256E.07, subdivision 1, and by adding subdivisions; 296.13; 299D.03, subdivision 2; 299F.63, by adding a subdivision; 325F.20, subdivision 1; 329.099; 340.11, subdivision 11a; 345.47, subdivision 1, and by adding a subdivision; 345.525; 352.01, subdivision 2A; 352E.02; 352E.04; 359.01; 398.09; 462A.05, subdivision 20; 473.121, subdivisions 7, 10, 16, 18, 19, and by adding subdivisions; 473.146, subdivisions 3 and 4; 473.164; 473.167, subdivision 1; 473.168, subdivision 2; 473.181, subdivision 3; 473.223; 473.404; 473.405; 473.409; 473.411; 473.416; 473.435; 473.436, by adding a subdivision; 473.445; 473.446, subdivision 2a, and by adding subdivisions; 473.449; 484.545, subdivision 1; Minnesota Statutes 1983 Supplement, sections 3.3026, subdivision 5; 10A.01, subdivision 18; 10A.04, subdivision 4; 15A.081, subdivisions 1, 6, and 7; 15A.082; 15A.083, subdivision 1; 16.083; 16.28, subdivision 2; 16A.125, subdivision 5; 16A.127, subdivision 1; 16A.36; 17A.06, subdivision 3; 38.02, subdivision 1; 43A.04, subdivision 8; 85.40, subdivision 5; 85.41, subdivisions 3, 4, and 5; 116J.09; 116J.18, subdivision 1; 116J.31; 116J.70, subdivision 2a; 116J.90, by adding a subdivision; 116J.91, subdivision 4; 135A.03, subdivisions 1, 3, and 4; 136.144; 136A.121, subdivision 2; 136A.26; 144.651, subdivision 9; 161.43; 161.44, subdivision 6a; 169.81, subdivision 2; 174.24, subdivision 3; 179.70, subdivision 1; 179.7411; 180.03, subdivision 2; 214.06, subdivision 1; 214.13, subdivision 4; 221.041, by adding a subdivision; 221.071, subdivision 1; 240.06, subdivision 7; 256.01, subdivision 2; 256.737; 256B.501, subdivision 10; 256D.01, subdivision 1; 256D.03, subdivision 4; 256D.111, subdivisions 1, 2, 5, and by adding a subdivision; 256D.112; 268.672, subdivision 6; 268.673, subdivision 5; 268.675; 268.676, subdivisions 1 and 2; 268.677; 268.685; 268.686; 268.80; 268.81; 297B.09; 298.296, subdivision 1; 352D.02, subdivision 1; 357.021, subdivision 2a; 462A.07, subdivision 15; 473.436, subdivision 6; 486.06; 517.08, subdivision 1c; 609.855, subdivisions 1 and 2; Laws 1983, chapter 199, section 17, subdivision 2; chapter 290, section 172; chapter 293, sections 1; 2, subdivisions 2, 8, and 9; 4, subdivisions 1 and 3; 5; and 6; chapter 301, sections 38, 39, 40, 41, and 42; proposing new law coded in Minnesota Statutes, chapters 13, 15, 17A, 84, 84A, 94, 115A, 116J, 136, 174, 190, 214, 221, 246, 256B, 268, 349, 473, 494; proposing new law coded as Minnesota Statutes, chapters 16B; 40A; 44A; and 494; repealing Minnesota Statutes 1982, sections 10.13; 16A.132; 16A.51; 16A.59; 16A.73; 84.82, subdivision 1; 136.11, subdivision 6; 136A.133; 167.31; 167.32; 167.33; 167.34; 167.35; 167.36; 167.37; 167.38; 167.39; 167.42; 167.43; 167.44; 167.521; 168.27, subdivision 5; 174.03, subdivision 5a; 174.24, subdivisions 3a and 4; 174.265; 174.31; 256E.07, subdivision 3; 473.401; 473.402; 473.403; 473.411, subdivision 1; 473.413, as amended; 473.451; Minnesota Statutes 1983 Supplement, section 17.106; and Laws 1983, chapter 289, section 102, and chapter 301, section 233."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) James I. Rice, Ann Wynia, Lyndon R. Carlson, Phyllis Kahn, Bob Anderson

Senate Conferees: (Signed) Gerald L. Willet, Carl W. Kroening, Don B. Samuelson, William P. Luther, Dennis R. Frederickson

Mr. Willet moved that the foregoing recommendations and Conference Committee Report on H.F. No. 2317 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. 2317 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 30, as follows:

Those who voted in the affirmative were:

Adkins	Frederickson	Luther	Peterson, R.W.	Stumpf
Berglin	Freeman	McQuaid	Petty	Vega
Dahl	Hughes	Moe, R. D.	Pogemiller	Wegscheid
Davis	Johnson, D.J.	Nelson	Purfeerst	Willet
DeCramer	Kroening	Novak	Reichgott	
Dicklich	Langseth	Pehler	Schmitz	
Diessner	Lantry	Peterson, C.C.	Solon	
Dieterich	Lessard	Peterson, D.C.	Spear	

Those who voted in the negative were:

Anderson	Brataas	Kamrath	Merriam	Samuelson
Belanger	Frank	Knaak	Moe, D. M.	Sieloff
Benson	Frederick	Knutson	Olson	Storm
Berg	Isackson	Kronebusch	Peterson, D.L.	Taylor
Bernhagen	Johnson, D.E.	Laidig	Ramstad	Ulland
Bertram	Jude	Mehrkens	Renneke	Waldorf

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. 1914: A bill for an act relating to airports; metropolitan government; requiring reports to pollution control agency concerning noise abatement for the Minneapolis-St. Paul airport; amending Minnesota Statutes 1982, section 473.612.

Senate File No. 1914 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 24, 1984

**CONCURRENCE AND REPASSAGE**

Mr. Petty moved that the Senate concur in the amendments by the House to S.F. No. 1914 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1914 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 61 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kroening	Pehler	Spear
Anderson	Frank	Kronebusch	Peterson, C. C.	Storm
Belanger	Frederick	Laidig	Peterson, D. C.	Stumpf
Benson	Frederickson	Lantry	Peterson, R. W.	Taylor
Berg	Freeman	Lessard	Petty	Ulland
Bernhagen	Hughes	Luther	Pogemiller	Vega
Bertram	Isackson	McQuaid	Purfeerst	Waldorf
Brataas	Johnson, D. E.	Mehrkens	Ramstad	Wegscheid
Dahl	Johnson, D. J.	Merriam	Reichgott	Willet
Davis	Jude	Moe, R. D.	Renneke	
DeCramer	Kamrath	Nelson	Schmitz	
Dicklich	Knaak	Novak	Sieloff	
Diessner	Knutson	Olson	Solon	

Ms. Berglin voted in the negative.

So the bill, as amended, was repassed and its title was agreed to.

**MESSAGES FROM THE HOUSE - CONTINUED**

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 881: A bill for an act relating to local and urban government; providing for the inventory, classification, and protection of aggregate deposits or resources within the state; proposing new law coded in Minnesota Statutes, chapter 84.

Senate File No. 881 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 24, 1984

**CONCURRENCE AND REPASSAGE**

Mr. Schmitz moved that the Senate concur in the amendments by the House to S.F. No. 881 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 881: A bill for an act relating to local and urban government; providing for the inventory, classification, and protection of aggregate deposits or resources within the state; creating an advisory committee within the metropolitan area; proposing new law coded in Minnesota Statutes,

chapter 84.

Was read the third time, as amended by the House, and placed on its re-passage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Novak	Schmitz
Anderson	Dieterich	Kroening	Olson	Sieloff
Belanger	Frank	Kronebusch	Pehler	Solon
Benson	Frederick	Laidig	Peterson, C. C.	Spear
Berg	Frederickson	Lantry	Peterson, D. C.	Storm
Berglin	Freeman	Lessard	Peterson, D. L.	Stumpf
Bernhagen	Hughes	Luther	Peterson, R. W.	Taylor
Bertram	Isackson	McQuaid	Petty	Ulland
Brataas	Johnson, D. E.	Mehrkens	Pogemiller	Vega
Chmielewski	Johnson, D. J.	Merriam	Purfeerst	Waldorf
Dahl	Jude	Moe, D. M.	Ramstad	Wegscheid
Davis	Kamrath	Moe, R. D.	Reichgott	Willet
Dicklich	Knaak	Nelson	Renneke	

So the bill, as amended, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 2030: A bill for an act relating to public safety; prohibiting the state fire marshal from adopting or enforcing certain rules relating to family or group family day care homes; amending Minnesota Statutes 1982, section 299F.011, by adding a subdivision.

Senate File No. 2030 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 24, 1984

### CONCURRENCE AND REPASSAGE

Mr. Luther moved that the Senate concur in the amendments by the House to S.F. No. 2030 and that the bill be placed on its repassage as amended.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 41 and nays 22, as follows:

Those who voted in the affirmative were:

Belanger	Diessner	Kroening	Nelson	Spear
Benson	Dieterich	Kronebusch	Novak	Stumpf
Berglin	Frederickson	Laidig	Olson	Taylor
Bertram	Freeman	Langseth	Peterson, C. C.	Vega
Brataas	Hughes	Lantry	Peterson, D. C.	Waldorf
Chmielewski	Johnson, D. J.	Lessard	Peterson, D. L.	
Dahl	Jude	Luther	Purfeerst	
Davis	Kamrath	Mehrkens	Reichgott	
Dicklich	Knaak	Moe, R. D.	Renneke	

Those who voted in the negative were:

Adkins	Frank	McQuaid	Petty	Wegscheid
Anderson	Frederick	Merriam	Ramstad	Willet
Berg	Isackson	Moe, D. M.	Sieloff	
Bernhagen	Johnson, D.E.	Pehler	Storm	
DeCramer	Knutson	Peterson, R.W.	Ulland	

The motion prevailed.

S.F. No. 2030: A bill for an act relating to public safety; exempting certain day care centers from a specific requirement of the state building code; requiring the commissioners of public welfare, public safety, and administration to prepare a report on day care licensure issues and to consult on rules; prohibiting the state fire marshal from adopting or enforcing certain rules relating to family or group family day care homes; amending Minnesota Statutes 1982, sections 16.851, by adding a subdivision; 245.802, by adding a subdivision; and 299F.011, by adding a subdivision.

Was read the third time, as amended by the House, and placed on its re-passage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 52 and nays 13, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kronebusch	Olson	Spear
Anderson	Dieterich	Laidig	Pehler	Storm
Benson	Frederickson	Langseth	Peterson, C.C.	Stumpf
Berglin	Freeman	Lantry	Peterson, D.C.	Taylor
Bertram	Hughes	Lessard	Peterson, D.L.	Vega
Brataas	Johnson, D.E.	Luther	Petty	Waldorf
Chmielewski	Johnson, D.J.	McQuaid	Pogemiller	Wegscheid
Dahl	Jude	Merriam	Purfeerst	Willet
Davis	Kamrath	Moe, R. D.	Ramstad	
DeCramer	Knaak	Nelson	Reichgott	
Dicklich	Kroening	Novak	Renneke	

Those who voted in the negative were:

Belanger	Frank	Knutson	Peterson, R.W.	Ulland
Berg	Frederick	Mehrken	Samuelson	
Bernhagen	Isackson	Moe, D. M.	Sieloff	

So the bill, as amended, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 229, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 229 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 24, 1984

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 229

A bill for an act relating to health; allowing any interested person to seek



enforcement of certain patient rights; requiring disclosure of certain medical data or medical information for purposes of a lawful investigation; amending Minnesota Statutes 1982, sections 13.42, subdivision 2; 144.335; 254A.09; and Minnesota Statutes 1983 Supplement, section 144.651, subdivision 1.

April 24, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 229, report that we have agreed upon the items in dispute and recommend as follows:

That the House concur in the Senate amendment and that H.F. No. 229 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 144.651, subdivision 1, is amended to read:

Subdivision 1. [LEGISLATIVE INTENT.] It is the intent of the legislature and the purpose of this section to promote the interests and well being of the patients and residents of health care facilities. No health care facility may require a patient or resident to waive these rights as a condition of admission to the facility. Any guardian or conservator of a patient or resident or, in the absence of a guardian or conservator, an interested person, may seek enforcement of these rights on behalf of a patient or resident. *An interested person may also seek enforcement of these rights on behalf of a patient or resident who has a guardian or conservator through administrative agencies or in probate court or county court having jurisdiction over guardianships and conservatorships. Pending the outcome of an enforcement proceeding the health care facility may, in good faith, comply with the instructions of a guardian or conservator.* It is the intent of this section that every patient's civil and religious liberties, including the right to independent personal decisions and knowledge of available choices, shall not be infringed and that the facility shall encourage and assist in the fullest possible exercise of these rights.”

Delete the title and insert:

“A bill for an act relating to health; allowing any interested person to seek enforcement of certain patient rights; amending Minnesota Statutes 1983 Supplement, section 144.651, subdivision 1.”

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Karen Clark, Robert W. Reif, James C. Swanson

Senate Conferees: (Signed) Allan H. Spear, Gene Merriam, Ron Sieloff

Mr. Spear moved that the foregoing recommendations and Conference Committee Report on H.F. No. 229 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. 229 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Nelson	Renneke
Anderson	Diessner	Knutson	Novak	Samuelson
Belanger	Dieterich	Kroening	Olson	Schmitz
Benson	Frank	Kronebusch	Pehler	Sieloff
Berg	Frederick	Laidig	Peterson, C. C.	Spear
Berglin	Frederickson	Langseth	Peterson, D. C.	Stumpf
Bernhagen	Freeman	Lantry	Peterson, D. L.	Taylor
Bertram	Hughes	Lessard	Peterson, R. W.	Ulland
Brataas	Isackson	Luther	Petty	Vega
Chmielewski	Johnson, D. E.	McQuaid	Pogemiller	Waldorf
Dahl	Johnson, D. J.	Merriam	Purfeerst	Wegscheid
Davis	Jude	Moe, D. M.	Ramstad	Willet
DeCramer	Kamrath	Moe, R. D.	Reichgott	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 1563 and the Conference Committee Report thereon were reported to the Senate.

### CONFERENCE COMMITTEE REPORT ON S.F. NO. 1563

A bill for an act relating to labor; extending the statute of limitation on certain actions to recover wages or overtime; clarifying child labor penalties; amending Minnesota Statutes 1982, section 541.07; Minnesota Statutes 1983 Supplement, section 181A.12, subdivision 1.

April 24, 1984

The Honorable Jerome M. Hughes  
President of the Senate

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1563, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 1563 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 150A.08, subdivision 8, is amended to read:

Subd. 8. [SUSPENSION OF LICENSE.] In addition to any other remedy provided by law, the board may, through its designated board members pursuant to section 214.10, subdivision 2, temporarily suspend a license or registration without a hearing if the board finds that the licensee or registrant has

violated a statute or rule which the board is empowered to enforce and continued practice by the licensee or registrant would create an imminent risk of harm to others. The suspension shall take effect upon written notice to the licensee or registrant served by first class mail specifying the statute or rule violated, and the time, date, and place of the hearing before the board. If the notice is returned by the post office, the notice shall be effective upon reasonable attempts to locate and serve the licensee or registrant. Within ten days of service of the notice, the board shall hold a hearing before its own members on the sole issue of whether there is a reasonable basis to continue, modify, or lift the suspension. Evidence presented by the board, licensee, or registrant, shall be in affidavit form only. The licensee or registrant or his counsel may appear for oral argument. Within five working days after the hearing, the board shall issue its order and, if the suspension is continued, the board shall schedule a disciplinary hearing to be held pursuant to the Administrative Procedure Act within 45 days of issuance of the order. The hearing examiner shall issue a report within 30 days of the closing of the contested case hearing record. The board shall issue a final order within 30 days of receiving that report. *The board may allow a person who was licensed by any state to practice dentistry and whose license has been suspended to practice dentistry under the supervision of a licensed dentist for the purpose of demonstrating his or her competence and eligibility for reinstatement.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 181A.12, subdivision 1, is amended to read:

Subdivision 1. [FINES; PENALTY.] Any employer who hinders or delays the department or its authorized representative in the performance of its duties under sections 181A.01 to 181A.12 or refuses to admit the commissioner or his authorized representative to any place of employment or refuses to make certificates or lists available as required by sections 181A.01 to 181A.12, or otherwise violates any provisions of sections 181A.01 to 181A.12 or any rules issued pursuant thereto shall be assessed a fine to be paid to the commissioner for deposit in the general fund. The fine may be recovered in a civil action in the name of the department brought in the district court of the county where the violation is alleged to have occurred or the district court where the commissioner has an office. Fines are in the amounts as follows:

- |   |       |
|---|-------|
| (a) employment of minors under the age of 14<br>(each employee)   | \$ 50 |
| (b) employment of minors under the age of 16<br>during school hours while school is in session<br>(each employee) | 50    |
| (c) employment of minors under the age of 16<br>before 7:00 a.m. (each employee)                                  | 50    |
| (d) employment of minors under the age of 16<br>after 9:30 p.m. (each employee)                                   | 50    |
| (e) employment of minors under the age of 16<br>over eight hours a day (each employee)                            | 50    |
| (f) employment of minors under the age of 16<br>over 40 hours a week (each employee)                              | 50    |

(g) employment of minors under the age of 18 in hazardous occupations ( <i>each employee</i> )	100
(h) employment of minors under the age of 16 in hazardous occupations ( <i>each employee</i> )	100
(i) minors under the age of 18 injured in hazardous employment ( <i>each employee</i> )	500
(j) minors employed without proof of age ( <i>each employee</i> )	5

*An employer who refuses to make certificates or lists available as required by sections 181A.01 to 181A.12 shall be assessed a \$500 fine.*

An employer who engages in a consistent and repeated pattern of violations of sections 181A.01 to 181A.12 is *also* guilty of a gross misdemeanor.

Sec. 3. Minnesota Statutes 1983 Supplement, section 363.02, subdivision 1, is amended to read:

Subdivision 1. [EMPLOYMENT.] The provisions of section 363.03, subdivision 1, shall not apply to:

(1) The employment of any individual

(a) by his parent, grandparent, spouse, child, or grandchild, or

(b) in the domestic service of any person;

(2) A religious or fraternal corporation, association, or society, with respect to qualifications based on religion, when religion shall be a bona fide occupational qualification for employment;

(3) The employment of one person in place of another, standing by itself, shall not be evidence of an unfair discriminatory practice;

(4) ~~An age restriction applied uniformly and without exception to all individuals established by a bona fide apprenticeship program established pursuant to chapter 178, which limits participation to persons who enter the program prior to some specified age and the trade involved in the program predominantly involves heavy physical labor or work on high structures. After January 1, 1984, these age restrictions are exempt from the provisions of section 363.03, subdivision 1 only to the extent that they are declared exempt in rules adopted by the commissioner according to chapter 14. The commissioner must adopt rules governing this subject before January 1, 1984, and is authorized to adopt temporary, as well as permanent rules for this purpose. Neither shall the operation of a bona fide seniority system which mandates differences in such things as wages, hiring priorities, lay-off priorities, vacation credit, and job assignments based on seniority, be a violation of the age discrimination provisions of section 363.03, subdivision 1, so long as the operation of the system is not a subterfuge to evade the provisions of chapter 363;~~

(5) With respect to age discrimination, a practice by which a labor organization or employer offers or supplies varying insurance benefits or other fringe benefits to members or employees of differing ages, so long as the cost to the labor organization or employer for the benefits is reasonably equivalent for all members or employees;

(6) A restriction imposed by state statute, home rule charter, ordinance, or

civil service rule, and applied uniformly and without exception to all individuals, which establishes a maximum age for entry into employment as a peace officer or firefighter.

(7) Nothing in this chapter concerning age discrimination shall be construed to validate or permit age requirements which have a disproportionate impact on persons of any class otherwise protected by section 363.03, subdivision 1 or 5.

It is not an unfair employment practice for an employer, employment agency or labor organization:

(i) to require or request a person to undergo physical examination, which may include a medical history, for the purpose of determining the person's capability to perform available employment, provided (a) that an offer of employment has been made on condition that the person meets the physical or mental requirements of the job; (b) that the examination tests only for essential job-related abilities; and (c) that the examination, unless limited to determining whether the person's disability would prevent performance of the job, is required of all persons conditionally offered employment for the same position regardless of disability; or

(ii) with the consent of the employee, to obtain additional medical information for the purposes of establishing an employee health record;

(iii) to administer pre-employment tests, provided that the tests (a) measure only essential job-related abilities, (b) are required of all applicants for the same position regardless of disability unless limited to determining whether the person's disability would prevent performance of the job, and (c) accurately measure the applicant's aptitude, achievement level, or whatever factors they purport to measure rather than reflecting the applicant's impaired sensory, manual, or speaking skills, except when those skills are the factors that the tests purport to measure; or

(iv) to limit receipt of benefits payable under a fringe benefit plan for disabilities to that period of time which a licensed physician reasonably determines a person is unable to work; or

(v) to provide special safety considerations for pregnant women involved in tasks which are potentially hazardous to the health of the unborn child, as determined by medical criteria.

Sec. 4. Minnesota Statutes 1982, section 541.07, is amended to read:

541.07 [TWO OR THREE YEAR LIMITATIONS.]

Except where the uniform commercial code *or this section* otherwise prescribes, the following actions shall be commenced within two years:

(1) For libel, slander, assault, battery, false imprisonment, or other tort, resulting in personal injury, and all actions against physicians, surgeons, dentists, other health care professionals as defined in section 145.61, and veterinarians as defined in chapter 156, hospitals, sanatoriums, for malpractice, error, mistake or failure to cure, whether based on contract or tort; provided a counter-claim may be pleaded as a defense to any action for services brought by a physician, surgeon, dentist or other health care professional or veterinarian, hospital or sanatorium, after the limitations herein described

notwithstanding it is barred by the provisions of this chapter, if it was the property of the party pleading it at the time it became barred and was not barred at the time the claim sued on originated, but no judgment thereof except for costs can be rendered in favor of the party so pleading it;

(2) Upon a statute for a penalty or forfeiture;

(3) For damages caused by a dam, other than a dam used for commercial purposes; but as against one holding under the pre-emption or homestead laws, the limitations shall not begin to run until a patent has been issued for the land so damaged;

(4) Against a master for breach of an indenture of apprenticeship; the limitation runs from the expiration of the term of service;

(5) For the recovery of wages or overtime or damages, fees or penalties accruing under any federal or state law respecting the payment of wages or overtime or damages, fees or penalties *except, that if the employer fails to submit payroll records by a specified date upon request of the department of labor and industry or if the nonpayment is willful and not the result of mistake or inadvertence, the limitation is three years.* (The term "wages" means all remuneration for services or employment, including commissions and bonuses and the cash value of all remuneration in any medium other than cash, where the relationship of master and servant exists and the term "damages," means single, double, or treble damages, accorded by any statutory cause of action whatsoever and whether or not the relationship of master and servant exists);

(6) For damages caused by the establishment of a street or highway grade or a change in the originally established grade;

(7) For sales or use taxes imposed by the laws of any other state;

(8) Against the person who applies the pesticide for injury or damage to property resulting from the application, but not the manufacture or sale, of a pesticide.

Sec. 5. Laws 1967, chapter 252, section 2, as amended by Laws 1971, chapter 683, section 1, and Laws 1983, chapter 161, section 1, is amended to read:

Sec. 2. [INDEPENDENT SCHOOL DISTRICT NO. 709; EMPLOYEES; EXCEPTIONS.] The term "employees," as used in this act, shall not include members of the school board, superintendent of schools, assistant superintendents of schools, teachers, other employees of the school district whose positions require them to be certified pursuant to rules and regulations adopted by the state board of education, directors, administrative assistants, clerical or similar workers, *food service workers*, deputy clerk and purchasing agent, supervisors, advisors, coordinators, physicians, attorney, nurses, and temporary employees.

Sec. 6. [EFFECTIVE DATE.]

*Section 5 is effective upon compliance with Minnesota Statutes, section 645.021.*

Delete the title and insert:

"A bill for an act relating to labor; permitting the practice of dentistry

under supervision of a licensed dentist; clarifying child labor penalties; removing the exemption for certain individuals from unfair discriminatory practices; extending the statute of limitation on certain actions to recover wages or overtime; removing food service workers from School District No. 709 civil service; amending Minnesota Statutes 1982, section 541.07; Minnesota Statutes 1983 Supplement, sections 150A.08, subdivision 8; 181A.12, subdivision 1; and 363.02, subdivision 1; and Laws 1967, chapter 252, section 2, as amended."

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Florian Chmielewski, Mel Frederick, Bob Lessard

House Conferees: (Signed) Rich O'Connor, Joseph R. Begich, Jim Evans

Mr. Chmielewski moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1563 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. 1563 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 61 and nays 3, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Nelson	Sieloff
Anderson	Diessner	Kroening	Novak	Spear
Belanger	Dieterich	Kronebusch	Olson	Storm
Benson	Frank	Laidig	Pehler	Stumpf
Berg	Frederick	Langseth	Peterson, C.C.	Taylor
Berglin	Frederickson	Lantry	Peterson, R.W.	Ulland
Bernhagen	Freeman	Lessard	Petty	Vega
Bertram	Isackson	Luther	Pogemiller	Waldorf
Brataas	Johnson, D.E.	McQuaid	Purfeerst	Wegscheid
Chmielewski	Johnson, D.J.	Mehrkens	Ramstad	
Dahl	Jude	Merriam	Reichgott	
Davis	Kamrath	Moe, D. M.	Renneke	
DeCramer	Knaak	Moe, R. D.	Schmitz	

Ms. Peterson, D.C.; Messrs. Samuelson and Willet voted in the negative.

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

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

H.F. No. 533: A bill for an act relating to state government; providing for legislative expenses; amending Minnesota Statutes 1982, section 3.101; repealing Minnesota Statutes 1982, section 3.102.

Was read the third time 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 28, as follows:

Those who voted in the affirmative were:

Adkins	Freeman	Merriam	Petty	Stumpf
Berglin	Johnson, D.J.	Moe, D. M.	Pogemiller	Vega
Bertram	Jude	Moe, R. D.	Purfeerst	Waldorf
Chmielewski	Kroening	Nelson	Reichgott	Wegscheid
Dahl	Langseth	Novak	Samuelson	Willet
Dicklich	Lantry	Peterson, C.C.	Schmitz	
Diessner	Lessard	Peterson, D.C.	Solon	
Dieterich	Luther	Peterson, R.W.	Spear	

Those who voted in the negative were:

Anderson	Davis	Johnson, D.E.	McQuaid	Renneke
Belanger	DeCramer	Kamrath	Mehrkens	Sieloff
Benson	Frank	Knaak	Olson	Taylor
Berg	Frederick	Knutson	Pehler	Ulland
Bernhagen	Frederickson	Kronebusch	Peterson, D.L.	
Brataas	Isackson	Laidig	Ramstad	

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Messages From the House.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1562: A bill for an act relating to probate; providing for the transmission of documents to foreign consuls by the office of the secretary of state; amending Minnesota Statutes 1982, section 524.3-403.

Senate File No. 1562 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 24, 1984

### CONCURRENCE AND REPASSAGE

Mr. Spear moved that the Senate concur in the amendments by the House to S.F. No. 1562 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1562 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 63 and nays 1, as follows:

Those who voted in the affirmative were:



Adkins	Dicklich	Kroening	Novak	Schmitz
Anderson	Diessner	Kronebusch	Olson	Sieloff
Belanger	Dieterich	Laidig	Pehler	Solon
Benson	Frank	Langseth	Peterson, C. C.	Spear
Berg	Frederick	Lantry	Peterson, D. C.	Stumpf
Berglin	Frederickson	Lessard	Peterson, D. L.	Taylor
Bernhagen	Freeman	Luther	Peterson, R. W.	Ulland
Bertram	Isackson	McQuaid	Petty	Vega
Brataas	Johnson, D. E.	Mehrkens	Pogemiller	Waldorf
Chmielewski	Johnson, D. J.	Merriam	Purfeerst	Wegscheid
Dahl	Jude	Moe, D. M.	Ramstad	Willet
Davis	Kamrath	Moe, R. D.	Reichgott	
DeCramer	Knutson	Nelson	Renneke	

Mr. Knaak voted in the negative.

So the bill, as amended, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 2043: A bill for an act relating to the legislative auditor; authorizing the audit of metropolitan agencies, boards, and commissions; amending Minnesota Statutes 1982, sections 3.971, subdivision 1; 473.08, subdivision 4; 473.141, by adding a subdivision; 473.413, subdivision 11; 473.543, subdivision 5; 473.595, subdivision 5; 473.604, by adding a subdivision; 473.703, by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 3.972, subdivision 2.

Senate File No. 2043 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 24, 1984

### CONCURRENCE AND REPASSAGE

Mr. Moe, D.M. moved that the Senate concur in the amendments by the House to S.F. No. 2043 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 2043 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 40 and nays 22, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Langseth	Pehler	Solon
Berg	Diessner	Lantry	Peterson, C. C.	Spear
Berglin	Frank	Luther	Peterson, D. C.	Stumpf
Bernhagen	Johnson, D. E.	Merriam	Peterson, D. L.	Taylor
Bertram	Johnson, D. J.	Moe, D. M.	Peterson, R. W.	Ulland
Chmielewski	Jude	Moe, R. D.	Petty	Vega
Dahl	Kroening	Nelson	Pogemiller	Waldorf
DeCramer	Laidig	Novak	Reichgott	Wegscheid

Those who voted in the negative were:

Anderson	Frederick	Knaak	Olson	Storm
Benson	Frederickson	Knutson	Ramstad	Willet
Brataas	Freeman	Kronebusch	Renneke	
Davis	Isackson	McQuaid	Schmitz	
Dieterich	Kamrath	Mehrkens	Sieloff	

So the bill, as amended, was repassed and its title was agreed to.

### RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 7:30 p.m. The motion prevailed.

The hour of 7:30 p.m. having arrived, the President called the Senate to order.

### CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

### MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, 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. 1559, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1559 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 24, 1984

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 1559

A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 10; allowing public lands of the state to be exchanged for any other public land; amending Minnesota Statutes 1982, sections 94.343, subdivision 1; and 94.349, subdivision 3.

April 24, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 1559, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 1559 be further amended as follows:

Page 1, line 17, delete "held"

Page 1, line 26, delete "any"

Page 2, delete lines 1 and 2 and insert "*the exchange of state-owned lands for other lands owned by the state or local governments?*"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Bob McEachern, Lyndon R. Carlson, David Jennings

Senate Conferees: (Signed) Gerald L. Willet, Don A. Anderson, William P. Luther

Mr. Willet moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1559 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. 1559 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 38 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knutson	Nelson	Purfeerst
Anderson	Dicklich	Kronebusch	Novak	Reichgott
Benson	Diessner	Langseth	Pehler	Schmitz
Berg	Frank	Lantry	Peterson, C.C.	Stumpf
Berglin	Freeman	Luther	Peterson, D.C.	Ulfand
Bertram	Johnson, D.J.	Merriam	Peterson, R.W.	Willet
Chmielewski	Jude	Moe, D. M.	Petty	
Dahl	Kamrath	Moe, R. D.	Pogemiller	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1743, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1743 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 24, 1984

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 1743

A bill for an act relating to occupations and professions; removing an auc-

ioneer's exemption from real estate brokers and salespersons licensing; amending Minnesota Statutes 1983 Supplement, section 82.18.

April 24, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 1743, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 1743 be further amended as follows:

Page 2, line 13, before the semicolon insert "*or when the auctioneer has engaged a licensed attorney to supervise the real estate transaction*"

Amend the title as follows:

Page 1, line 2, delete "removing" and insert "modifying"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Wally Sparby, James Metzen, O.J. Heintz

Senate Conferees: (Signed) Randolph W. Peterson, Howard A. Knutson, LeRoy A. Stumpf

Mr. Peterson, R.W. moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1743 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. 1743 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 43 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kroening	Moe, R. D.	Purfeerst
Anderson	Diessner	Kronebusch	Nelson	Reichgott
Benson	Dieterich	Laidig	Novak	Schmitz
Berg	Frank	Langseth	Pehler	Solon
Berglin	Freeman	Lantry	Peterson, C.C.	Stumpf
Bertram	Johnson, D.J.	Lessard	Peterson, D.C.	Ulland
Chmielewski	Jude	Luther	Peterson, R.W.	Willet
Dahl	Kamrath	Merriam	Petty	
Davis	Knutson	Moe, D. M.	Pogemiller	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1577, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1577 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 24, 1984

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 1577

A bill for an act relating to solid and hazardous waste management; amending various provisions of the waste management act; prescribing various powers and duties of the waste management board and the pollution control agency relating to hazardous waste management planning and the development of hazardous waste facilities; establishing programs for public education, technical and research assistance to generators, and grants for hazardous waste reduction and processing and collection facilities; requiring requests for proposals for hazardous waste processing and collection facilities; authorizing hazardous waste processing facility loans; prescribing procedures for the designation of solid waste facilities by counties and waste management districts; reducing the number of proposed sites in certain metropolitan counties for mixed municipal solid waste disposal facilities; amending various provisions relating to county and metropolitan solid waste management; appropriating money; amending Minnesota Statutes 1982, sections 115A.03, subdivisions 15 and 28; 115A.06, by adding a subdivision; 115A.08, by adding a subdivision; 115A.09, by adding a subdivision; 115A.11; 115A.18; 115A.24; 115A.241; 115A.46, subdivisions 1 and 2; 115A.70, by adding a subdivision; 116.07, by adding subdivisions; 116J.88, by adding a subdivision; 400.04, subdivision 3; 400.162; 473.181, subdivision 4; 473.801, subdivisions 1 and 4; 473.803, subdivisions 2, 3, and by adding a subdivision; 473.811, subdivision 10; 473.833, subdivision 4; Minnesota Statutes 1983 Supplement, sections 115A.08, subdivision 5; 115A.21, subdivision 1, and by adding a subdivision; 115A.22, subdivisions 1 and 4; 115A.241; 115A.25, subdivisions 1, 1a, and 1b; 115A.26; 115A.27, subdivision 2; 115A.28, subdivision 1; 115A.291; 115B.22, subdivision 1; 116J.90, by adding a subdivision; 473.149, subdivisions 2d and 2e; 473.803, subdivisions 1a and 1b; and 473.823, subdivision 6; proposing new law coded in Minnesota Statutes, chapters 115A and 473; repealing Minnesota Statutes 1982, sections 115A.071; 115A.46, subdivision 3; 115A.70, subdivisions 1, 2, 4, 5, and 6; 473.827; and Minnesota Statutes 1983 Supplement, section 115A.70, subdivisions 3 and 7.

April 19, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 1577, report that we have

agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 1577 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 115A.03, subdivision 15, is amended to read:

Subd. 15. “Intrinsic suitability” of a land area or site means that, based on existing data on the inherent and natural attributes, physical features, and location of the land area or site, there is no known reason why the waste facility proposed to be located in the area or site cannot reasonably be expected to qualify for permits in accordance with agency rules. Agency certification of intrinsic suitability shall be based on data submitted to the agency by the proposing entity and data included by the hearing examiner in the record of any public hearing on recommended certification, and applied against criteria in agency rules and any additional criteria developed by the agency in effect at the time the proposing entity submits the site for certification.

*In the event that all candidate sites selected by the board before the effective date of this section are eliminated from further consideration and a new search for candidate sites is commenced, “intrinsic suitability” of a land area or site shall mean that, because of the inherent and natural attributes, physical features, and location of the land area or site, the waste facility proposed to be located in the area or site would not be likely to result in material harm to the public health and safety and natural resources and that therefore the proposed facility can reasonably be expected to qualify for permits in accordance with agency rules.*

Sec. 2. Minnesota Statutes 1982, section 115A.03, subdivision 28, is amended to read:

Subd. 28. “Resource recovery facility” means a waste facility established and used primarily for resource recovery, *including related and appurtenant facilities such as transmission facilities and transfer stations primarily serving the resource recovery facility.*

Sec. 3. Minnesota Statutes 1982, section 115A.06, is amended by adding a subdivision to read:

*Subd. 5a. [ACQUISITION OF EASEMENTS.] If the board determines that any activity deemed necessary to accomplish its purposes under subdivision 5 constitutes a substantial interference with the possession, enjoyment, or value of the property where the activity will take place, the board may acquire a temporary easement interest in the property that permits the board to carry out the activity and other activities incidental to the accomplishment of the same purposes. The board may acquire temporary easement interests under this subdivision by purchase, gift, or condemnation. The right of the board to acquire a temporary easement is subject to the same requirements and may be exercised with the same authority as provided for acquisition of property interests by the commissioner of administration under subdivision 4.*

Sec. 4. [115A.075] [LEGISLATIVE POLICY AGAINST DISPOSAL OF

## HAZARDOUS WASTE.]

*The legislature finds that hazardous waste must be managed in a manner that protects the health, safety, and welfare of the citizens of the state and protects and conserves the state's natural resources and environment; that reduction of the amount of waste generated and processing, treatment, separation, and resource recovery are the preferred methods to manage hazardous waste; and that disposal of hazardous waste should be used only as a last resort when all other management methods are ineffective, and then only if an environmentally suitable site can be identified in the state.*

*The board, in its planning, facility approval, and other activities related to hazardous waste shall give first priority to eliminating the generation of hazardous waste and eliminating or reducing the hazardous character of the waste generated in the state through processing, treatment, separation, and resource recovery.*

Sec. 5. Minnesota Statutes 1983 Supplement, section 115A.08, subdivision 5, is amended to read:

Subd. 5. [REPORT ON MITIGATION OF LOCAL EFFECTS OF HAZARDOUS WASTE FACILITIES.] ~~With the report required by subdivision 4,~~ The board through its chairperson shall issue a report and make recommendations on methods of mitigating and compensating for the local risks, costs, and other adverse effects of various types of hazardous waste facilities and on methods of financing mitigation and compensation measures. The methods of mitigating and compensating to be considered ~~shall~~ must include but not be limited to the following: payment outside of levy limitations in lieu of taxes for all property taken off the tax rolls; preference in reviews of applications for federal funds conducted by the metropolitan council and regional development commissions; payment of all costs to service the facilities including the cost of roads, monitoring, inspection, enforcement, police and fire, and litter clean up costs; payment for buffer zone amenities and improvement; local control over buffer zone design; a guarantee against any and all liability that may occur. *The recommendations on processing facilities must be made with the report required by subdivision 4. The recommendations on disposal facilities must be made with the report required by section 6.*

Sec. 6. Minnesota Statutes 1982, section 115A.08, is amended by adding a subdivision to read:

*Subd. 5b. [REPORT ON NEED AND FEASIBILITY OF HAZARDOUS WASTE DISPOSAL FACILITIES.] The board through its chairperson shall issue a report on the estimate of need and the economic feasibility analysis required by section 115A.24. The report must be issued before the hearing required by section 115A.27. The board through its chairperson shall issue an interim report by February 1, 1985, on the research on need and economic feasibility.*

Sec. 7. Minnesota Statutes 1982, section 115A.09, is amended by adding a subdivision to read:

*Subd. 5. [INCLUSION OF VOLUNTEER SITES.] The owner of property that may be a suitable location for a hazardous waste processing facility may apply to the board for inclusion of the property in the inventory of preferred*

areas. If the board accepts the application, the property must be evaluated as provided in subdivision 2. If the board determines that the property is suitable as a preferred area, it may include it in the inventory after complying with the procedures provided in subdivision 3.

Sec. 8. Minnesota Statutes 1982, section 115A.11, is amended to read:

115A.11 [HAZARDOUS WASTE MANAGEMENT PLAN.]

Subdivision 1. [CONTENTS REQUIREMENT.] The board shall adopt, amend as appropriate, and implement a hazardous waste management plan.

*Subd. 1a.* [POLICY.] In developing and implementing the plan, the highest priority of the board shall be placed upon alternatives to land disposal of hazardous wastes including: technologies to modify industrial processes or introduce new processes which that will reduce or eliminate hazardous waste generation; recycling, re-use, and recovery methods to reduce or eliminate hazardous waste disposal; and conversion and treatment technologies to reduce the degree of environmental risk from hazardous waste. The board shall also consider technologies for retrievable storage of hazardous wastes for later recycling, re-use, recovery, conversion, or treatment.

*Subd. 1b.* [CONTENTS.] The plan shall must include at least the following elements: prescribed in this subdivision.

(a) ~~an~~ The plan must estimate of the types and ~~volumes~~ quantities of hazardous waste which that will be generated in the state through the year 2000.

(b) The plan must set out specific and quantifiable objectives for reducing to the greatest feasible and prudent extent the need for and ~~practice~~ use of disposal facilities located within the state, through waste reduction, pre-treatment, retrievable storage, processing, and resource recovery.

(c) ~~a description of~~ The plan must estimate the minimum disposal capacity and capability needed to be developed within required by generators in the state for use through the year 2000. The estimate must be based on the achievement of the objectives under ~~clause~~ paragraph (b).

(d) ~~a description of~~ The plan must describe and recommend the implementation strategies required to ~~develop the needed~~ assure availability of disposal capacity for the types and quantities of waste estimated under ~~clause~~ paragraph (c) and to achieve the objectives under ~~clause~~ required by paragraph (b), including. The recommendations must address at least the following: the necessary private and government actions; the types of facilities and programs required; the availability and use of specific facilities outside of the state; development schedules for facilities, services, and ~~regulations~~ rules that should be established in the state; revenue-raising and financing measures; levels of public and private effort and expenditure; legal and institutional changes; and other similar matters.

(e) The plan shall must provide for the orderly development of hazardous waste management sites and facilities to protect the health and safety of rural and urban communities. In preparing the plan the board shall consider its impact upon agriculture and natural resources.

(f) The plan shall require the establishment in the state of at least one com-



mercial retrievable storage or disposal facility and shall recommend and encourage must include methods and procedures that will insure encourage the establishment of at least one facility programs, services, and facilities that the board recommends for development in the state for the recycling, re-use, recovery, conversion, treatment, destruction, transfer, or storage, or disposal, including retrievable storage, of hazardous waste.

*The plan must be consistent with the estimate of need and feasibility analysis prepared under section 115A.24, the analysis provided in the phase I environmental impact statement determined to be adequate under section 115A.25, subdivision 1a, and the decisions made by the board under sections 115A.28 and 115A.291.*

The board may make the implementation of elements of the plan contingent on actions of the legislature which that have been recommended in the draft plan and certification of need and considered in the reports submitted pursuant to section 115A.08.

Subd. 2. [PROCEDURE.] ~~The plan shall be based upon the reports prepared pursuant to section 115A.08. The plan, the certificate of need issued under section 115A.24, and the procedures for hearings on the draft plan and draft certificate of need, shall are not be subject to the rule-making or contested case provisions of chapter 14. Before revising the draft plan prepared under subdivision 3 or amending its adopted plan, the board shall provide notice and hold a public hearing in a manner consistent with the procedure followed by the board in the hearings on the draft plan, as provided in subdivision 3 and approved by the legislative commission.~~

Subd. 3. [PREPARATION OF DRAFT PLAN.] By July 1, 1983, the ~~chairman~~ chairperson of the board shall report to the legislative commission on waste management about the hearing to be held pursuant to this subdivision. The ~~chairman~~ chairperson shall describe the board's plans and procedures for the hearing, the provisions for encouraging public participation in the hearing, and the board's plans for preparing the required report to the legislature fully and accurately summarizing the results of the hearing, the objections raised to the board's draft plan and certification, and the board's response to the testimony received. The legislative commission shall hold a hearing to receive public comment on the board's proposed hearing procedures and thereafter shall make any recommendations it deems appropriate for changes in the board's procedures. By November 1, 1983, the board through its chairperson shall issue a draft hazardous waste management plan proposed for adoption pursuant to this section, and a draft certificate of certificates of need proposed for issuance under section 115A.24. The draft plan and certificates must include an explanation of the basis of the findings, conclusions, and recommendations contained therein. The board shall hold a public hearing on the draft plan and draft certificate of certificates of need within 30 days of their its issuance. Notices of the draft plan and the draft certificate of certificates and notice of the hearing shall must be published in the state register and newspapers of general circulation in the state. The notices must indicate how copies of the draft plan and draft certificate of certificates of need may be obtained. The board shall make the draft plan and draft certificate of certificates of need available for public review and comment at least 21 days before the hearing. The hearing shall must be ordered by the chairperson of the board and shall must be conducted by the state office of

administrative hearings in a manner consistent with the completion of the proceedings in the time allowed by this section. The hearing officer ~~shall~~ *may* not issue a report but shall preside at the hearing to ensure that the hearing is conducted in a fair, orderly, and expeditious manner and in accordance with the hearing procedures of the board. A majority of the permanent members of the board shall attend the hearing. In connection with the hearing, the chairperson of the board shall provide copies of the studies and reports on which the draft plan ~~and certification of need are~~ *is* based and shall present an explanation of the basis of the findings, conclusions, and recommendations in the draft plan ~~and certification of need~~.

Within 15 days following the hearing the director of the agency shall issue a hazardous waste pollution control report. The report must be submitted to the legislative commission. The report must be based on existing and proposed federal and state pollution control rules and available information and expertise on the character, nature, and degree of hazard of the types and categories of hazardous waste identified in the plan. The report must:

(a) assess the pollution control problems and risks associated with each type and category of hazardous waste identified by the ~~draft certification of need plan~~ *as* eligible for disposal, before or after pretreatment, at a facility or facilities of the type and design selected by the board, and identify design and pretreatment alternatives or other methods for dealing with those problems and risks;

(b) identify at least one specific alternative technology for dealing with each waste ~~which that~~ the report recommends should not be ~~certified accepted~~ for disposal, and assess the pollution control problems and risks associated with the alternatives;

(c) assess the pollution control problems and risks associated with each standard and criteria contained in the plan ~~and certification~~ for determining the eligibility or ineligibility of waste for disposal;

(d) assess the pollution control programs and risks associated with the processing and other alternatives to disposal ~~which that~~ are recommended in the plan for specific types or categories of hazardous waste, and identify methods for dealing with those problems and risks.

Within 30 days following the hearing, the board shall revise the draft plan ~~and the draft certificate or certificates of need~~ as it deems appropriate, shall make a written response to the testimony received at the hearing and to the agency's report explaining its disposition of any recommendations made with respect to the plan ~~and certification~~, and shall submit to the legislative commission the revised draft plan ~~and certification of need~~, together with a report on the testimony received, the board's response, and the results of the hearing process.

Sec. 9. [115A.152] [TECHNICAL AND RESEARCH ASSISTANCE TO GENERATORS.]

*Subdivision 1. [PURPOSES.] The board shall provide for the establishment of a technical and research assistance program for generators of hazardous waste in the state. The program must be designed to assist generators in the state to obtain information about management of hazardous wastes, to identify and apply methods of reducing the generation of hazardous wastes,*

to facilitate improved management of hazardous waste and compliance with hazardous waste regulations, and for other similar purposes. The program must emphasize assistance to smaller businesses that have inadequate technical and financial resources for obtaining information, assessing waste management methods, and developing and applying waste reduction techniques. Information and techniques developed under this program must be made available through the program to all generators in the state.

*Subd. 2. [ASSISTANCE.] The assistance program must include at least the following elements:*

*(a) outreach programs including on-site consultation at locations where hazardous waste is generated, seminars, workshops, training programs, and other similar activities designed to assist generators to evaluate their hazardous waste generation and management practices, identify opportunities for waste reduction and improved management, and identify subjects that require additional information and research;*

*(b) a program to assemble, catalog, and disseminate information about hazardous waste reduction and management methods, available commercial waste management facilities and consultant services, and regulatory programs (provided that specific questions by generators about interpretation or application of waste management rules or regulations should be referred to appropriate regulatory agencies);*

*(c) evaluation and interpretation of information needed by generators to improve their management of hazardous waste; and*

*(d) informational and technical research to identify alternative technical solutions that can be applied by specific generators to reduce the generation of hazardous waste.*

*Subd. 3. [ADMINISTRATION; EVALUATION.] The assistance program must be coordinated with other public and private programs that provide management and technical assistance to smaller businesses and generators of small quantities of hazardous waste, including programs operated by public and private educational institutions. The board may make grants to a public or private person or association that will establish and operate the elements of the program, but the grants must require that the assistance be provided at no cost to the generators and that the grantees provide periodic reports on the improvements in waste management, waste reduction, and regulatory compliance achieved by generators through the assistance provided.*

#### Sec. 10. [115A.154] [WASTE REDUCTION GRANTS.]

*Subdivision 1. [PROPOSALS AND GRANTS.] The board may make grants to generators of hazardous waste in the state for studies to determine the feasibility of applying specific methods and technologies to reduce the generation of hazardous waste. Grants may be awarded only on the basis of proposals submitted to the board by generators. The board shall select proposals that offer the greatest opportunity to significantly reduce the generation of hazardous waste by the generators making the proposal and, if applied generally, to significantly reduce the generation of hazardous waste in the state. The significance of waste reduction may be measured by the volume of hazardous waste that is eliminated or by the reduction in risk to public health*

*and safety and the environment that is achieved by the reduction. In awarding grants, the board may consider the extent of any financial and technical support that will be available from other sources for the study. The board may adopt additional criteria for awarding grants consistent with the purposes of this section.*

*Subd. 2. [LIMITATIONS.] The waste reduction information and techniques developed using grants awarded under this section must be made available to all generators in the state through the technical assistance and research program established under section 9. Grant money awarded under this section may not be spent for capital improvements or equipment.*

**Sec. 11. [115A.156] [WASTE PROCESSING AND COLLECTION FACILITIES AND SERVICES; DEVELOPMENT GRANTS.]**

*Subdivision 1. [PURPOSE.] The board may make grants to eligible recipients to determine the feasibility and method of developing and operating specific types of commercial facilities and services for collecting and processing hazardous waste. Grants may be made for:*

- (1) market assessment, including generator surveys;*
- (2) conceptual design and preliminary engineering;*
- (3) financial and business planning necessary to address sources of funding, financial security, liability, pricing structure, and similar matters necessary to the development and proper operation of a facility or service;*
- (4) environmental impact and site analysis, preparation of permit applications, and environmental and permit reviews;*
- (5) analysis of methods of overcoming identified technical, institutional, legal, regulatory, market, or other constraints; and*
- (6) analysis of other factors affecting development, operation, and use of a facility or service.*

*Subd. 2. [ELIGIBILITY.] A person proposing to develop and operate specific collection and processing facilities or services to serve generators in the state is eligible for a grant. The board may give preference to applications by associations of two or more generators in the state proposing to develop and operate commercial facilities or services capable of collecting or processing their hazardous wastes.*

*Subd. 3. [PROCEDURE FOR AWARDING GRANTS.] The board may establish procedures for awarding grants under this section. The procedures for awarding grants shall include consideration of the following factors:*

- (1) the need to provide collection and processing for a variety of types of hazardous wastes;*
- (2) the extent to which the facility or service would provide a significant amount of processing or collection capacity for waste generated in the state, measured by the volume of waste to be managed, the number and geographic distribution of generators to be served, or the reduction of risk to public health and safety and the environment achieved by the operation of the facility or service;*
- (3) the availability of the facility or service to all generators needing the*

*service in the area to be served;*

*(4) the contribution of the facility or service to achieving the policies and objectives of the hazardous waste management plan;*

*(5) participation by persons with demonstrated experience in developing, designing, or operating hazardous waste collection or processing facilities or services;*

*(6) the need for assistance from the board to accomplish the work;*

*(7) the extent to which a proposal would produce and analyze new information; and*

*(8) other factors established by the board consistent with the purposes of this section.*

*The board may adopt temporary rules under sections 14.29 to 14.36 to implement the grant program. Temporary rules adopted by the board remain in effect for 360 days or until permanent rules are adopted, whichever occurs first.*

*Subd. 4. [LIMITATIONS.] A grant may not exceed \$50,000. The board may award more than one grant for a single proposed facility or service if the board finds that results of previous studies justify additional work on other aspects of the development and operation of the facility or service. Grant money may not be spent for capital improvements or equipment.*

*Subd. 5. [MATCHING FUNDS REQUIRED.] A recipient other than an association of generators in the state must agree to pay at least 50 percent of the cost of the study. An association of two or more generators in the state must agree to pay at least 20 percent of the cost of the study.*

**Sec. 12. [115A.158] [DEVELOPMENT OF PROCESSING AND COLLECTION FACILITIES AND SERVICES; REQUESTS FOR PROPOSALS.]**

**Subdivision 1. [REQUEST BY BOARD; CONTENTS OF PROPOSAL.]**  
*The board through its chairperson shall request proposals for the development and operation of specific types of commercial hazardous waste processing and collection facilities and services that offer the greatest possibility of achieving the policies and objectives of the waste management plan including the goal of reducing to the greatest extent feasible and prudent the need for and practice of disposal. The proposals must contain at least the following information:*

*(1) the technical, managerial, and financial qualifications and experience of the proposer in developing and operating facilities and services of the type proposed;*

*(2) the technical specifications of the proposed facility or service including the process that will be used, the amount and types of hazardous waste that can be handled, the types, volume, and proposed disposition of any residuals, and a description of anticipated adverse environmental effects;*

*(3) the requirements of the site or sites needed to develop and operate the facility or service and the likelihood that a suitable site or sites will be available for the facility or service;*

(4) *projections of the costs and revenues of the facility or service, the types and numbers of generators who will use it, and the fee structure and estimated user charges necessary to make the facility or services economically viable;*

(5) *the schedule for developing and commencing operation of the facility or service; and*

(6) *the financial, technical, institutional, legal, regulatory, and other constraints that may hinder or prevent the development or operation of the facility or service and the actions that could be taken by state and local governments or by the private sector to overcome those constraints.*

*The information provided in the proposal must be based on current and projected market conditions, hazardous waste streams, legal and institutional arrangements, and other circumstances specific to the state.*

*Subd. 2. [PROCEDURE; EVALUATION; REPORT.] In requesting proposals, the board shall inform potential developers of the assistance available to them in siting and establishing hazardous waste processing and collection facilities and services in the state including the availability of sites listed on the board's inventory of preferred areas for hazardous waste processing facilities, the authority of the board to acquire sites and order the establishment of facilities in those areas, the policies and objectives of the hazardous waste management plan, and the availability of information developed by the board on hazardous waste generation and management in the state.*

*The board shall evaluate the proposals received in response to its request and determine the extent to which the proposals demonstrate the qualifications of the developers, the technical and economic feasibility of the proposed facility or service, and the extent to which the proposed facility or service will contribute in a significant way to the achievement of the policies and objectives of the hazardous waste management plan.*

*The board shall report to the legislative commission on the proposals that it has received and evaluated, and on the legislative, regulatory, and other actions needed to develop and operate the proposed facilities or services.*

*Subd. 3. [TIME FOR PROPOSALS.] The board shall issue the first round of requests under this section by June 1, 1984. The first round proposals must be returned to the board by November 1, 1984. The board shall submit its report on these proposals to the legislative commission by January 1, 1985. The board may issue additional requests in 1985 and in future years.*

**Sec. 13. [115A.159] [DEVELOPMENT OF HAZARDOUS WASTE COLLECTION AND TRANSPORTATION SERVICES.]**

*The board through its chairperson shall request, pursuant to the first round of requests under section 12, proposals for the development and operation of a system of commercial collection and transportation services for hazardous waste especially designed to serve smaller businesses and generators of small quantities of hazardous waste that have difficulty securing effective and reliable collection and shipment services and acceptance of wastes at appropriate waste facilities. The board's request under this section should require proposals containing at least the following elements:*

(1) *a collection service;*

(2) assistance to clients about on-site waste management;

(3) a shipping coordination service, which may include transfer and temporary storage and bulking facilities and computerized inventory tracking capabilities, as the proposer deems appropriate and necessary to provide efficient and reliable combined shipment of wastes from generators to processing and disposal facilities;

(4) a brokerage service to ensure acceptance of wastes at appropriate processing and disposal facilities;

(5) recommendations on the utility of local or regional associations of generators to increase the efficiency and reliability of the services; and

(6) recommendations on processing facilities, including mobile modular processing units, that would complement the collection and transportation system.

The board's request must require proposals that offer the delivery of services in stages commencing no later than July 1, 1985. The board should specify or require specification of immediate and staged performance standards for the services proposed, which may include standards relating to the volume and types of waste, the number and geographic distribution of generators served, accessibility, the percent of total waste and generators served, and other appropriate matters. After evaluating proposals received in response to its request, the board may select a proposer as the recipient of a development grant under section 11. Notwithstanding the provisions of section 11, subdivisions 4 and 5, on the amount of the grant and the required match, the grant made under this section may be up to \$350,000 and may not require a match greater than ten percent of the grant award.

#### Sec. 14. [115A.162] [HAZARDOUS WASTE PROCESSING FACILITY LOANS.]

The board shall review applications for hazardous waste processing facility loans received by the economic development authority and forwarded to the board under section 51. The board may certify a loan application only if it determines that:

(1) the applicant has demonstrated that the proposed facility is technically feasible;

(2) the applicant has made a reasonable assessment of the market for the services offered by the proposed facility;

(3) the applicant has agreed to provide funds for the proposed facility in an amount equal to at least 25 percent of the capital cost of the facility excluding land acquisition cost;

(4) the applicant has agreed to pay the cost of any land acquisition necessary to develop the facility; and

(5) the facility will contribute in a significant way to achievement of the policies and objectives of the hazardous waste management plan and, in particular, to reduce the need for and practice of hazardous waste disposal.

As a condition of its certification the board may require an applicant to agree to provide funds in excess of 25 percent of the capital cost of the facility

*in addition to any land acquisition costs. In certifying an application or in determining the share of the capital costs that will be provided by the loan, the board may consider the types and volumes of hazardous waste that will be handled by the facility, the number of generators served by the facility, and the extent to which the facility serves the need of smaller businesses that generate hazardous waste. The board may establish additional criteria for certifying loan applications consistent with the provisions of this section.*

*The board may adopt temporary rules under sections 14.29 to 14.36 to implement the loan program. Temporary rules adopted by the board remain in effect for 360 days or until permanent rules are adopted, whichever occurs first.*

Sec. 15. [115A.165] [EVALUATION OF PROGRAMS; REPORT.]

*By November 1, 1986, the board shall evaluate the extent to which the programs provided in sections 9 to 14 have contributed to the achievement of the policies and objectives of the hazardous waste management plan. The evaluation must consider the amount of waste reduction achieved by generators through the technical and research assistance and waste reduction grant programs and the progress in reducing the need for and practice of disposal achieved through the development grants and the request for proposal program. The board shall report the results of its evaluation to the legislative commission with its recommendations for further action.*

Sec. 16. [115A.17] [HAZARDOUS WASTE, FACILITY DEVELOPMENT.]

*Notwithstanding any other law to the contrary on the effective date of this section, the waste management board shall suspend all activity under sections 115A.18 to 115A.30 relating to the selection and evaluation of locations for hazardous waste disposal, except that the reductions in number of sites permitted by section 115A.21, subdivision 1, may be effected, until the report on the status of processing facilities required in this section has been presented to the legislature and the legislature has acted affirmatively to reinstate the disposal evaluation and siting process. After June 1, 1985 and before December 1, 1985 the waste management board shall prepare a status report on hazardous waste processing facilities indicating the amount and type of hazardous waste treatment residual and untreated material that is expected to require disposal.*

Sec. 17. Minnesota Statutes 1982, section 115A.18, is amended to read:

115A.18 [LEGISLATIVE FINDINGS; PURPOSE.]

*The legislature finds that proper management of hazardous waste generated in the state is needed to conserve and protect the natural resources in the state and the health, safety, and welfare of its citizens, that the establishment of safe commercial disposal facilities ~~is~~ in the state may be necessary and practicable to properly manage the waste, that this cannot be accomplished solely by the activities of private persons and political subdivisions acting alone or jointly, and that therefore it is necessary to provide a procedure for making final determinations on whether commercial disposal facilities should be established in the state and on the locations, sizes, types, and functions of any such facilities.*

Sec. 18. Minnesota Statutes 1983 Supplement, section 115A.21, subdivi-



sion 1, is amended to read:

Subdivision 1. [SELECTION.] The board shall select at least four locations more than one location in the state, no more than one site per county, as candidate sites for commercial disposal facilities for hazardous waste. Candidate sites selected by the board before February 1, 1983, and additional candidate sites selected pursuant to this section, must be reviewed pursuant to sections 115A.22 to 115A.30. No location shall be selected as a candidate site unless the agency certifies its intrinsic suitability for the use intended pursuant to subdivision 2a.

Sec. 19. Minnesota Statutes 1983 Supplement, section 115A.21, is amended by adding a subdivision to read:

*Subd. 1a. [VOLUNTEER CANDIDATE SITES.] The board may select candidate sites under this subdivision in addition to sites selected under subdivision 1. The board may submit a site to the agency if the site is proposed as a candidate site by a facility operator with the approval of the owners of the site and the statutory or home rule charter city or town and county in which the site is located. A location may be selected as a candidate site under this subdivision if the agency determines and certifies that the site is intrinsically suitable for the use intended. The director of the agency shall identify the information needed by the agency to make the determination of intrinsic suitability. The board shall obtain the necessary information and provide it to the director.*

*The director of the agency shall make a recommendation to the agency board on intrinsic suitability within 30 days after receiving the information from the board. The agency board shall make the determination on intrinsic suitability not later than the first regular meeting of the agency board held at least ten days after the director's recommendation.*

*The decisions of the board and the agency under this subdivision are not subject to the contested case or rulemaking provisions of chapter 14, or the procedures provided in subdivision 2a.*

Sec. 20. Minnesota Statutes 1983 Supplement, section 115A.22, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] In order systematically to involve those who would be affected most directly by disposal facilities in all decisions leading to their establishment, the board's decisions on reports referred to in subdivision 7, the plan adopted under section 115A.11, and the certification of need estimates and analysis required under section 115A.24 shall not be made until after the establishment of local project review committees for each candidate site, with representation on the board, pursuant to this section.

Sec. 21. Minnesota Statutes 1983 Supplement, section 115A.22, subdivision 4, is amended to read:

Subd. 4. [APPOINTMENT OF TEMPORARY BOARD MEMBERS.] Within 30 days following the appointment of a local project review committee, the local committee shall select a temporary board member to be added to the board for the purposes of the reports to be issued under section 115A.08, the plan to be adopted under section 115A.11, and the need cer-

~~tifications estimates, the analysis and the review of candidate sites conducted under sections 115A.18 to 115A.30. Temporary board members shall not participate or vote in decisions affecting the selection and certification of sites under sections 115A.201 and 115A.21. If a local committee fails to appoint a temporary board member within the time permitted by this subdivision, the governor shall appoint a temporary board member to represent the committee on the board. Temporary board members may be members of the local project review committee, and they shall be residents of the county where the candidate site is located. Temporary board members shall serve for terms lasting as long as the location the member represents is a candidate site or, in the case of members representing the a site or sites finally chosen for the facility, until the commencement of the operation of the facility at that site.~~

Sec. 22. Minnesota Statutes 1982, section 115A.24, is amended to read:

~~115A.24 [CERTIFICATION OF NEED DISPOSAL FACILITIES; ESTIMATE OF NEED; ANALYSIS OF ECONOMIC FEASIBILITY.]~~

~~Subdivision 1. [CERTIFICATE ESTIMATE OF NEED FOR DISPOSAL FACILITIES.] On the basis of and consistent with its hazardous waste management plan adopted under section 115A.11, The board shall issue a certificate or certificates of need for disposal facilities for hazardous wastes in the state. The certificate or certificates shall indicate the types and volumes of waste for which disposal facilities are and will be needed through the year 2000 and The board shall develop an estimate of the number, types, capacity, and function or use of the any hazardous waste disposal facilities needed in the state. Before finally adopting the certificate of need the board shall submit it to the agency for a revision of the hazardous waste pollution control report required under section 115A.11, subdivision 2.~~

*In developing its estimate the board shall:*

*(1) prepare a preliminary estimate of the types and quantities of waste generated in the state for which disposal will be needed through the year 2000 based to the extent practical on data obtained from generators who are likely to use the facility;*

*(2) estimate the disposal capacity located outside of the state, taking into account the status of facility permits, current and planned capacity, and prospective restrictions on expansion of capacity;*

*(3) estimate the prospects for the continued availability of capacity outside of the state for disposal of waste generated in the state;*

*(4) estimate the types and quantities of waste likely to be generated as residuals of the commercial hazardous waste processing facilities recommended by the board for development in the state and for which disposal will be needed, taking into account the likely users of the facilities; and*

*(5) compare the indirect costs and benefits of developing disposal facilities in the state or relying on facilities outside the state to dispose of hazardous waste generated in the state, taking into account the effects on business, employment, economic development, public health and safety, the environment, and the development of collection and processing facilities and services in the state.*

*In preparing the estimate, the board shall certify need may identify need for*

*disposal* only to the extent that the board has determined that there are no feasible and prudent alternatives, including waste reduction, separation, pretreatment, processing, and resource recovery, which would minimize adverse impact upon air, water, land and all other natural resources; ~~provided that the board shall require the establishment of at least one commercial disposal facility in the state. Economic considerations alone shall may not justify certification an estimate of need for disposal nor the rejection of alternatives. Alternatives that are speculative and conjectural shall are not be deemed to be feasible and prudent. The board shall consider all technologies being developed in other countries as well as in the United States when it considers the alternatives to hazardous waste disposal. The certificate or certificates shall not be subject to the provisions of chapter 14 but shall be the final determination required on the matters decided by the certificate or certificates and shall have the force and effect of law. The certificate or certificates shall not be amended for five years except as provided in section 115A.291. In reviewing and selecting sites, completing and determining the adequacy of environmental impact statements, and issuing approvals and permits for waste disposal facilities described in the certificate or certificates of need, matters determined in the certification shall not be reconsidered except as otherwise provided in section 115A.291. The board and the permitting agencies shall be required to make a final decision approving the establishment of facilities consistent with the certification except as otherwise provided in section 115A.291.~~

Subd. 3. [RADIOACTIVE WASTE.] The board's ~~certificate estimate~~ of need shall not allow the use of a facility for disposal of radioactive waste, as defined by section 116C.71, subdivision 6.

Subd. 4. [ECONOMIC FEASIBILITY ANALYSIS.] ~~The board shall prepare an economic feasibility analysis for disposal facilities of the type, capacity, and function or use estimated by the board to be needed in the state under subdivision 1. The analysis must be specific to the sites where the facilities are proposed to be located. The analysis must include at least the following elements:~~

(1) ~~an estimate of the capital, operating, and other direct costs of the facilities and the fee schedules and user charges necessary to make the facilities economically viable;~~

(2) ~~an assessment of the other costs of using the disposal facilities, such as transportation costs and disposal surcharges;~~

(3) ~~an assessment of the market for the facility for waste generated in the state, that identifies the generators that would use the facility under existing and likely future market conditions, describes the methods otherwise available to those generators to manage their wastes and the costs of using those methods, and establishes the level at which the cost of using the proposed facilities would be competitive with the cost of using other available methods of waste management;~~

(4) ~~an estimate of the subsidy, if any, needed to make the facility competitive for Minnesota generators under existing market conditions and the changes in market conditions that would increase or lower any subsidy.~~

Sec. 23. Minnesota Statutes 1983 Supplement, section 115A.241, is amended to read:

115A.241 [PARTICIPATION BY FACILITY DEVELOPERS AND OP-

ERATORS.]

The board shall solicit the participation of private developers and operators of waste facilities in the evaluation of hazardous waste disposal sites and facility specifications. ~~To qualify for consideration as a developer or operator, a person shall submit a letter~~ *The board shall request developers and operators to submit letters of intent to participate in evaluating sites, economic feasibility of disposal facilities, and facility specifications. The letters must be submitted to the board within 90 days following the publication of the board's draft plan pursuant to section 115A.08, subdivision 4 by September 1, 1984.* To qualify for selection as a developer or operator, a person shall submit operability reports to the board at least 60 days before the board's hearings under section 115A.27, and shall submit an amended report within 60 days following the decisions under section 115A.28. The letters of intent and reports shall must be in the form and contain the information deemed appropriate by the board.

Sec. 24. Minnesota Statutes 1983 Supplement, section 115A.25, subdivision 1, is amended to read:

Subdivision 1. [ENVIRONMENTAL IMPACT STATEMENT.] A phased environmental impact statement shall must be completed by the board and the agency before any permits are issued under section 115A.291. The statement must be prepared and reviewed in accordance with chapter 116D and the rules issued pursuant thereto, except as otherwise required by this section and sections 115A.11, ~~115A.24~~, 115A.28, and 115A.30. The board and agency shall follow the procedures in subdivisions 2 and 3 in lieu of the scoping requirements of chapter 116D and rules issued pursuant thereto. The statement shall must be completed in two phases as provided in subdivisions 1a and 1b.

Sec. 25. Minnesota Statutes 1983 Supplement, section 115A.25, subdivision 1a, is amended to read:

Subd. 1a. [PHASE I.] Phase I of the statement shall must be completed by the board on the environmental effects of the board's decision on sites and facility specifications decisions that the board is required to make under section 115A.28. Phase I of the statement shall must not address or reconsider alternative sites or facility numbers, types, capacity, function, and use which alternatives that have been eliminated from consideration by the board's decisions under sections 115A.201 and 115A.21 and ~~115A.24~~. The determination of the adequacy of phase I of the statement is exclusively the authority of the board. The governor shall establish an interagency advisory group to comment on the scope of phase I of the statement, to review drafts, and to provide technical assistance in the preparation and review of phase I of the statement. The advisory group shall must include representatives of the agency, the departments of natural resources, health, agriculture, energy, planning and development, and transportation, and the Minnesota geological survey. In order to obtain the staff assistance necessary to prepare the statement, the chairperson of the board may request reassignment of personnel pursuant to section 16.21 and may arrange to have other agencies prepare parts of the statement pursuant to section 16.135.

Sec. 26. Minnesota Statutes 1983 Supplement, section 115A.25, subdivision 1b, is amended to read:

Subd. 1b. [PHASE II.] Phase II of the statement ~~shall~~ *must* be completed by the agency as a supplement to phase I specifically for the purpose of examining the environmental effects of ~~the~~ *any* permitting decisions *that may be required* to be made by the permitting agencies under section 115A.291. In preparing, reviewing, and determining the adequacy of phase II of the statement, the agency shall not repeat or duplicate the research and analysis contained in phase I of the statement, unless the agency determines that the information available is not adequate or that additional information is necessary to examine the environmental effects of the permitting decisions. Phase II of the statement ~~shall~~ *may* not address or reconsider ~~alternative sites and facility numbers, types, capacity, function, and use which alternatives that have been eliminated from consideration by the board's decisions under sections 115A.201, 115A.21, 115A.24, and 115A.28.~~ The determination of adequacy of phase II of the statement must be made by the agency within 180 days following submission of the preliminary permit application or applications under section 115A.291. The determination of the adequacy of phase II of the statement is exclusively the authority of the agency.

Sec. 27. Minnesota Statutes 1983 Supplement, section 115A.26, is amended to read:

115A.26 [AGENCIES; REPORT ON PERMIT CONDITIONS AND APPLICATION REQUIREMENTS.]

Within 30 days following the board's determination of the adequacy of phase I of the environmental impact statement, and after consulting with the board, facility developers, affected local government units, and the local project review committees, the chief executive officer of each permitting state agency shall issue to the board draft reports on permit conditions and permit application requirements at each candidate site. The reports must indicate, to the extent possible based on existing information, the probable terms, conditions, and requirements of permits, including the types and categories of waste eligible for disposal with or without pretreatment, and the probable supplementary documentation that will be required for phase II of the environmental impact statement under section 115A.25 and for permit applications under section 115A.291. The reports may be revised following the hearings under section 115A.27 as the chief executive officer deems necessary. ~~The reports must be consistent with the establishment of facilities in accordance with the certification of need.~~

Sec. 28. Minnesota Statutes 1983 Supplement, section 115A.27, subdivision 2, is amended to read:

Subd. 2. [BOARD HEARINGS.] Within 120 days following the board's determination of the adequacy of phase I of the environmental impact statement under section 115A.25, the board shall conduct a hearing in each county containing a candidate site, for the purpose of receiving testimony on the decisions required under section 115A.28. The hearings ~~shall~~ *must* be ordered by the chairperson of the board. The subject of the board hearing ~~shall~~ *may* not extend to matters previously decided in the board's decision on sites under ~~section sections 115A.201 and 115A.21 and the certificate of need issued under section 115A.24.~~ *The record of the hearings must include the estimate of need for disposal facilities and the economic feasibility analysis prepared under section 115A.24, the phase I environmental impact state-*

*ment, and the reports on permit conditions issued under section 115A.26. The hearing shall must be conducted for the board by the state office of administrative hearings in a manner consistent with the completion of the proceedings in the time allowed. The proceedings and the hearing procedures are not subject to the rule-making or contested case provisions of chapter 14. The hearing officer shall may not issue a report but shall preside at the hearings to ensure that the hearings are conducted in a fair, orderly, and expeditious manner and in accordance with the hearing procedures of the board. A majority of the permanent members of the board shall be present at the hearing.*

Sec. 29. Minnesota Statutes 1983 Supplement, section 115A.28, subdivision 1, is amended to read:

Subdivision 1. [DECISION OF BOARD.] Within 60 days following the conclusion of the hearings under section 115A.27, subdivision 2, and after consulting with private facility developers, the permitting agencies, affected local government units, and the local project review committees, *the board shall make the decisions as required by this subdivision. If the board decides that a disposal facility should not be developed in the state, it shall dismiss the candidate sites from further consideration. If the board determines and certifies that a disposal facility is needed and should be developed in the state, the board shall finally select the a site or sites for the facilities and the developer and operator of the facility and shall prescribe further specifications on and specify the number, type, capacity, function, and use of the any facilities as the board deems appropriate, consistent with the board's certification of need issued under section 115A.24 to be established under sections 115A.18 to 115A.30. Sites that are not selected by the board cease to be candidate sites.* If the chairperson of the board determines that an agency report on permit conditions and application requirements has been substantially revised following hearings held pursuant to section 115A.27, subdivision 2, the chairperson may delay the decision for 30 days and may order a public hearing to receive further testimony on the sites and facilities to be established. The proceeding *shall must* be conducted as provided in section 115A.27, subdivision 2, except that hearings shall not be separately held in the affected counties and the issues relating to all agency reports *shall must* be considered at one hearing. *The board's decision shall provide for the establishment of facilities consistent with the board's certification of need.*

*The board may not make any final decision under this subdivision until the board:*

*(1) determines the current status of and future prospects for the final development of commercial hazardous waste processing facilities in the state based on the responses to the board's requests for proposals, the results of the board's processing facility development grant and loan programs, and any applications which have been filed for processing facility operation permits; and*

*(2) adjusts the estimate of need prepared under section 115A.24 to reflect the types and quantities of hazardous waste likely to be generated as residuals of processing facilities based on the board's determination under clause (1).*

Sec. 30. Minnesota Statutes 1983 Supplement, section 115A.291, is

amended to read:

115A.291 [PERMITS.]

Research and analysis necessary to the permit applications and permit decisions required under this chapter, and the supporting environmental study, must commence immediately following the board's decision ~~under section 115A.28 to apply for permits under this section.~~ Within 180 days following its ~~final decision~~ *decisions* under section 115A.28, the board shall *conclude its analysis of the financial requirements for the facility and shall decide whether to submit, or cause to be submitted by a developer and operator selected by the board,* a preliminary application for permits for a facility or facilities consistent with its decision under section 115A.28. Following review by the permitting agencies and within 60 days following the agency's determination of the adequacy of phase II of the environmental impact statement, the board shall revise the application, or cause it to be revised, in accordance with the recommendations of the permitting agencies. In preparing its revised permit application, the board may amend its ~~certification of need issued under section 115A.24~~ or its facility specifications under section 115A.28, if the board finds and determines, based upon the recommendations of the permitting agencies, that: (a) the amendments are necessary to secure permits for the construction and operation of the proposed facility at the proposed site, and (b) the recommendations and amendments are the result of new information or rules produced after the board's decisions under ~~sections 115A.24 and section 115A.28.~~ Within 210 days following the submission of the revised permit application, the permitting agencies shall issue the necessary permits unless the pollution control agency determines that the facility or facilities proposed for permitting present environmental problems which cannot be addressed through the imposition of permit conditions. *The permits may not allow the use of the facility for disposal of radioactive waste, as defined by section 116C.71, subdivision 6.*

Sec. 31. [115A.301] [INDEMNIFICATION FOR CERTAIN DAMAGES ARISING FROM DISPOSAL FACILITY.]

*Subdivision 1. [INDEMNIFICATION BY OPERATOR; EXCEPTIONS.] (a) As a condition of obtaining an agency permit and except as provided in paragraph (b), the operator of a hazardous waste disposal facility established under sections 115A.18 to 115A.30, upon the acceptance of any hazardous waste for disposal, shall agree to indemnify any other person for any liability the person may have under chapter 115B as a result of a release or threatened release of hazardous waste from the disposal facility to the extent of the financial responsibility requirement established in subdivision 2.*

*(b) The operator is not required to indemnify any person for liability to the extent that:*

*(1) the liability is the result of a violation by that person of state or federal law that governs the handling, transportation, or disposal of hazardous substances;*

*(2) the liability is the result of a negligent act or omission of that person with respect to the handling, transportation, or disposal of hazardous substances; or*

*(3) the liability is one for which a claim has been or may be paid by the*

*Federal Post-Closure Liability Fund under United States Code, title 42, section 9607(k).*

*The operator is not required to indemnify any person for any claim filed more than 30 years after closure of the disposal facility in accordance with agency rules.*

*(c) The operator may intervene as of right in any action that may result in a claim for indemnification under this subdivision.*

*Subd. 2. [FINANCIAL RESPONSIBILITY.] (a) As a condition of obtaining a permit to operate a hazardous waste disposal facility established under sections 115A.18 to 115A.30, the operator shall demonstrate financial responsibility to pay claims of liability for personal injury, economic loss, response costs, and natural resources damage that the operator may incur as a result of a release or threatened release of a hazardous waste from the facility, including liability for which the operator is required to indemnify other persons under subdivision 1. The amount of the operator's financial responsibility must be at least \$40,000,000.*

*(b) The agency may require a higher level of financial responsibility as a condition of a permit for a disposal facility depending upon the size of the facility, the location of the facility, the types of waste that will be accepted at the facility, and other factors affecting the risk of a release and potential liability. The operator may demonstrate financial responsibility by any mechanism approved by the agency's hazardous waste rules. The operator shall maintain financial responsibility as provided in this subdivision during operation of the facility and until 30 years after facility closure in accordance with agency rules, provided that the operator shall maintain financial responsibility after 30 years in the amount and for the time necessary to satisfy any outstanding claims filed within 30 years after facility closure.*

*Subd. 3. [LIABILITY TRUST FUND.] (a) A state facility liability trust fund is established as an account in the state treasury. Money in the fund shall be held in trust by the state to pay claims of liability resulting from the release or threatened release of hazardous waste from a disposal facility established under sections 115A.18 to 115A.30, and to purchase insurance to pay the claims. Subject to the limitations provided in paragraph (b), the fund and insurance purchased by the fund shall pay claims to the extent that the claims are not satisfied by the operator of the facility under subdivision 1, by the Federal Post-Closure Liability Fund under United States Code, title 42, section 9607(k), or by any person, including the operator, who is liable for the claim as a result of violation of a state or federal law or a negligent act or omission.*

*(b) The state is not obligated to pay any claims in excess of the amount of money in the fund and the limits of any insurance purchased by the fund.*

*(c) Interest earned by the money in the fund must be credited to the fund.*

*Subd. 4. [DETERMINATION OF AMOUNTS IN FUND.] The board shall determine the amount of money that will be needed in the state facility liability trust fund to maintain insurance coverage for each facility of at least \$10,000,000 during the operating life of the facility and to accumulate a balance of at least \$10,000,000 within 20 years after the facility begins operation. The board may require insurance coverage and accumulation of a*



*fund balance in amounts greater than those provided in this subdivision based upon the factors that the agency must consider in establishing the level of financial responsibility under subdivision 2 and the amount of claims for which the fund is likely to be liable under subdivision 3. Based on the amounts required to purchase insurance and accumulate the fund balance, the board shall establish a surcharge amount to be collected under subdivision 5. The board may adjust the amount of the surcharge based on the actual quantities of waste received at the facility. Determinations by the board under this subdivision are subject to the rulemaking provisions of chapter 14.*

*Subd. 5. [DISPOSAL SURCHARGE.] A surcharge must be paid for every ton or part of a ton of hazardous waste accepted for disposal at a facility. The operator shall collect and hold the surcharge in a separate account. By the first day of each month, the operator shall pay any money in this account to the commissioner of finance for credit to the state facility liability trust fund.*

*Subd. 6. [ADMINISTRATION.] (a) The commissioner of finance shall administer the state facility liability trust fund. Money in the fund is appropriated to the commissioner of finance for expenditure as provided in subdivision 3. The commissioner shall establish separate accounts in the fund for purchase of insurance and for accumulation of a fund balance as required by the board under subdivision 4. After closure of the facility in accordance with agency rules, the commissioner shall consolidate the two accounts and may use any interest income from the fund to purchase insurance to pay claims for which the fund may be liable.*

*(b) The commissioner, in consultation with the attorney general, may settle any claims that the fund may be required to pay. If two or more claims are made against the fund, the amount of which would exceed the amount in the fund, the commissioner shall pay any valid claims on a pro rata basis. The commissioner, on behalf of the fund, may intervene as of right in an action that may result in a claim against the fund.*

*Subd. 7. [RIGHTS PRESERVED.] Nothing in this section affects the right of any person to bring an action under any law to recover costs or damages arising out of the release or threatened release of a hazardous substance from a disposal facility established under sections 115A.18 to 115A.30. Any costs or damages recoverable in such an action shall be reduced to the extent that the costs or damages have been paid under subdivisions 1 to 3.*

Sec. 32. Minnesota Statutes 1982, section 115A.46, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] Plans shall address the state policies and purposes expressed in section 115A.02. Plans for the location, establishment, operation, maintenance, and post-closure use of facilities and facility sites, for ordinances, and for licensing, permit, and enforcement activities shall be consistent with the rules adopted by the agency pursuant to chapter 116. Plans shall address the resolution of conflicting, duplicative, or overlapping local management efforts. Plans shall address the establishment of joint powers management programs or waste management districts where appropriate. Plans proposing a designation of resource recovery facilities pursuant to sections 415A.70 and 400.162 shall be submitted to the waste management board for review and approval or disapproval. The review shall be based on whether the plans conform to the requirements of this section. The

**board may require revision of a plan as a condition of its approval.** Plans shall address other matters as the rules of the agency may require consistent with the purposes of sections 115A.42 to 115A.46. Political subdivisions preparing plans under sections 115A.42 to 115A.46 shall consult with persons presently providing solid waste collection, processing, and disposal services. **Plans prepared by local units of government in the metropolitan area shall conform to the requirements of chapter 473 shall be approved by the agency, or the metropolitan council pursuant to section 473.803. After initial approval, each plan shall be updated every five years and revised as necessary for further approval.**

Sec. 33. Minnesota Statutes 1982, section 115A.46, subdivision 2, is amended to read:

Subd. 2. [CONTENTS.] The plans shall describe existing collection, processing, and disposal systems, including schedules of rates and charges, financing methods, environmental acceptability, and opportunities for improvements in the systems. The plans shall include an estimate of the land disposal capacity in acre-feet which will be needed through the year 2000, on the basis of current and projected waste generation practices. ~~The plans shall contain an assessment of opportunities to reduce the need for land disposal through waste reduction and resource recovery, the alternative degrees of reduction achievable, and~~ *The plans shall require the most feasible and prudent reduction of the need for and practice of land disposal of mixed municipal solid waste. The plans shall address at least waste reduction, separation, and resource recovery, and shall include objectives, immediately and over specified time periods, for reducing the land disposal of mixed municipal solid waste. The plans shall describe specific functions to be performed and activities to be undertaken to achieve the abatement objectives and shall describe the estimated cost, proposed manner of financing, and timing of the functions and activities. The plans shall include a comparison of the costs of alternatives the activities to be undertaken, including capital and operating costs, and the effects of the alternatives activities on the cost to generators and on persons currently providing solid waste collection, processing, and disposal services. The plans shall include alternatives which could be used to achieve the abatement objectives if the proposed functions and activities are not established. The plans shall designate how public education shall be accomplished.* The plans shall, to the extent practicable and consistent with the achievement of other public policies and purposes, encourage ownership and operation of solid waste facilities by private industry. For solid waste facilities owned or operated by public agencies or supported primarily by public funds or obligations issued by a public agency, the plans shall include criteria and standards to protect comparable private and public facilities already existing in the area from displacement unless the displacement is required in order to achieve the waste management objectives identified in the plan. The plans shall establish a siting procedure and development program to assure the orderly location, development, and financing of new or expanded solid waste facilities and services sufficient for a prospective ten-year period, including estimated costs and implementation schedules, proposed procedures for operation and maintenance, estimated annual costs and gross revenues, and proposals for the use of facilities after they are no longer needed or usable. The plans shall describe existing and proposed county and municipal ordinances and license and permit requirements relating to solid waste management and shall describe existing and proposed regulation and enforcement procedures.

Sec. 34. Minnesota Statutes 1982, section 115A.70, is amended by adding

a subdivision to read:

*Subd. 8. [AUTHORITY.] A waste management district possessing designation authority in its articles of incorporation may be authorized to designate a resource recovery facility under sections 35 to 44.*

**Sec. 35. [115A.80] [DESIGNATION OF RESOURCE RECOVERY FACILITIES; PURPOSE.]**

*In order to further the state policies and purposes expressed in section 115A.02, and to advance the public purposes served by resource recovery, the legislature finds and declares that it may be necessary pursuant to sections 35 to 44 to authorize a qualifying solid waste management district or county to designate a resource recovery facility.*

**Sec. 36. [115A.81] [DEFINITIONS.]**

*Subdivision 1. [SCOPE.] The terms used in sections 35 to 44 have the meanings given them in this section.*

*Subd. 2. [DESIGNATION.] "Designation" means a requirement by a waste management district or county that all or any portion of the solid waste that is generated within its boundaries or any service area thereof and is deposited within the state be delivered to a resource recovery facility identified by the district or county.*

**Sec. 37. [115A.82] [ELIGIBILITY.]**

*Facilities may be designated under sections 35 to 44 by (1) a solid waste management district established pursuant to sections 115A.62 to 115A.72 and possessing designation authority in its articles of incorporation; or (2) a county, but only for waste generated outside of the boundaries of a district qualifying under clause (1) or the Western Lake Superior Sanitary District established by Laws 1971, chapter 478, as amended.*

**Sec. 38. [115A.83] [EXEMPTION.]**

*The designation may not apply to or include: (1) materials that are separated from solid waste and recovered for reuse in their original form or for use in manufacturing processes; or (2) materials that are processed at another resource recovery facility at the capacity in operation at the time that the designation plan is approved by the reviewing authority.*

**Sec. 39. [115A.84] [DESIGNATION PLAN.]**

*Subdivision 1. [REQUIREMENT.] Before commencing the designation procedure under section 40, the district or county shall adopt a comprehensive solid waste management plan or, under chapter 473, a master plan. The comprehensive or master plan must include a plan for designation approved under this section.*

*Subd. 2. [DESIGNATION; PLAN CONTENTS.] (a) The designation plan must evaluate (1) the benefits of the designation, including the public purposes achieved by the conservation and recovery of resources, the furtherance of local and any district or regional waste management plans and policies, and the furtherance of the state policies and purposes expressed in section 115A.02; and (2) the estimated costs of the designation, including the direct capital, operating, and maintenance costs of the facility designated,*

*the indirect costs, and the long-term effects of the designation.*

*(b) In particular the designation plan must evaluate:*

*(1) whether the designation will result in the recovery of resources or energy from materials which would otherwise be wasted;*

*(2) whether the designation will lessen the demand for and use of land disposal;*

*(3) whether the designation is necessary for the financial support of the facility;*

*(4) whether less restrictive methods for ensuring an adequate solid waste supply are available; and*

*(5) other feasible and prudent waste processing alternatives for accomplishing the purposes of the proposed designation, the direct and indirect costs of the alternatives, including capital and operating costs, and the effects of the alternatives on the cost to generators.*

*Subd. 3. [PLAN APPROVAL.] A district or county planning a designation for waste generated wholly within the metropolitan area defined in section 473.121 shall submit its designation plan to the metropolitan council for review and approval or disapproval. Other districts or counties shall submit the designation plan to the waste management board for review and approval or disapproval. The reviewing authority shall complete its review and make its decision within 90 days following submission of the plan for review. The reviewing authority shall approve the designation plan if the plan satisfies the requirements of subdivision 2.*

*Subd. 4. [EXCLUSION OF CERTAIN MATERIALS.] When it approves the designation plan, the reviewing authority shall exclude from the designation materials that the reviewing authority determines will be processed at another resource recovery facility if:*

*(1) the other resource recovery facility is substantially completed or will be substantially completed within 18 months of the time that the designation plan is approved by the reviewing authority; and*

*(2) the other facility has or will have contracts for purchases of its product; and*

*(3) the materials are or will be under contract for delivery to the other facility at the time the other facility is completed.*

*In order to qualify for the exclusion of materials under this subdivision, the operator or owner of the other resource recovery facility shall file with the reviewing authority and the district or county or counties a written description of the facility, its intended location, its waste supply sources, purchasers of its products, its design capacity and other information that the reviewing authority and the district or county or counties may reasonably require. The information must be filed as soon as it becomes available but not later than the date when the county or district submits its designation plan for approval.*

*The reviewing authority may revoke the exclusion granted under this subdivision when it approves the designation ordinance under section 41 if in its judgment the excluded materials will not be processed at the other facility.*

**Sec. 40. [115A.85] [PROCEDURE.]**

*Subdivision 1. [REQUIREMENT.] A district or county with an approved designation plan shall proceed as provided in this section when designating facilities. A district need not repeat the designation procedures in this section to the extent that the procedures have been completed by each county having territory in the district or by a joint powers board composed of each county having territory in the district.*

*Subd. 2. [HEARING.] The district or county shall hold a public hearing to take testimony on the designation. Notice of the hearing must be published in a newspaper of general circulation in the area for two successive weeks ending at least 15 days before the date of the hearing and must be mailed to political subdivisions, landfill operators, and licensed solid waste collectors who may be expected to use the facility. The notification must: (1) describe the area in which the designation will apply and the plans for the use of the solid waste; (2) specify the point or points of delivery of the solid waste; (3) estimate the types and quantities of solid waste subject to the designation; and (4) estimate the fee to be charged for the use of the facilities and for any products of the facilities. A designation or contract for use is not invalid by reason of the failure of the district or county to provide written notice to an entity listed in this subdivision.*

*Subd. 3. [NEGOTIATED CONTRACTS FOR USE.] During a period of 90 days following the hearing, the district or county shall negotiate with the persons entitled to written notice under subdivision 2 for the purpose of developing contractual agreements that will require use of the facilities proposed to be designated.*

*Subd. 4. [DESIGNATION DECISION.] At the end of the 90-day contract negotiation period the district or county may proceed to secure approval for and implement the designation as provided in section 41.*

**Sec. 41. [115A.86] [IMPLEMENTATION OF DESIGNATION.]**

*Subdivision 1. [DESIGNATION ORDINANCE.] (a) The district or county shall prepare a designation ordinance to implement a designation. The designation ordinance must: (1) define the geographic area and the types and quantities of solid waste subject to designation; (2) specify the point or points of delivery of the solid waste; (3) require that the designated solid waste be delivered to the specified point or points of delivery; (4) set out the procedures and principles to be followed by the county or district in establishing and amending any rates and charges at the designated facility; and (5) state any additional regulations governing waste collectors or other matters necessary to implement the designation.*

*(b) The designation ordinance must provide an exception for: (1) materials that are exempt or excluded from the designation under section 38 or 39, subdivision 4; and (2) materials otherwise subject to the designation for which negotiated contractual arrangements exist that will require and effect the delivery of the waste to the facility for the term of the contract.*

*Subd. 2. [APPROVAL.] A district or county whose designation applies wholly within the metropolitan area defined in section 473.121 shall submit the designation ordinance, together with any negotiated contracts assuring the delivery of solid waste, to the metropolitan council for review and ap-*

*proval or disapproval. Other districts or counties shall submit the designation ordinance, together with any negotiated contracts assuring the delivery of solid waste, to the waste management board for review and approval or disapproval. The reviewing authority shall complete its review and make its decision within 90 days following submission of the designation for review. The reviewing authority shall approve the designation if it determines that the designation procedure specified in section 40 was followed and that the designation is based on a plan approved under section 39. The reviewing authority may attach conditions to its approval.*

*Subd. 3. [IMPLEMENTATION.] The designation may be placed into effect no less than 60 days following the approval required in subdivision 2. The effective date of the designation must be specified at least 60 days in advance. If the designation is not placed into effect within two years of approval, the designation must be resubmitted to the reviewing authority for approval or disapproval under subdivision 2, unless bonds have been issued to finance the resource recovery facility to which the designation applies.*

*Subd. 4. [EFFECT.] The designation is binding on all political subdivisions, landfill operators, solid waste generators, and solid waste collectors in the designation area.*

*Subd. 5. [AMENDMENTS.] Amendments to a designation ordinance must be submitted to the reviewing authority for approval. The reviewing authority shall approve the amendment if the amendment is in the public interest and in furtherance of the state policies and purposes expressed in section 115A.02. If the reviewing authority does not act within 90 days, the amendment is approved.*

**Sec. 42. [115A.87] [JUDICIAL REVIEW.]**

*An action challenging a designation must be brought within 60 days of the approval of the designation by the reviewing authority. The action is subject to section 562.02.*

**Sec. 43. [115A.88] [SERVICE GUARANTEE.]**

*The district or county may not arbitrarily terminate, suspend, or curtail services provided to any person required by contract or designation ordinance to use designated facilities without the consent of the person or without just cause.*

**Sec. 44. [115A.89] [SUPERVISION OF IMPLEMENTATION.]**

*The reviewing authority shall: (1) require regular reports on the implementation of each designation; (2) periodically evaluate whether each designation as implemented has accomplished its purposes and whether the designation is in the public interest and in furtherance of the state policies and purposes expressed in section 115A.02; and (3) report periodically to the legislature on its conclusions and recommendations.*

**Sec. 45. [115A.917] [CERTIFICATE OF NEED.]**

*No new capacity for disposal of mixed municipal solid waste may be permitted in counties outside the metropolitan area without a certificate of need issued by the agency indicating the agency's determination that the additional disposal capacity is needed in the county. A certificate of need may not*

*be issued until the county has a plan approved under section 115A.46. If the original plan was approved more than five years before, the agency may require the plan to be revised before a certificate of need is issued under this section. The agency shall certify need only to the extent that there are no feasible and prudent alternatives to the additional disposal capacity, including waste reduction, source separation, and resource recovery, that would minimize adverse impact upon natural resources. Alternatives that are speculative or conjectural are not feasible and prudent. Economic considerations alone do not justify the certification of need or the rejection of alternatives.*

Sec. 46. [115A.919] [COUNTY FEE AUTHORITY.]

*A county may impose a fee on operators of facilities for mixed municipal solid waste located within the county. The fee in the metropolitan area may not exceed 25 cents per cubic yard. The revenue from the fees shall be credited to the county general fund and shall be used only for landfill abatement purposes, or costs of closure, postclosure care, and response actions or for purposes of mitigating and compensating for the local risks, costs, and other adverse effects of facilities.*

*Waste residue from energy and resource recovery facilities at which solid waste is processed for the purpose of extracting, reducing, converting to energy, or otherwise separating and preparing solid waste for reuse shall be exempt from one-half the amount of the fee imposed by a county under this section if there is at least an 85 percent volume reduction in the solid waste processed. Before any fee is reduced, the verification procedures of section 73, subdivision 1, paragraph (c), must be followed and submitted to the appropriate county.*

Sec. 47. [115A.921] [CITY OR TOWN FEE AUTHORITY.]

*A city or town may charge a fee, not to exceed 15 cents per cubic yard, or its equivalent, of solid waste accepted and disposed of on land, to operators of facilities for mixed municipal solid waste located within the city or town. The revenue from the fees shall go to the city or town general fund for purposes of mitigating and compensating for the local risks, costs, and other adverse effects of facilities. Waste residue from energy and resource recovery facilities at which solid waste is processed for the purpose of extracting, reducing, converting to energy, or otherwise separating and preparing solid waste for reuse shall be exempt from one-half the amount of the fee imposed by a city or town under this section if there is at least an 85 percent volume reduction in the solid waste processed. Before any fee is reduced, the verification procedures of section 73, subdivision 1, paragraph (c), must be followed and submitted to the appropriate city or town.*

Sec. 48. Minnesota Statutes 1983 Supplement, section 115B.22, subdivision 1, is amended to read:

Subdivision 1. [TAXES IMPOSED; EXCLUSIONS.] Each generator of hazardous waste shall pay the taxes imposed by this section based upon the volume and destination of the hazardous wastes generated. The taxes imposed by this section do not apply to hazardous wastes destined for recycling or reuse including waste accumulated, stored, or physically, chemically, or biologically treated before recycling or reuse, to used crankcase oil, to hazardous waste which is generated as a result of any response action, or to

hazardous waste which meets applicable pretreatment standards or compliance schedules and is discharged to a public sewage treatment works, or to hazardous waste that is generated as residue from a hazardous waste incineration facility that treats waste subject to taxation under subdivision 5.

Sec. 49. Minnesota Statutes 1982, section 116.07, is amended by adding subdivisions to read:

*Subd. 4f. [CLOSURE AND POSTCLOSURE RESPONSIBILITY AND LIABILITY.] An operator or owner of a facility is responsible for closure of the facility and postclosure care relating to the facility. If an owner or operator has failed to provide the required closure or postclosure care of the facility the agency may take the actions. The owner or operator is liable for the costs of the required closure and postclosure care taken by the agency.*

*Subd. 4g. [CLOSURE AND POSTCLOSURE RULES.] The agency shall adopt rules establishing requirements for the closure of solid waste disposal facilities and for the postclosure care of closed facilities. The rules apply to all solid waste disposal facilities in operation at the time the rules are effective. The rules must provide standards and procedures for closing disposal facilities and for the care, maintenance, and monitoring of the facilities after closure that will prevent, mitigate, or minimize the threat to public health and the environment posed by closed disposal facilities.*

*Subd. 4h. [FINANCIAL RESPONSIBILITY RULES.] The agency shall adopt rules requiring the operator or owner of a solid waste disposal facility to submit to the agency proof of the operator's or owner's financial capability to provide reasonable and necessary response during the operating life of the facility and for 20 years after closure, and to provide for the closure of the facility and postclosure care required under agency rules. Proof of financial responsibility is required of the operator or owner of a facility receiving an original permit or a permit for expansion after adoption of the rules. Within 180 days of the effective date of the rules, proof of financial responsibility is required of an operator or owner of a facility with a remaining capacity of more than five years or 500,000 cubic yards that is in operation at the time the rules are adopted. Compliance with the rules is a condition of obtaining or retaining a permit to operate the facility.*

*Subd. 4i. [CIVIL PENALTIES.] The civil penalties of section 115.071 apply to any person in violation of the rules adopted under subdivision 4g or 4h.*

Sec. 50. Minnesota Statutes 1982, section 116J.88, is amended by adding a subdivision to read:

*Subd. 8a. [HAZARDOUS WASTE PROCESSING FACILITY LOAN.] "Hazardous waste processing facility loan" means a loan for the acquisition, construction, or improvement of real and personal property to be used for the collection or processing of hazardous waste as those terms are defined in section 115A.03, subdivisions 5, 13, and 25.*

Sec. 51. Minnesota Statutes 1983 Supplement, section 116J.90, is amended by adding a subdivision to read:

*Subd. 4a. [HAZARDOUS WASTE PROCESSING FACILITY LOANS.] The authority may make, purchase, or participate in making or purchasing*



*hazardous waste processing facility loans in any amount, and may enter into commitments therefore. A private person proposing to develop and operate a hazardous waste processing facility is eligible to apply for a loan under this subdivision. Applications must be made to the authority. The authority shall forward the applications to the waste management board for review pursuant to section 14. If the waste management board does not certify the application, the authority may not approve the application nor make the loan. If the waste management board certifies the application, the authority shall approve the application and make the loan if funds are available for it and if the authority finds that:*

*(1) development and operation of the facility as proposed by the applicant is economically feasible;*

*(2) there is a reasonable expectation that the principal and interest on the loan will be fully repaid; and*

*(3) the facility is unlikely to be developed and operated without a loan from the authority.*

*The authority and the waste management board shall establish coordinated procedures for loan application, certification, and approval.*

*The authority may use the economic development fund to provide financial assistance to any person whose hazardous waste processing facility loan application has been certified by the waste management board and approved by the authority, and for this purpose may exercise the powers granted in section 116J.89, subdivision 1a, with respect to any loans made or bonds issued under this subdivision regardless of whether the applicant is an eligible small business.*

*The authority may issue bonds and notes in the aggregate principal amount of \$10,000,000 for the purpose of making, purchasing, or participating in making or purchasing hazardous waste processing facility loans. This amount is in addition to any other authority to issue bonds and notes under chapter 116J.*

*The authority may adopt temporary rules under sections 14.29 to 14.36 to implement the loan program under this subdivision. Temporary rules adopted by the authority remain in effect for 360 days or until permanent rules are adopted, whichever occurs first.*

Sec. 52. Minnesota Statutes 1982, section 290.06, is amended by adding a subdivision to read:

*Subd. 15. [RESOURCE RECOVERY EQUIPMENT.] (a) A credit of ten percent of the net cost of equipment used for processing solid or hazardous waste at a resource recovery facility, as defined in section 115A.03, subdivision 28, may be deducted from the tax due under this chapter in the taxable year in which the property is purchased.*

*(b) If the amount of the credit provided by this subdivision exceeds the taxpayer's liability under this chapter for the taxable year, the excess may be carried forward to the four taxable years following the year of purchase.*

Sec. 53. Minnesota Statutes 1982, section 290.06, is amended by adding a subdivision to read:

*Subd. 16. [POLLUTION CONTROL EQUIPMENT, CREDIT.] (a) A credit of five percent of the net cost of equipment used primarily to abate or control pollutants to meet or exceed state laws, rules, or standards, or equipment used primarily to reduce the generation of hazardous waste, to the extent the property is so used and which is included in section 290.09, subdivision 7, paragraph (A), clause (a), may be deducted from the tax due under this chapter in the first year for which a depreciation deduction is allowed for the equipment. The credit allowed by this subdivision may not exceed the lesser of the liability for tax for the taxable year or \$75,000. The credit shall apply only if*

*(1) the equipment meets rules prescribed by the Minnesota pollution control agency and is installed or operated in accordance with a permit or order issued by the agency; or*

*(2) the pollution control agency certifies that the equipment reduces the generation of hazardous waste and that the generator is in compliance with applicable hazardous waste laws and rules.*

*(b) If the amount of the credit determined under paragraph (a) for any taxable year for which a depreciation deduction is allowed exceeds the limitation provided by paragraph (a) for the taxable year, referred to in this subdivision as the "unused credit year," the excess is a credit carryover to each of the four taxable years following the unused credit year.*

*(c) The entire amount of the unused credit for an unused credit year must be carried to the earliest of the four taxable years to which such credit may be carried and then to each of the other three taxable years. The maximum credit allowable in any one taxable year under this subdivision including the credit allowable under paragraph (a) and the carryforward allowable under paragraph (b) and this paragraph shall in no event exceed \$75,000.*

Sec. 54. Minnesota Statutes 1982, section 290.06, is amended by adding a subdivision to read:

*Subd. 17. [FEEDLOT POLLUTION CONTROL EQUIPMENT.] A credit of ten percent of the net cost of pollution control and abatement equipment, including but not limited to, lagoons, concrete storage pits, slurry handling equipment, and other equipment and devices approved by the pollution control agency, purchased, installed and operated within the state by a feedlot operator to prevent pollution of air, land, or water in connection with the operation of a livestock feedlot, poultry lot, or other animal lot, may be deducted from the tax due under this chapter in the taxable year in which the equipment is purchased; provided that no deduction may be taken for any portion of the cost of the same equipment pursuant to subdivision 16.*

*If the amount of the credit provided by this subdivision exceeds the taxpayer's liability for taxes pursuant to chapter 290 in the taxable year in which the equipment is purchased, the excess amount may be carried forward to the four taxable years following the year of purchase. The entire amount of the credit not used in the year purchased shall be carried to the earliest of the four taxable years to which the credit may be carried and then to each of the three successive taxable years.*

Sec. 55. Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1, is amended to read:

Subdivision 1. The following are specifically exempted from the taxes imposed by sections 297A.01 to 297A.44:

(a) The gross receipts from the sale of food products including but not limited to cereal and cereal products, butter, cheese, milk and milk products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and cocoa products, and food products which are not taxable pursuant to section 297A.01, subdivision 3, clause (c) and which are sold by a retailer, organized as a nonprofit corporation or association, within a place located on property owned by the state or an agency or instrumentality of the state, the entrance to which is subject to an admission charge. This exemption does not include the following:

(i) candy and candy products;

(ii) carbonated beverages, beverages commonly referred to as soft drinks containing less than 15 percent fruit juice, or bottled water other than non-carbonated and noneffervescent bottled water sold in individual containers of one-half gallon or more in size;

(b) The gross receipts from the sale of prescribed drugs and medicine intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings and products consumed by humans for the preservation of health, including prescription glasses, therapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;

(c) The gross receipts from the sale of and the storage, use or other consumption in Minnesota of tangible personal property, tickets, or admissions, electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;

(d) The gross receipts from the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minnesota by the purchaser and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (storage shall not constitute intermediate use); provided that the property is not subject to tax in that state or country to which it is transported for storage or use, or, if subject to tax in that other state, that state allows a similar exemption for property purchased therein and transported to Minnesota for use in this state; except that sales of tangible personal property that is shipped or transported for use outside Minnesota shall be taxed at the rate of the use tax imposed by the state to which the property is shipped or transported, unless that state has no use tax, in which case the sale shall be taxed at the rate generally imposed by this state; and provided further that sales of tangible personal property to be used in other states or countries as part of a maintenance contract shall be specifically exempt; or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minne-

sota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;

(g) The gross receipts from the sale of clothing and wearing apparel except the following:

(i) all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.

(ii) articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.

(iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic cachous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.

(iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocketbooks, wallets, billfolds, card, pass, and key cases and toilet cases.

(h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment,

implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 297A.14) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising contained therein or therewith shall be exempt. For this purpose, advertising in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or publishing activities by them, including the sale of advertising. The term "publication" shall not include magazines and periodicals sold over the counter. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures used in such publication and fuel, electricity, gas or steam used for space heating or lighting, are not exempt;

(j) The gross receipts from all sales, including sales in which title is retained by a seller or a vendor or is assigned to a third party under an installment sale or lease purchase agreement under section 465.71, of tangible personal property to, and all storage, use or consumption of such property by, the United States and its agencies and instrumentalities or a state and its agencies, instrumentalities and political subdivisions. Sales exempted by this clause include sales pursuant to section 297A.01, subdivision 3, clauses (d) and (f). This exemption shall not apply to building, construction or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials for use in the construction, alteration or repair of a building or facility. This exemption does not apply to construction materials purchased by tax exempt entities or their contractors to be used in constructing buildings or facilities which will not be used principally by the tax exempt entities;

(k) The gross receipts from the isolated or occasional sale of tangible personal property in Minnesota not made in the normal course of business of selling that kind of property, and the storage, use, or consumption of property acquired as a result of such a sale. For purposes of this clause, sales by a nonprofit organization shall be deemed to be "isolated or occasional" if they occur at sale events that have a duration of three or fewer consecutive days. The granting of the privilege of admission to places of amusement and the privilege of use of amusement devices by a nonprofit organization at an isolated or occasional event conducted on property owned or leased for a continuous period of more than 30 days by the nonprofit organization are also

exempt. The exemption provided for isolated sales of tangible personal property and of the granting of admissions or the privilege of use of amusement devices by nonprofit organizations pursuant to this clause shall be available only if the sum of the days on which the organization and any subsidiary nonprofit organization sponsored by it that does not have a separate sales tax exemption permit conduct sales of tangible personal property, plus the days with respect to which the organization charges for the use of amusement devices or admission to places of amusement, does not exceed eight days in a calendar year. For purposes of this clause, a "nonprofit organization" means any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, or educational purposes, no part of the net earnings of which inures to the benefit of a private individual:

(l) The gross receipts from sales of rolling stock and the storage, use or other consumption of such property by railroads, freight line companies, sleeping car companies and express companies taxed on the gross earnings basis in lieu of ad valorem taxes. For purposes of this clause "rolling stock" is defined as the portable or moving apparatus and machinery of any such company which moves on the road, and includes, but is not limited to, engines, cars, tenders, coaches, sleeping cars and parts necessary for the repair and maintenance of such rolling stock.

(m) The gross receipts from sales of airflight equipment and the storage, use or other consumption of such property by airline companies taxed under the provisions of sections 270.071 to 270.079. For purposes of this clause, "airflight equipment" includes airplanes and parts necessary for the repair and maintenance of such airflight equipment, and flight simulators.

(n) The gross receipts from the sale of telephone central office telephone equipment used in furnishing intrastate and interstate telephone service to the public.

(o) The gross receipts from the sale of and the storage, use or other consumption by persons taxed under the in lieu provisions of chapter 298, of mill liners, grinding rods and grinding balls which are substantially consumed in the production of taconite, the material of which primarily is added to and becomes a part of the material being processed.

(p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders. Sales exempted by this clause include sales pursuant to section 297A.01, subdivision 3, clauses (d) and (f). This exemption shall not apply to building, construction or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials for use in the construction, alteration or repair of a building or facility. This

exemption does not apply to construction materials purchased by tax exempt entities or their contractors to be used in constructing buildings or facilities which will not be used principally by the tax exempt entities;

(q) The gross receipts from the sale of caskets and burial vaults;

(r) The gross receipts from the sale of an automobile or other conveyance if the purchaser is assisted by a grant from the United States in accordance with 38 United States Code, section 1901, as amended.

(s) The gross receipts from the sale to the licensed aircraft dealer of an aircraft for which a commercial use permit has been issued pursuant to section 360.654, if the aircraft is resold while the permit is in effect.

(t) The gross receipts from the sale of building materials to be used in the construction or remodeling of a residence when the construction or remodeling is financed in whole or in part by the United States in accordance with 38 United States Code, sections 801 to 805, as amended. This exemption shall not be effective at time of sale of the materials to contractors, subcontractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in title 38 United States Code, chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.

(u) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.

(v) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.

(w) The gross receipt from the sale of residential heating fuels in the following manner:

(i) all fuel oil, coal, wood, steam, propane gas, and L.P. gas sold to residential customers for residential use;

(ii) natural gas sold for residential use to customers who are metered and billed as residential users and who use natural gas for their primary source of residential heat, for the billing months of November, December, January, February, March and April;

(iii) electricity sold for residential use to customers who are metered and billed as residential users and who use electricity for their primary source of residential heat, for the billing months of November, December, January, February, March and April.

(x) The gross receipts from the sale or use of tickets or admissions to the

premises of or events sponsored by an association, corporation or other group of persons which provides an opportunity for citizens of the state to participate in the creation, performance or appreciation of the arts and which qualifies as a tax-exempt organization within the meaning of Minnesota Statutes 1980, section 290.05, subdivision 1, clause (i).

(y) The gross receipts from either the sales to or the storage, use or consumption of tangible personal property by an organization of military service veterans or an auxiliary unit of an organization of military service veterans, provided that:

(i) the organization or auxiliary unit is organized within the state of Minnesota and is exempt from federal taxation pursuant to section 501(c), clause (19), of the Internal Revenue Code as amended through December 31, 1982; and

(ii) the tangible personal property which is sold to or stored, used or consumed by the organization or auxiliary unit is for charitable, civic, educational, or nonprofit uses and not for social, recreational, pleasure or profit uses.

(z) The gross receipts from the sale of sanitary napkins, tampons, or similar items used for feminine hygiene.

*(aa) The gross receipts from the sale of equipment used for processing solid or hazardous waste at a resource recovery facility, as defined in section 115A.03, subdivision 28.*

Sec. 56. Minnesota Statutes 1982, section 400.04, subdivision 3, is amended to read:

Subd. 3. [ACQUISITION, CONSTRUCTION AND OPERATION OF PROPERTY AND FACILITIES.] A county may acquire, construct, enlarge, improve, repair, supervise, control, maintain, and operate any and all solid waste facilities and other property and facilities needed, used, or useful for solid waste management purposes; ~~and~~ *Notwithstanding any other law to the contrary, a county may purchase and lease materials, equipment, machinery and such other personal property as is necessary for such purposes upon terms and conditions determined by the board, with or without advertisement for bids including the use of conditional sales contracts and lease-purchase agreements. If a county contract is let by negotiation, without advertising for bids, the county shall conduct such negotiation and award the contract using a fair and open procedure and in full compliance with section 471.705. If a county contract is to be awarded by bid, the county may, after notice to the public and prospective bidders, conduct a fair and open process of prequalification of bidders prior to advertisement for bids.* A county may employ such personnel as are reasonably necessary for the care, maintenance and operation of such property and facilities. A county shall contract with private persons for the construction, maintenance, and operation of solid waste facilities where the facilities are adequate and available for use and competitive with other means of providing the same service.

Sec. 57. Minnesota Statutes 1982, section 400.162, is amended to read:

400.162 [COUNTY DESIGNATION OF RESOURCE RECOVERY FACILITY.]



The authority granted to counties by this section shall not apply within the Western Lake Superior Sanitary District established by Laws 1971, Chapter 478, as amended, nor within any solid waste management district established under sections 115A.62 to 115A.72. In order to accomplish the objectives of county waste management, to further the state policies and purposes expressed in section 115A.02, and to advance the public purposes served by resource recovery, the legislature finds and declares that it may be necessary to authorize a county to require that all or any portion of the solid waste that is generated within the boundaries of the county or any service area thereof and is disposed of in the state be delivered to a resource recovery facility designated by the county board or a transfer station serving such a facility. Any county designation shall be based upon a plan prepared and approved in conformance with section 115A.46 and shall be submitted pursuant to section 115A.071 for review and approval or disapproval by the waste management board. In establishing, continuing, and terminating the designation, the county shall be governed by all standards, exemptions, procedures, and other requirements provided in section 115A.70, subdivisions 2 to 6. A qualifying county may be authorized to designate a resource recovery facility under sections 35 to 44.

Sec. 58. Minnesota Statutes 1983 Supplement, section 473.149, subdivision 2d, is amended to read:

Subd. 2d. [LAND DISPOSAL ABATEMENT PLAN.] By January 1, 1984 1985, after considering any county land disposal abatement proposals and waste stream analysis that have been submitted by that date, pursuant to section 473.803, subdivision 1b, the council shall amend its policy plan to include specific and quantifiable metropolitan objectives for abating the to the greatest feasible and prudent extent the need for and practice of land disposal of mixed municipal solid waste and of specific components of the solid waste stream, either by type of waste or class of generator. The objectives must be stated in annual increments through the year 1990 and thereafter in five year increments through the year 2000. The plan shall must include a reduced estimate, based on the council's abatement objectives, of the added solid waste disposal capacity needed in appropriate sectors of the metropolitan area, stated in annual increments through the year 1990 and thereafter in five year increments through the year 2000. The objectives in The plan shall be based upon standards must include measurable objectives for county local abatement of solid waste through resource recovery and waste reduction and separation programs and activities for each metropolitan county and for cities of the first class, the second class, and the third class, respectively, stated in annual increments through the year 1990 and in five year increments through the year 2000. The standards must be based upon and implement the council's metropolitan abatement objectives. The council's plan shall must include standards and procedures to be used by the council in determining that whether a metropolitan counties have not county or class of cities within a metropolitan county has implemented the council's metropolitan land disposal abatement plan and have not met has achieved the standards objectives for county local abatement programs and activities. The council shall report on abatement to the legislative commission on its before January 1 of each year. The report must include an assessment of whether the objectives of the metropolitan abatement plan and on have been met and whether each county and each class of city within each county has achieved the objectives set for it in the council's plan. The report must recommend any legislation that may be required to implement the plan. If in any year the council reports that the objectives of the council's abatement plan have not been met, the council shall attach legislation to the report that reassigns ap-

*appropriate governmental responsibilities among cities, counties, and metropolitan agencies so as to assure implementation and achievement of the metropolitan and local abatement plans and objectives.*

Sec. 59. Minnesota Statutes 1983 Supplement, section 473.149, subdivision 2e, is amended to read:

Subd. 2e. [SOLID WASTE DISPOSAL FACILITIES DEVELOPMENT SCHEDULE.] By January 1, ~~1984~~ 1985, after requesting and considering recommendations from the counties, cities, and towns, the council as part of its policy plan shall determine the number ~~and capacity~~ of sites ~~and the capacity of sites~~ to be acquired within each metropolitan county for solid waste disposal facilities in accordance with section 473.833. The council shall adopt a schedule ~~for development~~ of disposal facilities ~~by capacity to be developed~~ in each county through the year 2000. The schedule ~~shall be based upon~~ *may not allow capacity in excess of* the council's reduced estimate of the disposal capacity needed because of the council's land disposal abatement plan, *except as the council deems necessary to allow reallocation of capacity as required by this subdivision.* The council ~~may~~ shall make the implementation of elements of the schedule, *including the disposal capacity allocated to each county*, contingent on actions of ~~the counties~~ *each county and class of city in that county* in adopting and implementing ~~county~~ abatement plans pursuant to section 473.803, subdivision 1b; ~~and~~. The council shall review the development schedule ~~at least every two years~~ *year* and shall revise the development schedule ~~as it deems appropriate~~ *and the allocation of disposal capacity required for each county based on the progress made in the adoption and that county in the implementation of the council and county council's abatement plans and achievement of metropolitan and local abatement objectives.* The schedule may include procedures to be used by counties in selecting sites for acquisition pursuant to section 473.833. The schedule ~~shall~~ *must* include standards and procedures for council certification of need pursuant to section 473.823. The schedule ~~shall~~ *must* include a facility closure schedule and plans for post-closure management and disposition, for the use of property after acquisition and before facility development, and for the disposition of property and development rights, as defined in section 473.833, no longer needed for disposal facilities. The schedule ~~shall~~ *must* also include a closure schedule and plans for post-closure management for facilities in existence before the adoption of the development schedule.

Sec. 60. Minnesota Statutes 1982, section 473.181, subdivision 4, is amended to read:

Subd. 4. [SOLID WASTE.] The council shall review ~~county~~ solid waste reports, ~~and solid waste facility permit applications pursuant to sections 473.803 and 473.823~~ *management activities of local government units as provided in sections 473.801 to 473.834 and 35 to 44.*

Sec. 61. Minnesota Statutes 1982, section 473.801, subdivision 1, is amended to read:

Subdivision 1. For the purposes of sections 473.801 to ~~473.823~~ and ~~sections 473.827, 473.831, and 473.833~~ 473.845 the terms defined in this section have the meanings given them.

Sec. 62. Minnesota Statutes 1982, section 473.801, subdivision 4, is

amended to read:

Subd. 4. Unless otherwise provided the definitions of terms defined in section 115A.03 shall apply to sections 473.801 to 473.823 473.845.

Sec. 63. Minnesota Statutes 1983 Supplement, section 473.803, subdivision 1b, is amended to read:

Subd. 1b. [LAND DISPOSAL ABATEMENT.] By April 1, 1982, after considering the council's disposal abatement report submitted to the counties pursuant to section 473.149, subdivision 2a, each county shall submit to the council a proposal to reduce to the greatest feasible and prudent extent the need for and practice of land disposal of mixed municipal solid waste. The proposal shall must address at least waste reduction, separation, and resource recovery. The proposal shall must include objectives, immediately and over specified time periods, for reducing the land disposal of mixed municipal solid waste generated within the county. The proposal shall must describe specific functions to be performed and activities to be undertaken by the county and cities and towns within the county to achieve the objectives and shall must describe the estimated cost, proposed manner of financing, and timing of the functions and activities. The proposal shall must include alternatives which could be used to achieve the objectives if the proposed functions and activities are not established. *By August 1, 1984, each county shall provide the council with an analysis of the solid waste generated in the county, by classification of generators and by composition.* Each county shall revise its master plan to include a land disposal abatement element to implement the council's land disposal abatement plan adopted under section 473.149, subdivision 2d, and shall submit the revised plan to the council for review under subdivision 2 within nine months after the adoption of the council's metropolitan abatement plan. *The county plan must embody and be consistent with at least the local abatement objectives for the county and cities within the county as stated in the council's plan.* The proposal and master plan revision required by this subdivision shall must be prepared in consultation with cities and towns within the county, particularly the cities and towns in which a solid waste disposal facility is or may be located pursuant to the county master plan the advisory committee established pursuant to subdivision 4.

Sec. 64. Minnesota Statutes 1982, section 473.803, subdivision 3, is amended to read:

Subd. 3. [ANNUAL REPORT.] Each metropolitan county shall prepare and submit annually to the council for its approval a report containing information, as the council may prescribe in its policy plan, concerning solid waste generation and management within the county. The report shall include a statement of progress in achieving the land disposal abatement objectives of for the county and classes of cities in the county as stated in the council's policy plan and county master plan. The report shall must include a schedule of rates and charges in effect or proposed for the use of any solid waste facility owned or operated by or on its behalf, together with a statement of the basis for such charges.

Sec. 65. Minnesota Statutes 1982, section 473.803, is amended by adding a subdivision to read:

Subd. 4. [ADVISORY COMMITTEE.] *By July 1, 1984 each county shall*

*establish a solid waste management advisory committee to aid in the preparation of the county master plan and any revisions thereof. The committee must consist of one-third citizen representatives, one-third representatives from towns and cities within the county, and one-third representatives from private waste management firms. At least one-third of the members of the committee must be residents of towns or cities within the county containing solid waste disposal facilities and eligible solid waste disposal sites included in the council's disposal site inventory. Members of the council's solid waste advisory committee who reside in the county are members of the county advisory committee. A representative of the metropolitan council is an ex officio member of the committee.*

Sec. 66. Minnesota Statutes 1982, section 473.811, subdivision 10, is amended to read:

Subd. 10. [COUNTY DESIGNATION OF RESOURCE RECOVERY FACILITIES.] ~~The authority granted to metropolitan counties by this subdivision shall not apply within any solid waste management district established under sections 115A.62 to 115A.72. In order to accomplish the objectives of county waste management, to further the state policies and purposes expressed in section 115A.02, and to advance the public purposes served by resource recovery, the legislature finds and declares that it may be necessary to authorize a county to require that all or any portion of the solid waste that is generated within the boundaries of the county or any service area thereof and is disposed of in the state be delivered to a resource recovery facility designated by the county board or a transfer station serving such a facility. Any county designation shall be based upon an approved master plan and shall be submitted pursuant to section 473.827, subdivision 1, for review and approval or disapproval by the metropolitan council. In establishing, continuing, and terminating the designation, the county shall be governed by all standards, exemptions, procedures, and other requirements provided in section 115A.70, subdivisions 2 to 6. A qualifying county may be authorized to designate a resource recovery facility under sections 35 to 44.~~

Sec. 67. Minnesota Statutes 1983 Supplement, section 473.823, subdivision 6, is amended to read:

Subd. 6. [COUNCIL; CERTIFICATION OF NEED.] No new mixed municipal solid waste disposal facility *or capacity* shall be permitted in the metropolitan area without a certificate of need issued by the council indicating the council's determination that the additional disposal capacity planned for the facility is needed in the metropolitan area. The council shall amend its policy plan, adopted pursuant to section 473.149, to include standards and procedures for certifying need. The standards and procedures shall be based on the council's disposal abatement plan adopted pursuant to section 473.149, subdivision 2d, *the council's solid waste disposal facilities development schedule adopted under section 473.149, subdivision 2e*, and the ~~abatement~~ master plans of counties adopted pursuant to section 473.803, subdivision 1b *and approved by the council under section 473.803, subdivision 2*. The council shall certify need only to the extent that there are no feasible and prudent alternatives to the disposal facility, including waste reduction, source separation and resource recovery which would minimize adverse impact upon natural resources. Alternatives that are speculative or conjectural shall not be deemed to be feasible and prudent. Economic con-

siderations alone shall not justify the certification of need or the rejection of alternatives. In its certification the council shall not consider alternatives which have been eliminated from consideration by the adoption of the inventory pursuant to section 473.149, subdivision 2b, or the selection of sites under section 473.833, subdivision 3.

Sec. 68. Minnesota Statutes 1983 Supplement, section 473.831, is amended to read:

**473.831 [DEBT OBLIGATIONS; SOLID WASTE DISPOSAL.]**

Subdivision 1. [GENERAL OBLIGATION BONDS.] The council may by resolution authorize the issuance of general obligation bonds of the council to provide funds for the environmental analysis and acquisition of permanent or temporary right, title, or interest in real property, including easements and development rights, for sites and surrounding buffer areas for solid waste disposal facilities pursuant to this section and ~~section~~ sections 473.833 and 473.840 and to provide funds for refunding obligations issued under this section. The bonds shall be sold, issued, and secured in the manner provided in chapter 475 for general obligation bonds, and the council shall have the same power and duties as a municipality and its governing body in issuing bonds under chapter 475, except as otherwise provided in this chapter. No election shall be required, and the net debt limitations in chapter 475 shall not apply. The council shall have the power levy ad valorem taxes for debt service of the council's solid waste bonds upon all taxable property within the metropolitan area, without limitation of rate or amount and without affecting the amount or rate of taxes which may be levied by the council for other purposes or by any local government unit in the area. Each of the county auditors shall annually assess and extend upon the tax rolls in his county the portion of the taxes levied by the council in each year which is certified to him by the council. The principal amount of bonds issued pursuant to this section shall not exceed \$15,000,000.

Subd. 2. [USE OF PROCEEDS.] The proceeds of bonds issued under subdivision 1 shall be used by the council, for the purposes provided in subdivision 1 and to make grants to metropolitan counties to pay the cost of the environmental review of sites, the acquisition of development rights for all or part of the period that the development limitation imposed by section 473.806 is in effect, and the acquisition of all property or interests in property for solid waste disposal sites and surrounding buffer areas required to be acquired by the county, pursuant to ~~section~~ sections 473.833 and 473.840, by the council's policy plan and development schedule adopted pursuant to section 473.149, subdivision 2e. If the council is required by law or regulation to prepare environmental analyses on one or more solid waste disposal sites and surrounding buffer areas, the council may use the proceeds of the bonds issued under subdivision 1 to contract for consultant services in the preparation of such analyses only upon a finding that equivalent expertise is not available among its own staff.

Sec. 69. Minnesota Statutes 1982, section 473.833, subdivision 4, is amended to read:

Subd. 4. [ACQUISITION AND DISPOSITION.] In order to prevent the development of conflicting land uses at and around future solid waste disposal facility sites, ~~the council shall provide for the acquisition by a each~~

metropolitan county ~~of~~ shall acquire property and rights in property at and around each solid waste disposal site selected within the county pursuant to subdivision 3. Each site scheduled for development as a facility through the year 1990 shall ~~must~~ be acquired in fee. Development rights shall ~~must~~ be acquired for each site scheduled for development as a facility after the year 1990 through the year 2000. Development rights shall ~~must~~ be acquired in a buffer area surrounding and at least equal to the area of each site scheduled for development as a facility through the year 2000. The owner of any property for which development rights are to be or have been acquired pursuant to this subdivision may elect by written notice at any time up to 90 days following the issuance of a permit by the agency for a facility to have the county acquire fee title to the property. Fee title shall ~~may not~~ be acquired by counties for buffer areas ~~only~~ except at the election of the owner of the fee.

Sec. 70. [473.840] [PURCHASE OF CERTAIN PROPERTY.]

*Subdivision 1. [PUBLIC PURPOSE.] In order for the responsible public agency to select and acquire environmentally suitable sites and buffer areas for the safe disposal of waste, the legislature finds that it is necessary and proper for the responsible agency to evaluate more than one site for disposal facilities and that it is appropriate to purchase property, within the sites and buffer areas selected for evaluation, to avoid or mitigate any undue hardship that may be imposed on property owners as a result of the selection of sites for evaluation.*

*Subd. 2. [DEFINITIONS.] (a) "Qualifying property" is a parcel of real property any part of which is located within the site or buffer area of a candidate site selected under section 473.153, subdivision 2, for purposes of environmental review under subdivision 5 of that section, or a site included in the metropolitan inventory adopted under section 473.149, subdivision 2b, for the purposes of environmental review under section 473.833, subdivision 2a.*

*(b) An "eligible owner" is a person who: (1) owns the entire parcel of qualifying property; (2) owned the entire parcel of property at the time the site was selected as a candidate site or included in the metropolitan inventory; (3) since the site was selected or included in the inventory, has for at least six months offered to sell the entire parcel on the open market through a licensed real estate agent; and (4) has not previously entered a contract under subdivision 4 for the sale of any or all of the parcel.*

*Subd. 3. [CONTRACT REQUEST.] An eligible owner of property qualifying under section 473.153 may request in writing that the waste control commission and the metropolitan council enter a contract for the purchase of the property as provided in subdivision 4. An eligible owner of property qualifying under sections 473.149 and 473.833 may request in writing that the county in which the property is located and the metropolitan council enter a contract for the purchase of property as provided in subdivision 4. A contract may not be executed under subdivision 4 after the determination of adequacy of the environmental impact statement. Environmental review commences on the day of publication of the environmental impact statement preparation notice.*

*Subd. 4. [CONTRACT; TERMS AND REQUIREMENTS.] The council and the county or commission shall enter a contract as provided in this sub-*

division with an eligible owner of qualifying property who requests the council and the county or commission to enter the contract as provided in subdivision 3. The council and the county or commission have 90 days to act on a request submitted under subdivision 3. The contract must include at least the following terms:

(a) The owner must offer to sell the entire parcel of property on the open market through a licensed real estate agent approved by the council for at least a six month period beginning within one month after the appraised market value of the property is determined as provided in paragraph (b). The offer to sell must be made at no more than the appraised market value.

(b) The appraised market value of the property must be determined by an appraiser selected by the council. If the owner disagrees with the appraisal the owner shall select an appraiser to make a second appraisal. If a second appraisal is made, the council and the owner may agree on an appraised market value equal to either the first or second appraisal or any amount between those appraisals. If the council and owner do not agree on an appraised market value the two appraisers shall select a third appraiser, and the appraised market value must be determined by a majority of the three appraisers. Appraisers must be selected from the approved list of real property appraisers of the state commissioner of administration. Appraisers shall take an oath that they have no interest in any of the property to be appraised or in the purchase thereof. Each party shall pay the cost of the appraiser selected by that party and shall share equally in the cost of a third appraiser selected under this paragraph. The appraised market value of the property may not be increased or decreased by reason of its selection as a candidate or inventoried site or buffer area.

(c) The county or commission must purchase the entire parcel of property at the appraised market value determined under paragraph (b) if: (1) the council determines, based upon affidavits provided by the owner and the real estate agent and other evidence the council may require, that the owner has made a good faith effort to sell the property as provided in paragraph (a) and has been unable to sell the property at the appraised market value; (2) the council determines that the owner will be subject to undue hardship as a result of failure to sell; (3) the county or commission determines that the owner has marketable title to the property and that the owner has cured any defects in the title within a reasonable time as specified in the contract; and (4) the owner conveys the property by warranty deed in a form acceptable to the county or commission.

(d) The owner may not assign or transfer any rights under the contract to another person.

(e) The contract expires and the obligations of the parties under the contract cease when the property is sold or is either selected or eliminated from consideration by a final decision of the council under section 473.153, subdivision 6, or by a final decision of the county site selection authority or council under section 473.833, subdivision 3.

(f) The council and the commission or county may require other terms of contract that are consistent with the purposes of this section and necessary to protect the interests of the parties.

*Subd. 5. [COMPENSATION OF AGENT; LIMITATION.] A real estate*

agent may not receive a commission or any other compensation from an owner of property which is subject to a contract under subdivision 4 if the property is purchased by the public agency under that contract. Any term of a contract between a real estate agent and a property owner contrary to the provisions of this subdivision is void and unenforceable.

*Subd. 6. [ADMINISTRATION.] The council, the county, and the commission are authorized to perform all acts required to enter and enforce contracts to purchase real property as provided in this section, including selecting and compensating appraisers and real estate agents.*

*Subd. 7. [DISPOSITION OF PROPERTY.] (a) Property acquired by the county or commission under this section must be retained in ownership until the selection of sites is completed under section 473.153 or 473.833, whereupon the county or commission shall sell all property located in the area of any site eliminated from further consideration and all property in the area of the selected sites that is not needed for the site or buffer area. The commission or county, with the approval of the council, may temporarily delay sale to protect the interests of the public agencies involved. The sale must be approved by the council, and the proceeds of the sale must be returned to the council and used to pay principal and interest on debt issued for acquisition.*

*(b) The county or commission may lease or rent any property acquired under this section for any use which is consistent with the development limitations until it is sold or is needed for use as a facility site or buffer area. Lease and rental agreements must be approved by the council, and proceeds of any lease or rental must be returned to the council and used to pay principal and interest on debt issued for acquisition. The county or commission may insure against loss to the property by fire, lightning, windstorm, tornado, flood, or hail, in the amount determined by the county or commission, using any insurance company licensed to do business in the state.*

**Sec. 71. [473.841] [CITATION.]**

*Sections 72 to 77 may be cited as the "Metropolitan Landfill Abatement Act."*

**Sec. 72. [473.842] [DEFINITIONS.]**

*Subdivision 1. [SCOPE.] As used in sections 72 to 77, the terms defined in this section have the meanings given them.*

*Subd. 2. [MARKET DEVELOPMENT.] "Market development" means the location and facilitation of economic markets for materials, substances, energy, or other products contained within or derived from waste.*

*Subd. 3. [MIXED MUNICIPAL SOLID WASTE DISPOSAL FACILITY.] "Mixed municipal solid waste disposal facility" means a waste facility used for the disposal of mixed municipal solid waste.*

*Subd. 4. [OPERATOR.] "Operator" means:*

*(1) the permittee of a mixed municipal solid waste disposal facility that has an agency permit; or*

*(2) the person in control of a mixed municipal solid waste disposal facility that does not have an agency permit.*



*Subd. 5. [RESPONSE.] "Response" has the meaning given it in section 115B.02, subdivision 18.*

*Subd. 6. [SOLID WASTE DISPOSAL FACILITY.] "Solid waste disposal facility" means a waste facility which is used for the disposal of solid waste.*

**Sec. 73. [473.843] [METROPOLITAN SOLID WASTE LANDFILL FEE.]**

*Subdivision 1. [AMOUNT OF FEE; APPLICATION.] The operator of a mixed municipal solid waste disposal facility in the metropolitan area shall pay a fee on solid waste accepted and disposed at the facility as follows:*

*(a) A facility that weighs the waste that it accepts must pay a fee of 50 cents per cubic yard based on equivalent cubic yards of waste accepted at the entrance of the facility.*

*(b) A facility that does not weigh the waste but that measures the volume of the waste that it accepts must pay a fee of 50 cents per cubic yard of waste accepted at the entrance of the facility.*

*(c) Waste residue from energy and resource recovery facilities at which solid waste is processed for the purpose of extracting, reducing, converting to energy, or otherwise separating and preparing solid waste for reuse is exempt from one-half of the amount of fee imposed by this subdivision if there is at least an 85 percent volume reduction in the solid waste processed. To qualify for exemption under this clause, waste residue must be brought to a disposal facility separately. The commissioner of revenue, with the advice and assistance of the agency, shall prescribe procedures for determining the amount of waste residue qualifying for exemption.*

*Subd. 2. [DISPOSITION OF PROCEEDS.] The proceeds of the fees imposed under this section, including interest and penalties, must be deposited as follows:*

*(a) one-half of the proceeds must be deposited in the landfill abatement fund established in section 74; and*

*(b) one-half of the proceeds must be deposited in the metropolitan landfill contingency action fund established in section 75.*

*Subd. 3. [PAYMENT OF FEE.] On or before the 20th day of each month each operator shall pay the fee due under this section for the previous month, using a form provided by the commissioner of revenue.*

*Subd. 4. [EXCHANGE OF INFORMATION.] Notwithstanding the provisions of section 116.075, the agency may provide the commissioner of revenue with the information necessary for the enforcement of this section. Information disclosed in a return filed under this section is public information. Information exchanged between the commissioner and the agency is public unless the information is of the type determined to be for the confidential use of the agency under section 116.075 or is trade secret information classified under section 13.37. Information obtained in the course of an audit by the department of revenue is private or nonpublic data to the extent that it would not be directly divulged in a return.*

*Subd. 5. [PENALTIES; ENFORCEMENT.] The audit, penalty, and en-*

*forcement provisions applicable to taxes imposed under chapter 290 apply to the fees imposed under this section. The commissioner of revenue shall administer the provisions.*

*Subd. 6. [RULES.] The commissioner of revenue may adopt rules necessary to implement this section.*

*Subd. 7. [ADMINISTRATIVE EXPENSES.] Any amount expended by the commissioner of revenue from a general fund appropriation to enforce and administer this section must be reimbursed to the general fund, and the amount necessary to make the reimbursement is appropriated from the landfill abatement fund to the commissioner of finance for transfer to the general fund.*

**Sec. 74. [473.844] [METROPOLITAN LANDFILL ABATEMENT FUND.]**

*Subdivision 1. [ESTABLISHMENT; PURPOSES.] The metropolitan landfill abatement fund is created as an account in the state treasury in order to reduce to the greatest extent feasible and prudent the need for and practice of land disposal of mixed municipal solid waste in the metropolitan area. The fund consists of revenue deposited in the fund under section 73, subdivision 2, clause (a) and interest earned on investment of money in the fund. All repayments to loans made under this section shall be credited to the fund. Except as otherwise provided in section 81, subdivisions 2 and 3, and section 73, subdivision 7, the money in the fund may be spent, upon appropriation by the legislature, only for the following purposes:*

*(1) solid waste management planning assistance in the metropolitan area under sections 115A.42 to 115A.46;*

*(2) grants and loans to any person for resource recovery projects and related public education in the metropolitan area under subdivision 4;*

*(3) grants and loans to any person for market development for reusable or recyclable waste materials as provided in subdivision 2, clause (a); and*

*(4) administration and technical assistance by the metropolitan council as provided in subdivision 2, clause (b).*

*Subd. 2. [ALLOCATION.] (a) Up to ten percent of the money in the fund may be appropriated to the agency for transfer to the metropolitan council for grants under subdivision 1, clause (3).*

*(b) Up to five percent of the money in the fund may be appropriated to the agency for transfer to the metropolitan council for technical assistance and grant administration.*

*Subd. 3. [COMMISSION RECOMMENDATION.] The legislative commission on waste management shall make recommendations to the standing legislative committees on finance and appropriations about appropriations from the fund.*

*Subd. 4. [RESOURCE RECOVERY GRANTS AND LOANS.] The grant and loan program under this subdivision is administered by the metropolitan council. Grants and loans may be made to any person for resource recovery projects. The grants and loans may include the cost of planning, acquisition of land and equipment, and capital improvements. Grants and loans for*

planning may not exceed 50 percent of the planning costs. Grants and loans for acquisition of land and equipment and for capital improvements may not exceed 50 percent of the cost of the project. Grants and loans may be made for public education on the need for the resource recovery projects. A grant or loan for land, equipment, or capital improvements may not be made until the metropolitan council has determined the total estimated capital cost of the project and ascertained that full financing of the project is assured. Grants and loans made to cities, counties, or solid waste management districts must be for projects that are in conformance with approved master plans.

*Subd. 5. [LANDFILL ABATEMENT COST RECOVERY.]* By January 31, 1986, and each January 31 afterwards, the director of the agency shall pay each city in the metropolitan area an amount not to exceed 50 cents per household, as defined in section 477A.011, subdivision 3a, for qualifying landfill abatement and resource recovery expenses incurred in the previous calendar year. To qualify under this subdivision, the landfill abatement and resource recovery must be included in the applicable county master plan or approved by the metropolitan council and the city must certify expenses for the landfill abatement and resource recovery. The amounts necessary to make these payments are appropriated from the metropolitan landfill abatement fund to the director of the agency.

**Sec. 75. [473.845] [METROPOLITAN LANDFILL CONTINGENCY ACTION FUND.]**

*Subdivision 1. [ESTABLISHMENT.]* The metropolitan landfill contingency action fund is created as an account in the state treasury. The fund consists of revenue deposited in the fund under section 73, subdivision 2, clause (b); amounts recovered under subdivision 6; and interest earned on investment of money in the fund.

*Subd. 2. [WATER SUPPLY MONITORING.]* Up to ten percent of the money in the fund may be appropriated to the commissioner of health for water supply monitoring. The commissioner shall monitor the quality of water in public water supply wells in the metropolitan area that may be affected by their location in relation to a facility for mixed municipal solid waste. Testing under this subdivision must be for substances not funded under the Federal Safe Drinking Water Act.

*Subd. 3. [CLOSURE AND POSTCLOSURE, RESPONSE PAYMENTS.]* Money in the fund may only be appropriated to the agency for expenditure for:

(1) reasonable and necessary expenses for closure and postclosure care of a mixed municipal solid waste disposal facility in the metropolitan area for a 20-year period after closure, if the agency determines that the operator or owner will not take the necessary actions requested by the agency for closure and postclosure in the manner and within the time requested; or

(2) reasonable and necessary response and postclosure costs at a mixed municipal solid waste disposal facility in the metropolitan area that has been closed for 20 years in compliance with the closure and postclosure rules of the agency.

*Subd. 4. [COMMISSION RECOMMENDATION.]* The legislative commission on waste management shall make recommendations to the standing

*legislative committees on finance and appropriations about appropriations from the fund.*

**Subd. 5. [DUTY TO PROVIDE INFORMATION.]** *The operator or owner of a mixed municipal solid waste disposal facility or a solid waste disposal facility shall provide the necessary information to the agency required by sections 72 to 77 or by agency rules.*

**Subd. 6. [ACCESS TO INFORMATION AND PROPERTY.]** *The agency or any member, employee, or agent thereof authorized by the agency, upon presentation of credentials, may:*

*(1) examine and copy any books, papers, records, memoranda, or data of any person who has a duty to provide information to the agency under sections 72 to 77; and*

*(2) enter upon any property, public or private, for the purpose of taking any action authorized by this section including obtaining information from any person who has a duty to provide the information, conducting surveys or investigations, and taking response action.*

**Subd. 7. [RECOVERY OF EXPENSES.]** *When the agency incurs expenses for response actions at a facility, the agency is subrogated to any right of action which the operator or owner of the facility may have against any other person for the recovery of the expenses. The attorney general may bring an action to recover amounts spent by the agency under this section from persons who may be liable for them. Amounts recovered, including money paid under any agreement, stipulation, or settlement must be deposited in the metropolitan landfill contingency action fund.*

**Subd. 8. [CIVIL PENALTIES.]** *The civil penalties of section 115.071 apply to any person in violation of this section. All money recovered by the state under any statute or rule related to the regulation of solid waste in the metropolitan area, including civil penalties and money paid under any agreement, stipulation, or settlement, shall be deposited in the fund.*

**Sec. 76. [473.846] [REPORT TO LEGISLATURE.]**

*By November 1, 1986, and each year thereafter, the agency and metropolitan council shall submit to the senate finance committee, the house appropriations committee, and the legislative commission on waste management separate reports describing the activities for which money from the landfill abatement and contingency action funds has been spent during the previous fiscal year.*

**Sec. 77. [473.847] [OPERATOR OR OWNER LIABILITY FOR RESPONSE EXPENSES.]**

*The operator or owner of a mixed municipal solid waste disposal facility in the metropolitan area is not liable under any other law for response costs incurred by the agency at that facility under section 75, if the facility has been closed for 20 years in compliance with the closure and postclosure rules of the agency. Any provision of this section which relieves the operator or owner of a facility from liability for the payment of the agency's response costs must not be construed to affect the liability of any other person who may be liable for those costs.*

**Sec. 78. [ORGANIZED COLLECTION STUDY.]**

*The metropolitan council shall study the need for a system to implement organized collection of residential, commercial, and industrial solid wastes in the metropolitan area. The council shall submit the study to the legislative commission on waste management by June 1, 1985.*

**Sec. 79. [INSURANCE FEASIBILITY STUDY.]**

*The waste management board shall conduct a study of the feasibility and desirability of providing insurance for the costs of response actions and third party damages resulting from facilities for the disposal of mixed municipal solid waste. The waste management board shall submit findings, conclusions, and recommendations in a report to the legislative commission on waste management by December 1, 1984.*

**Sec. 80. [RESOURCE RECOVERY FACILITIES.]**

*Subdivision 1. [SERVICE CHARGES.] Ramsey and Washington Counties may exercise the powers of a county under Minnesota Statutes, section 400.08 in addition to the powers which the counties may exercise under other law.*

*Subd. 2. [USE OF COUNTY FUNDS AND LONG-TERM CONTRACTS.] Any available funds of the county including rates and charges imposed pursuant to subdivision 1 may be used for resource recovery purposes including reduction of the tipping fees at a resource recovery facility. Subject to review and approval by the metropolitan council, pursuant to section 473.813, the county may by a contract with a term of not more than 30 years covenant to apply available funds of the county for any resource recovery purposes.*

*Subd. 3. [LEASE OR SALE OF PROPERTY TO PRIVATE PERSONS.] Notwithstanding section 473.811, subdivision 8, to accomplish the purposes set out in section 473.803, a county may, without review of the disposition by the pollution control agency or metropolitan council, lease or sell all or part of the resource recovery or related facility, including transmission facilities and property or property rights for a resource recovery or related facility to a private person, on the terms the county deems appropriate, but a lease or sale contract shall provide for the operation and maintenance of the facility in accordance with the rules criteria and standards of the pollution control agency, the waste management board, the metropolitan council, and the county.*

*Subd. 4. [APPLICATION.] This section applies separately to each of Ramsey and Washington Counties the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by its governing body.*

**Sec. 81. [APPROPRIATIONS.]**

*Subdivision 1. [AMOUNTS.] The following amounts are appropriated from the general fund to the agency for the biennium ending June 30, 1985:*

*(1) for a grant to the metropolitan council for the organized collection system study in section 78, \$50,000;*

*(2) for adoption of rules and enforcement pursuant to section 49, \$90,000.*

*The complement of the agency is increased by two positions.*

*Subd. 2. [REIMBURSEMENT.] Any amount expended by the agency and*

*metropolitan council from the appropriations in subdivision 1 shall be reimbursed to the general fund, and the amount necessary to make the reimbursement is appropriated from the landfill abatement fund to the commissioner of finance for transfer to the general fund.*

*Subd. 3. [FEE ADMINISTRATION.] The sum of \$75,000 is appropriated from the general fund to the commissioner of revenue for the purpose of administering section 73. This appropriation is available until June 30, 1985. This appropriation shall be reimbursed to the general fund under section 73, subdivision 7. The complement of the department of revenue is increased by two positions.*

*Subd. 4. [WASTE MANAGEMENT BOARD.] The following amounts are appropriated from the general fund to the waste management board and are available until June 30, 1985:*

- (1) for technical and research assistance programs, \$150,000;*
- (2) for waste reduction grants to generators of hazardous waste, \$150,000;*
- (3) for hazardous waste collection grants, \$350,000;*
- (4) for hazardous waste processing grants, \$350,000;*
- (5) for administration of the programs provided in sections 8 to 13, \$100,000.*

*The complement of the waste management board is increased by four positions.*

#### **Sec. 82. [REPEALER.]**

*Minnesota Statutes 1982, sections 115A.071; 115A.46, subdivision 3; 115A.70, subdivisions 1, 2, 4, 5, and 6; 473.827; and Minnesota Statutes 1983 Supplement, section 115A.70, subdivisions 3 and 7, are repealed.*

#### **Sec. 83. [EXEMPTION TO CERTIFICATE OF NEED.]**

*Section 67 does not apply to any expansion of a facility for which the EIS preparation notice has been published by March 15, 1984.*

#### **Sec. 84. [APPLICATION.]**

*Sections 58 to 78 are effective in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.*

#### **Sec. 85. [EFFECTIVE DATE.]**

*Sections 1 to 45, 48 to 51, 56 to 72, and 78 to 84 are effective the day following final enactment. Sections 46, 47, and 73 to 77 are effective January 1, 1985, except that the fees imposed in sections 46, 47, and 73 shall be effective January 1, 1988, with respect to nonhazardous solid waste from metalcasting facilities. Prior to January 1, 1988, an operator of a facility that is located in the metropolitan area for the disposal of mixed municipal solid waste shall deduct from the disposal charge for nonhazardous solid waste from metalcasting facilities the fee imposed under sections 46, 47, and 73.*

*Section 52 is effective for taxable years after December 31, 1983. Section 55 is effective for sales after June 30, 1984. Sections 53 and 54 are effective for taxable years after December 31, 1984."*

Delete the title and insert:

“A bill for an act relating to solid and hazardous waste management; amending various provisions of the waste management act; prescribing various powers and duties of the waste management board and the pollution control agency relating to hazardous waste management planning and the development of hazardous waste facilities; establishing programs for public education, technical and research assistance to generators, and grants for hazardous waste reduction and processing and collection facilities; requiring requests for proposals for hazardous waste processing and collection facilities; authorizing hazardous waste processing facility loans; prescribing procedures for the designation of solid waste facilities by counties and waste management districts; reducing the number of proposed sites in certain metropolitan counties for mixed municipal solid waste disposal facilities; amending various provisions relating to county and metropolitan solid waste management; appropriating money; amending Minnesota Statutes 1982, sections 115A.03, subdivisions 15 and 28; 115A.06, by adding a subdivision; 115A.08, by adding a subdivision; 115A.09, by adding a subdivision; 115A.11; 115A.18; 115A.24; 115A.46, subdivisions 1 and 2; 115A.70, by adding a subdivision; 116.07, by adding subdivisions; 116J.88, by adding a subdivision; 290.06, by adding subdivisions; 400.04, subdivision 3; 400.162; 473.181, subdivision 4; 473.801, subdivisions 1 and 4; 473.803, subdivision 3, and by adding a subdivision; 473.811, subdivision 10; and 473.833, subdivision 4; Minnesota Statutes 1983 Supplement, sections 115A.08, subdivision 5; 115A.21, subdivision 1, and by adding a subdivision; 115A.22, subdivisions 1 and 4; 115A.241; 115A.25, subdivisions 1, 1a, and 1b; 115A.26; 115A.27, subdivision 2; 115A.28, subdivision 1; 115A.291; 115B.22, subdivision 1; 116J.90, by adding a subdivision; 297A.25, subdivision 1; 473.149, subdivisions 2d and 2e; 473.803, subdivision 1b; 473.823, subdivision 6; and 473.831; proposing new law coded in Minnesota Statutes, chapters 115A and 473; repealing Minnesota Statutes 1982, sections 115A.071; 115A.46, subdivision 3; 115A.70, subdivisions 1, 2, 4, 5, and 6; 473.827; and Minnesota Statutes 1983 Supplement, section 115A.70, subdivisions 3 and 7.”

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Robert E. Vanasek, Darby Nelson, John Rose, Willard M. Munger

Senate Conferees: (Signed) Gene Merriam, Charles A. Berg, Darril Wegscheid, Randolph W. Peterson, Ronald R. Dicklich

Mr. Merriam moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1577 be now adopted, and that the bill be repassed as amended by the Conference Committee.

### CALL OF THE SENATE

Mr. Merriam imposed a call of the Senate for the balance of the proceedings on H.F. No. 1577. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 54 and nays 11, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kamrath	Merriam	Renneke
Anderson	Dicklich	Knaak	Moe, D. M.	Samuelson
Belanger	Dieterich	Knutson	Moe, R. D.	Schmitz
Benson	Frank	Kronebusch	Nelson	Sieloff
Berg	Frederickson	Laidig	Novak	Solon
Berglin	Freeman	Langseth	Olson	Storm
Bernhagen	Hughes	Lantry	Peterson, C.C.	Stumpf
Bertram	Isackson	Lessard	Peterson, R.W.	Ulland
Brataas	Johnson, D.E.	Luther	Purfeerst	Waldorf
Dahl	Johnson, D.J.	McQuaid	Ramstad	Wegscheid
Davis	Jude	Mehrkens	Reichgott	

Those who voted in the negative were:

Chmielewski	Kroening	Peterson, D.C.	Pogemiller	Vega
Diessner	Pehler	Petty	Spear	Willet
Frederick				

The motion prevailed. So the recommendations and Conference Committee report were adopted.

H.F. No. 1577 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 59 and nays 5, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kamrath	Moe, D. M.	Renneke
Anderson	Dicklich	Knaak	Moe, R. D.	Samuelson
Belanger	Diessner	Knutson	Nelson	Schmitz
Benson	Dieterich	Kronebusch	Novak	Sieloff
Berg	Frank	Laidig	Olson	Solon
Berglin	Frederickson	Langseth	Pehler	Storm
Bernhagen	Freeman	Lantry	Peterson, C.C.	Stumpf
Bertram	Hughes	Lessard	Peterson, R.W.	Ulland
Brataas	Isackson	Luther	Pogemiller	Vega
Chmielewski	Johnson, D.E.	McQuaid	Purfeerst	Waldorf
Dahl	Johnson, D.J.	Mehrkens	Ramstad	Wegscheid
Davis	Jude	Merriam	Reichgott	

Those who voted in the negative were:

Frederick	Kroening	Peterson, D.C.	Spear	Willet
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So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

## MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Jude moved that H.F. No. 2207 be taken from the table and given its second reading. The motion prevailed.

H.F. No. 2207: A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted, and obsolete references and text; eliminating certain redundant, conflicting, and superseded provisions; reenacting certain laws; amending Minnesota Statutes 1982, sections 14.40; 97.433, subdivision 3; 116C.73; 116D.06, subdivision 1; 123.78, subdivision 1;



156A.04; 161.16, subdivision 4; 169.45; 256C.02; 302A.115, subdivision 3; 327C.02, subdivision 3; 356.23; 356.25; 383A.09, subdivision 5; 412.022, subdivision 1; 501.78, subdivision 4; 524.3-1201; 609.346, subdivision 2; 609.487, subdivision 4; Minnesota Statutes 1983 Supplement, sections 3.9222, subdivision 6; 14.115, subdivisions 5 and 6; 16.872, subdivision 4; 38.04; 41.61, subdivision 1; 51A.51, subdivisions 2 and 3a; 53.03, subdivision 6; 53.04, subdivision 3a; 60A.17, subdivision 6c; 88.644; 102.26, subdivision 3c; 115.071, subdivision 2b; 116J.28, subdivision 3; 124.195, subdivision 10; 124.272, subdivision 3; 124A.14, subdivision 1; 144A.071, subdivision 5; 168.126, subdivision 1; 176.111, subdivision 18; 240.08, subdivision 2; 241.64, subdivisions 1 and 3; 256B.431, subdivisions 2 and 3; 260.185, subdivision 1; 268.04, subdivision 25; 272.02, subdivision 1; 273.118; 290.01, subdivision 19; 290.09, subdivision 5; 290.10; 290.17, subdivision 2; 290A.03, subdivision 3; 297A.01, subdivision 3; 297A.02, subdivision 3; 297A.25, subdivision 1; 325F.09; 393.07, subdivision 1; 420.13; 505.04; 507.235, subdivision 2; 508.421, subdivision 1; 514.221, subdivision 3; 515A.1-102; 518.17, subdivision 5; 543.20, subdivision 2; 558.215; 629.341, subdivision 1; Laws 1980, chapter 451, section 2; Laws 1983, chapters 128, section 36; 289, section 114, subdivision 1; reenacting Minnesota Statutes 1983 Supplement, sections 45.04, subdivision 1; 116J.28; 256.482, subdivision 2; repealing Minnesota Statutes 1982, sections 156A.031, subdivision 2; 377.06; and 480.059, subdivision 3; repealing Minnesota Statutes 1983 Supplement, section 116D.05; Laws 1982, chapter 501, section 20; Laws 1983, chapters 142, sections 5 and 8; 207, sections 6 and 42; 248, section 3; 253, section 22; 259, section 6; 260, sections 15, 47, and 56, subdivision 2; 277, section 2, subdivision 2; 289, section 16; 293, sections 66, 80, and 83; 301, section 66; 312, article 8, section 6.

H.F. No. 2207 was read the second time.

Mr. Peterson, R.W. moved to amend H.F. No. 2207, as follows:

Page 71, after line 5, insert:

“Sec. 98. [CORRECTION.]

Subdivision 1. [OMITTED EFFECTIVE DATE.] *S.F. No. 1469, if enacted by the 1984 regular session, is effective the day following its final enactment.*

Subd. 2. [EFFECTIVE DATE.] *Subdivision 1 is effective the day following the final enactment of S.F. No. 1469.”*

Amend the title as follows:

Page 1, line 37, before “repealing” insert “Laws enacted at the 1984 regular session styled as S.F. No. 1469;”

The motion prevailed. So the amendment was adopted.

Mr. Jude moved to amend H.F. No. 2207 as follows:

Page 2, after line 4, insert:

“ARTICLE 1”

Page 71, after line 5, insert:

## "ARTICLE 2

## CORRECTIONS

## Section 1. [EFFECT OF AMENDMENTS AND REPEALS.]

*Subdivision 1. [CONFLICTS; PREVAILING LAW.] Regardless of the order of final enactment of this article and the acts it amends, the amendments or repeals in this article shall be given effect. Notwithstanding Minnesota Statutes, sections 645.26, subdivision 3, 645.33, or other law, an amendment in this article shall prevail over any other act amending the same provisions of law in an irreconcilable manner.*

*Subd. 2. [EFFECTIVE DATE.] Subdivision 1 is effective the day following its final enactment.*

Sec. 2. [CORRECTION.] Subdivision 1. [INCORRECT SUBDIVISION REFERENCE.] H.F. No. 1801, section 10, subdivision 5, if enacted at the 1984 regular session is amended to read:

Subd. 5. [DISCHARGES NOT APPLICABLE.] Except as provided in subdivision 6, the requirements of subdivision 4 3 do not apply to incidents involving the unintentional release of hazardous materials being transported under the following proper shipping names:

(1) consumer commodity;

(2) battery, electric storage, wet, filled with acid or alkali;

(3) paint, enamel, lacquer, stain, shellac or varnish aluminum, bronze, gold, wood filler, and liquid or lacquer base liquid when shipped in packagings of five gallons or less.

*Subd. 2. [EFFECTIVE DATE.] Subdivision 1 is effective the day following final enactment of H.F. No. 1801.*

Sec. 3. [CORRECTION.] Subdivision 1. [INCORRECT REFERENCE.] Minnesota Statutes 1983 Supplement, section 53.04, subdivision 3a, if amended at the 1984 regular session by S.F. No. 1732, section 3, is amended to read:

Subd. 3a. (a) The right to make loans, secured or unsecured, at the rates and on the terms and other conditions permitted licensees under chapter 56. Loans made under the authority of section 6 must be in amounts in compliance with section 53.05, clause (7). All other loans made under the authority of chapter 56 must be in amounts in compliance with section 53.05, clause (7), or 56.131, subdivision 1, paragraph (a), whichever is less. The right to extend credit or lend money and to collect and receive charges therefor as provided by chapter 334, or in lieu thereof to charge, collect, and receive interest at the rate of 21.75 percent per annum. The provisions of sections 47.20 and 47.21 do not apply to loans made under this ~~section~~ *subdivision*, except as specifically provided in this subdivision. Nothing in this subdivision is deemed to supersede, repeal, or amend any provision of section 53.05. 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.

(b) Loans made under this ~~section~~ *subdivision* at a rate of interest not in excess of that provided for in paragraph (a) may be secured by real or per-

sonal property, or both. If the proceeds of a loan made after August 1, 1984 are used in whole or in part to satisfy the balance owed on a contract for deed, the rate of interest charged on the loan must not exceed the rate provided in section 47.20, subdivision 4a. If the proceeds of a loan secured by a first lien on the borrower's primary residence are used to finance the purchase of the borrower's primary residence, the loan must comply with the provisions of section 47.20.

(c) A loan made under this ~~section~~ *subdivision* that is secured by real estate and that is in a principal amount of \$7,500 or more and a maturity of 60 months or more may contain a provision permitting discount points, if the loan does not provide a loan yield in excess of the maximum rate of interest permitted by this subdivision. Loan yield means the annual rate of return obtained by a licensee computed as the annual percentage rate is computed under Federal Regulation Z. If the loan is prepaid in full, the licensee must make a refund to the borrower to the extent that the loan yield will exceed the maximum rate of interest provided by this subdivision when the prepayment is taken into account.

Subd. 2. [EFFECTIVE DATE.] *Subdivision 1 is effective the day following final enactment of S.F. No. 1732.*

Sec. 4. [CORRECTION.] Subdivision 1. [OMITTED EFFECTIVE DATE.] *S.F. No. 1473, section 1, if enacted at the 1984 regular session, is effective the day following its final enactment.*

Subd. 2. [EFFECTIVE DATE.] *Subdivision 1 is effective the day following final enactment of S.F. No. 1473.*

Sec. 5. [CORRECTION.] Subdivision 1. [SYNTAX CORRECTION.] Minnesota Statutes 1982, section 300.05, subdivision 2, if amended by S.F. No. 2046 at the 1984 regular session is amended to read:

Subd. 2. [PROCEDURE.] The governing body of a city may petition to acquire and operate a franchise referred to in subdivision 1, if authorized to do so by a two-thirds majority of the votes cast at a special election called for that purpose. The election must be held within the three-month period prior to the expiration of any ~~five-year period after period of five years from the granting of the franchise.~~

The city must also pay the corporation or person owning the franchise the value of the property being acquired. The value of the property is determined in the manner provided by law for acquiring property under the right of eminent domain.

Subd. 2. [EFFECTIVE DATE.] *Subdivision 1 is effective August 1, 1984.*

Sec. 6. [CORRECTION.] Subdivision 1. [AMENDMENT PHYSICALLY LOST, CHIEF AUTHORS AGREE.] H.F. No. 2148, section 2, if enacted at the 1984 regular session is amended to read:

Sec. 2. [62A.046] [COORDINATION OF BENEFITS.]

(1) No group contract providing coverage for hospital and medical treatment or expenses issued or renewed after August 1, 1984, which is responsible for secondary coverage for services provided, may deny coverage or payment of the amount it owes as a secondary payor solely on the basis of the

failure of another group contract, which is responsible for primary coverage, to pay for those services.

(2) A group contract which provides coverage of a claimant as a dependent of a parent who has legal responsibility for the dependent's medical care but who does not have custody of the dependent ~~must~~ *may*, upon request of the custodial parent, make payments directly to the provider of care. In such cases, liability to the insured is satisfied to the extent of benefit payments made to the provider.

(3) This section applies to an insurer, a vendor of risk management services regulated under section 60A.23, a nonprofit health service plan corporation regulated under chapter 62C and a health maintenance organization regulated under chapter 62D. Nothing in this section shall require a secondary payor to pay the obligations of the primary payor nor shall it prevent the ~~recovery of liable payments from the primary payor by the secondary payor if from recovering from the primary payor the amount of any obligation of the primary payor that the secondary payor elects to pay the obligations of the primary payor.~~

Subd. 2. [EFFECTIVE DATE.] *Subdivision 1 is effective August 1, 1984.*

Sec. 7. [CORRECTION.] Subdivision 1. [INCORRECT REFERENCE.] Minnesota Statutes 1982, section 52.03, subdivision 2, if added by H.F. No. 1771, section 1, by the 1984 regular session, is amended to read:

Subd. 2. [RECIPROCITY.] With the approval of the commissioner, a credit union chartered in another state shall be permitted to do business in Minnesota if Minnesota credit unions are permitted to do business in that state, and if:

(a) the credit union is organized under laws similar to Minnesota laws applicable to credit unions;

(b) the credit union is financially solvent;

(c) the credit union needs to conduct business in this state to adequately serve its members in this state;

(d) the credit union satisfies the mandatory share and deposit insurance requirements in section 52.24;

(e) the credit union designates and maintains an agent for the service of process in this state; and

(f) the credit union complies with the provisions of ~~chapter 52~~ *section 52.04*.

Subd. 2. [EFFECTIVE DATE.] *Subdivision 1 is effective the day following final enactment of H.F. No. 1771.*

Sec. 8. [CORRECTION.] Subdivision 1. [REFERENCE TO DELETED SUBDIVISION LANGUAGE.] Minnesota Statutes 1982, section 83.26, subdivision 2, if amended by S.F. No. 1504 at the 1984 regular session is amended to read:

Subd. 2. [GENERALLY; TRANSACTIONS.] Unless the method of offer or sale is adopted for the purpose of evasion of sections 83.20 to 83.42, and sections 28 and 29, the following transactions are exempt from sections

83.23, 83.24, 83.25, 83.28, 83.29, and 83.30:

(a) The offer or sale of an interest in subdivided land by an owner, other than the subdivider, acting as principal in a single or isolated transaction;

(b) The offer or sale of all of the subdivided lands within a subdivision in a single transaction to any person;

(c) The offer or sale of subdivided land pursuant to an order of competent jurisdiction, other than a court of bankruptcy;

(d) The offer or sale of subdivided land consisting of not more than ten separate lots, units, parcels, or interests in the aggregate;

(e) The offer or sale of subdivided lands which have been registered under section 83.23, subdivision 2, if there are no more than ten separate lots, units, parcels, or interests remaining to be sold and no material change has occurred in the information on file with the commissioner;

(f) The offer and sale of subdivided land located within the corporate limits of a municipality as defined in section 462.352, subdivision 2, which municipality has adopted subdivision regulations as defined in section 462.352, except those lands described in section 83.20, subdivisions *subdivision 13, 14, and 15*;

(g) The offer and sale of apartments or condominiums as defined in chapters 515 and 515A;

(h) The offer and sale of subdivided lands used primarily for agricultural purposes provided each parcel is at least ten acres in size;

(i) The offer or sale of improved lots if:

(1) the subdivider has filed with the commissioner, no later than ten business days prior to the date of the first sale, a written notice of its intention to offer or sell improved lots, which notice shall be accompanied by a fee of \$50, together with a copy of the public offering statement accepted by the situs state and the standard purchase agreement which documents are required to be supplied by the subdivider to the purchaser; and

(2) the subdivider deposits all downpayments in an escrow account until all obligations of the subdivider to the purchaser, which are pursuant to the terms of the purchase agreement to be performed prior to the closing, have been performed. The subdivider shall provide the purchaser with a purchase receipt for the downpayment paid, a copy of the escrow agreement and the name, address, and telephone number of the escrow agent. The escrow agent shall be a bank located in Minnesota. All downpayments shall be deposited in the escrow account within two business days after receipt.

The commissioner may by rule or order suspend, revoke, or further condition the exemptions contained in clauses (f), (g), (h), and (i) or may require such further information as may be necessary for the protection of purchasers.

The rulemaking authority in this subdivision does not include temporary rulemaking authority pursuant to chapter 14.

Subd. 2. [EFFECTIVE DATE.] *Subdivision 1 is effective September 1, 1984.*

Sec. 9. [CORRECTION.] Subdivision 1. [INCORRECT DOLLAR AMOUNT, REDUCTION.] H.F. No. 2314, section 8, if enacted at the 1984 regular session, is amended to read:

Sec. 8. ENERGY AND ECONOMIC DEVELOPMENT

Regional Solid Waste Disposal

1,400,000

This appropriation is for payment of a grant to the city of Bagley to develop a solid waste disposal, incineration, and district heating pilot project involving seven counties. The purpose of the project must be to deal with solid waste disposal as a rural problem and provide more reliable energy to the incinerator site through a district heating system. The grant may not be paid until the commissioner of energy and economic development has determined that additional financing in the amount of ~~\$10,000,000~~ \$8,600,000 has been committed by other sources.

This appropriation is from the general fund.

Subd. 2. [EFFECTIVE DATE.] *This section is effective the day after final enactment of H.F. No. 2314.*

Sec. 10. [CORRECTION.] Subdivision 1. [OMITTED INFORMATION RELEASE.] H. F. No. 2016, article 8, section 2, subdivision 4, if enacted at the 1984 regular session, is amended to read:

Subd. 4. [LICENSING AUTHORITY; DUTIES.] All licensing authorities must require the applicant to provide his social security number and Minnesota business identification number on all license applications. Upon request of the commissioner, the licensing authority must provide the commissioner with a list of all applicants, including the name, address, business name and address, social security number, and business identification number of each applicant. The commissioner may request from a licensing authority a list of the applicants no more than once each calendar year. *Notwithstanding sections 290.61 and 297A.43, the commissioner may release information necessary to accomplish the purpose of this section.*

Subd. 2. [EFFECTIVE DATE.] *Subdivision 1 is effective July 1, 1984.*

Sec. 11. [CORRECTION.] Subdivision 1. [INCORRECT NAME REFERENCES DUE TO NAME CHANGE.] Minnesota Statutes 1983 Supplement, section 473.446, subdivision 1, if amended by H.F. No. 2016, article 3, section 25, at the 1984 regular session 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~~ regional transit board shall levy each year upon all taxable property within the metropolitan transit taxing district, defined in subdivision 2, a transit tax consisting of:

(a) An amount up to two mills times the assessed value of all such property,

based upon the level of transit service provided for the property, the proceeds of which shall be used for payment of the expenses of operating transit and paratransit service;

(b) An additional amount, if any, as the commission determines to be necessary to provide for the full and timely payment of its certificates of indebtedness and other obligations outstanding on July 1, 1977, to which property taxes under this section have been pledged; and

(c) An additional amount necessary to provide full and timely payment of certificates of indebtedness, bonds, or other obligations issued or to be issued pursuant to section 473.436 for purposes of acquisition and betterment of property and other improvements of a capital nature and to which the commission has specifically pledged tax levies under this clause.

The county auditor shall reduce the tax levied pursuant to this subdivision on all property within cities or towns that receive full peak service and limited off-peak service by an amount equal to the tax levy that would be produced by applying a rate of 0.5 mills on the property. The county auditor shall reduce the tax levied pursuant to this subdivision on all property within cities or towns that receive limited peak service by an amount equal to the tax levy that would be produced by applying a rate of 0.75 mills on the property. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner shall review the certifications to determine their accuracy. He may make changes in the certification as he may deem necessary or return a certification to the county auditor for corrections. The commissioner shall pay to the regional transit board the amounts certified by the county auditors on the dates provided in section 273.13, subdivision 15a, clause (3). There is annually appropriated from the general fund in the state treasury to the department of revenue the amounts necessary to make these payments in fiscal year 1985 and thereafter.

For the purposes of this subdivision, "full peak and limited off-peak service" means peak period service plus weekday midday service with a frequency of more than 60 minutes on the route with the greatest frequency; and "limited peak period service" means peak period service only.

Subd. 2. [EFFECTIVE DATE.] *Subdivision 1 is effective upon the effective date of H.F. No. 2016, article 3, section 25, if enacted at the 1984 regular session.*

Sec. 12. [CORRECTION.] Subdivision 1. [AMENDMENT TO REPEALED SECTION.] S.F. No. 1913, article 1, section 9; if enacted at the 1984 regular session is repealed.

Subd. 2. [EFFECTIVE DATE.] *Subdivision 1 is effective the day following its final enactment.*

Sec. 13. [INSTRUCTION TO REVISOR OF STATUTES.] Subdivision 1. [CHAPTER 16 RECODIFICATION.] *If a provision in chapter 16 is amended by the 1984 regular session and S.F. No. 1408 is enacted by the 1984 regular session the revisor shall codify the amendment consistent with the recodification of chapter 16 by S.F. No. 1408 notwithstanding any law to*

*the contrary.*

Subd. 2. [EFFECTIVE DATE.] *Subdivision 1 is effective the day following its final enactment.*

Sec. 14. [CORRECTION.] Subdivision 1. [POLICE REPORTS MISTAKENLY MADE PUBLIC.]

Minnesota Statutes 1982, section 626.556, subdivision 11, if amended by H.F. No. 1806, by the 1984 regular session, 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, 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 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 provisions of chapter 13. An individual subject of a record shall have access to the record in accordance with those sections, except that the name of the reporter shall be confidential while the report is under assessment or investigation. After the assessment or investigation is completed, the name of the reporter shall be confidential but shall be accessible to the individual subject of the record upon court order.

Records maintained by local welfare agencies, the police department or county sheriff under this section shall be destroyed as described in clauses (a) to (c):

(a) If upon assessment or investigation a report is found to be unsubstantiated, notice of intent to destroy records of the report shall be mailed to the individual subject of the report. At the subject's request the records shall be maintained as private data. If no request from the subject is received within 30 days of mailing the notice of intent to destroy, the records shall be destroyed.

(b) All records relating to reports which, upon assessment or investigation, are found to be substantiated shall be destroyed seven years after the date of the final entry in the case record.

(c) All records of reports which, upon initial assessment or 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 in the manner provided by clause (a).

Subd. 2. [EFFECTIVE DATE.] *Subdivision 1 is effective the day following final enactment of H.F. No. 1806 at the 1984 regular session.*

Sec. 15. [CORRECTION.] Subdivision 1. [CLARIFICATION.] S.F. No.



1815, section 1, subdivision 4, if enacted by the 1984 regular session is amended to read:

Subd. 4. ~~Notwithstanding the development of an organization under this section, the governance~~ *The execution of the functions of the board of directors of a hospital by the an organization established under this section shall be subject to the public purchasing requirements of section 471.345, the open meeting law, section 471.705, and the data practices act, chapter 13.*

*Subd. 2. [EFFECTIVE DATE.] Subdivision 1 is effective the day following final enactment of S.F. No. 1815.*

Sec. 16. [CORRECTION.] Subdivision 1. [AMENDMENT AGREED TO, NOT INCLUDED IN CONFERENCE REPORT.] Minnesota Statutes 1983 Supplement, section 124.2137, subdivision 1, is amended to read:

Subdivision 1. [TAX REDUCTIONS.] The county auditor shall reduce the tax for school purposes on all property receiving the homestead credit pursuant to section 273.13, subdivision 6, by an amount equal to 29 percent of the tax levy imposed on up to 320 acres of land including the buildings and structures thereon but excluding the homestead dwelling all dwellings and surrounding one an acre of land for each dwelling. The county auditor shall reduce the tax for school purposes on the next 320 acres classified pursuant to section 273.13, subdivision 6 by an amount equal to 13 percent of the tax levy imposed on the property. The tax on all other agricultural lands classified pursuant to section 273.13, subdivision 6 shall be reduced by an amount equal to ten percent of the tax levy imposed on the property. The tax on the first 320 acres of agricultural land classified pursuant to section 273.13, subdivision 4 and all real estate devoted to temporary and seasonal residential occupancy for recreational purposes, but not devoted to commercial purposes, shall be reduced by an amount equal to 13 percent of the tax imposed on the property. The tax on timber land classified pursuant to section 273.13, subdivision 8a and agricultural land in excess of 320 acres classified pursuant to section 273.13, subdivision 4 shall be reduced by an amount equal to ten percent of the tax levy imposed on the property. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review the certifications to determine their accuracy. He may make changes in the certification as he may deem necessary or return a certification to the county auditor for corrections. The amount of the reduction provided under this subdivision which any taxpayer can receive on all qualifying property which he owns shall not exceed \$2,000 in the case of agricultural property and shall not exceed \$100 in the case of seasonal residential recreational property. In the case of property owned by more than one person, the maximum amount of the reduction shall apply to the total of all the owners. For purposes of computing the credit pursuant to this subdivision, the "tax levy" shall be the tax levy reduced by the credits provided by sections 273.115, 273.116, 273.123, 273.42, subdivision 2, and 473H.10.

*Subd. 2. [EFFECTIVE DATE.] Subdivision 1 is effective for taxes levied in 1984 and thereafter, for taxes payable in 1985 and thereafter.*

Sec. 17. [CORRECTION.] Subdivision 1. [TOWNS AUTHORIZED TO CONTRACT WITH NONPROFIT ORGANIZATIONS; EFFECTIVE

DATE OMITTED.] *H.F. No. 1982 if enacted by the 1984 regular session is effective the day following its final enactment.*

Subd. 2. [EFFECTIVE DATE.] *Subdivision 1 is effective the day following final enactment of H.F. No. 1982.*

Sec. 18. [CORRECTION.] Subdivision 1. [GRAMMATICAL ERROR.] Minnesota Statutes 1983 Supplement, section 169.123, subdivision 2, if amended by S.F. No. 1336 at the 1984 regular session, is amended to read:

Subd. 2. [IMPLIED CONSENT; CONDITIONS; ELECTION AS TO TYPE OF TEST.] (a) Any person who drives, operates, or is in physical control of a motor vehicle within this state consents, subject to the provisions of this section and section 169.121, to a chemical test of his blood, breath, or urine for the purpose of determining the presence of alcohol or a controlled substance. The test shall be administered at the direction of a peace officer. The test may be required of a person when an officer has ~~and~~ probable cause to believe the person was driving, operating, or in physical control of a motor vehicle in violation of section 169.121 and one of the following conditions exist: (1) the person has been lawfully placed under arrest for violation of section 169.121, or an ordinance in conformity with it; or (2) the person has been involved in a motor vehicle accident or collision resulting in property damage, personal injury, or death; or (3) the person has refused to take the screening test provided for by section 169.121, subdivision 6; or (4) the screening test was administered and recorded an alcohol concentration of 0.10 or more.

(b) At the time a chemical test specimen is requested, the person shall be informed:

(1) that Minnesota law requires the person to take a test to determine if the person is under the influence of alcohol or a controlled substance;

(2) that if testing is refused, the person's right to drive will be revoked for a minimum period of one year or, if the person is under the age of 18 years, for a period of one year or until he or she reaches the age of 18 years, whichever is greater;

(3) that if a test is taken and the results indicate that the person is under the influence of alcohol or a controlled substance, the person will be subject to criminal penalties and the person's right to drive may be revoked for a minimum period of 90 days or, if the person is under the age of 18 years, for a period of six months or until he or she reaches the age of 18 years, whichever is greater;

(4) that after submitting to testing, the person has the right to consult with an attorney and to have additional tests made by a person of his own choosing; and

(5) that if he refuses to take a test, the refusal will be offered into evidence against him at trial.

(c) The peace officer who requires a test pursuant to this subdivision may direct whether the test shall be of blood, breath, or urine. However, if the officer directs that the test shall be of a person's blood or urine, the person may choose whether the test shall be of his blood or urine.

Subd. 2. [EFFECTIVE DATE.] *Subdivision 1 is effective August 31,*

1984.

Sec. 19. [CORRECTION.] Subdivision 1. [INCORRECT SECTION REFERENCES.] H.F. No. 1156, section 9, if enacted by the 1984 regular session, is amended to read:

Sec. 9. [3C.09] [MINNESOTA STATUTES; SUPPLEMENTATION.]

If the revisor's office does not publish an edition of Minnesota Statutes in a given year, it may publish a supplement to Minnesota Statutes. The supplement must be identified by the year of publication and to the extent possible must otherwise comply with section 9 8.

Subd. 2. [INCORRECT SECTION REFERENCE.] H.F. No. 1156, section 13, if enacted at the 1984 regular session, is amended to read:

Sec. 13. [3C.13] [LEGAL STATUS OF STATUTES.]

Any volume of Minnesota Statutes, supplement to Minnesota Statutes, and Laws of Minnesota certified by the revisor according to section 42 11, subdivision 1, is prima facie evidence of the statutes contained in it in all courts and proceedings.

Revised Laws of Minnesota 1905, General Statutes of Minnesota 1913, General Statutes of Minnesota 1923, Mason's Minnesota Statutes 1927, and supplements, appendix and addenda, or added volumes to these publications are prima facie evidence of the statutes contained in them in all courts and proceedings.

Subd. 3. [INCORRECT SECTION REFERENCE.] Minnesota Statutes 1982, section 15.18, if amended at the 1984 regular session by H.F. No. 1156, is amended to read:

15.18 [DISTRIBUTION OF PUBLICATIONS.]

Except as provided in sections 5.08, 16.02, and section 43 12, subdivision 2, when any department, agency, or official of the state issues for public distribution any book, document, journal, map, pamphlet, or report copies thereof shall be delivered immediately as follows:

Four copies to the Minnesota Historical Society;

One copy to the general library of the University of Minnesota, and may, upon request of the librarian, deliver additional copies;

Two copies to the state library, and such additional copies as the state librarian deems necessary for exchange with other libraries, with other states, with the United States, and with governments of foreign countries;

One copy to the public library of any city of the first class;

One copy to the library of each state university as defined in chapter 136.

Subd. 4. [INCORRECT SECTION REFERENCE.] Minnesota Statutes 1982, section 60B.01, subdivision 1, if amended at the 1984 regular session by H.F. No. 1156, is amended to read:

Subdivision 1. [SHORT TITLE.] Sections 60B.01 to 60B.61 may be cited as the "insurers rehabilitation and liquidation act" and shall appear in the next edition of Minnesota Statutes as Chapter 60B but subject to the provi-

sions of section ~~4~~ 10, subdivision 1.

Subd. 5. [INCORRECT SECTION REFERENCE.] Minnesota Statutes 1982, section 336.1-101, if amended at the 1984 regular session by H.F. No. 1156, is amended to read:

336.1-101 [SHORT TITLE AND NUMBERING SYSTEM.]

This chapter shall be known and may be cited as Uniform Commercial Code. It is arranged and numbered, subject, however, to the provisions of section ~~4~~ 10, subdivision 1, so that the enacted chapter may be compiled in the next published edition of Minnesota Statutes without change and in conformity with the official numbering of the Uniform Commercial Code.

Subd. 6. [INCORRECT SECTION REFERENCE.] Minnesota Statutes 1982, section 480.057, if amended at the 1984 regular session by H.F. No. 1156, is amended to read:

480.057 [PROMULGATION.]

Subdivision 1. [EFFECTIVE DATE OF RULES; PUBLICATION.] All rules promulgated under sections 480.051 to 480.058 are effective at a time fixed by the court. The rules must be published as part of Minnesota Statutes according to section 9 8.

Subd. 2. [PRINTING, PUBLISHING, AND DISTRIBUTING.] The revisor of statutes shall print, publish, and distribute copies of the rules according to section ~~4~~ 12.

Subd. 7. [INCORRECT SECTION REFERENCE.] Minnesota Statutes 1982, section 524.1-101, if amended at the 1984 regular session by H.F. No. 1156, is amended to read:

524.1-101 [CITATION AND NUMBERING SYSTEM.]

This chapter shall be known and may be cited as the uniform probate code. It is arranged and numbered, subject however to the provisions of ~~section~~ section ~~4~~ 10, subdivision 1, so that the enacted chapter may be compiled in the next published edition of Minnesota Statutes without change and in conformity with the official numbering of the uniform probate code. The articles of Laws 1974, Chapter 442 are numbered out of sequence to facilitate the possible inclusion of other articles of the probate code in one chapter.

Subd. 7. [EFFECTIVE DATE.] *Subdivisions 1 to 7 are effective August 1, 1984.*

Sec. 20. [CORRECTION.] Subdivision 1. [OLMSTED SOLID WASTE.] S.F. No. 2145, section 1, if enacted at the 1984 regular session, is amended to read:

Section 1. [MANAGEMENT AND SERVICE CONTRACTS.]

Notwithstanding any law to the contrary, Olmsted County may enter into contracts for solid waste facilities with or without advertisement for bids for the construction, installation, maintenance, and operation of property and facilities on private or public lands and may contract for the furnishing of solid waste management services. If a county contract is let by negotiation, without advertising for bids, the county shall conduct the negotiation and award the contract using a fair and open procedure and in full compliance

with Minnesota Statutes, section 471.705. If a county contract is to be awarded by bid, the county may, after notice to the public and prospective bidders, conduct a fair and open process of prequalification of bidders prior to advertisement for bids.

Subd. 2. [EFFECTIVE DATE.] *Subdivision 1 is effective the day following its final enactment.*

Sec. 21. [CORRECTION.] Subdivision 1. [INCORRECT REFERENCE DUE TO NAME CHANGE.] Minnesota Statutes 1982, section 473.404, subdivision 6, if added by H.F. No. 2317 at the 1984 regular session, is amended to read:

Subd. 6. [REMOVAL; VACANCIES.] Members may be removed by the ~~council~~ *transit board* only for cause in the manner specified in chapter 351. If the office of a member becomes vacant, under the conditions specified in chapter 351, the vacancy must be filled in the same manner in which the appointment to that office was made.

Subd. 2. [EFFECTIVE DATE.] *Subdivision 1 is effective the day following final enactment of H.F. No. 2317, by the 1984 regular session.*

Amend the title as follows:

Page 1, line 5, after "laws;" insert "correcting 1984 session legislation;"

Page 1, line 6, after the semicolon insert "15.18, as amended; 52.03, subdivision 2, as added; 60B.01, subdivision 1, as amended; 83.26, subdivision 2, as amended;"

Page 1, line 10, after "3;" insert "336.1-101, as amended;"

Page 1, line 11, after "1;" insert "473.404, subdivision 6, if added; 480.057, as amended;" and after "4;" insert "524.1-101, as amended;"

Page 1, line 13, after "4;" insert "626.556, subdivision 11, as amended;"

Page 1, line 17, after "3a" insert ", and as amended"

Page 1, line 20, after "10;" insert "124.2137, subdivision 1;"

Page 1, line 22, after "1;" insert "169.123, subdivision 2, as amended;"

Page 1, line 29, after the first semicolon insert "300.05, subdivision 2, as amended;"

Page 1, line 30, after "420.13;" insert "473.446, subdivision 1, as amended;"

Page 1, line 37, before "repealing" insert "Laws enacted at the 1984 regular session styled as H.F. Nos. 1156, sections 9 and 13; 1801, section 10, subdivision 5; 2016, article 8, section 2, subdivision 4; 2148, section 2; 2314, section 8; and S.F. Nos. 1815, section 1, subdivision 4; 1913, article 1, section 9; 2145, section 1;"

The motion prevailed. So the amendment was adopted.

Mr. Johnson, D.J. moved to amend the Jude amendment to H.F. No. 2207, adopted by the Senate April 24, 1984, as follows:

Page 18, after line 21, insert:

“Sec. 22. [CORRECTION.]

*Subdivision 1.* [AMENDMENT AGREED TO, NOT INCLUDED IN CONFERENCE REPORT.] Minnesota Statutes 1982, section 290.08, subdivision 26, as added by H.F. No. 2016, enacted at the 1984 regular session, is amended to read:

Subd. 26. [PENSION INCOME.] (a) [EXCLUSION.] Gross income shall not include the taxpayer's pension income. The maximum amount of this exclusion is the greater of the following two amounts:

(1) \$11,000 reduced by the amount of the taxpayer's federal adjusted gross income in excess of \$17,000 *excluding social security benefits and railroad retirement benefits to the extent included in federal adjusted gross income*; or

(2) \$11,000 reduced by the sum of

(A) social security benefits,

(B) railroad retirement benefits, and

(C) the excess over \$23,000 of federal adjusted gross income, but excluding social security benefits and railroad retirement benefits to the extent included in federal adjusted gross income.

(3) Notwithstanding clauses (1) and (2), in the case of an involuntary lump sum distribution of pension or retirement benefits to volunteer firefighters, the maximum amount of the exclusion is \$11,000. This amount is not subject to reduction for other income of the taxpayer.

(4) Pension income consisting of severance pay qualifies only for the exclusion computed according to paragraph (a), clause (1).

(b) [DEFINITIONS.] For purposes of this subdivision the following terms have the meanings given:

(1) “Internal Revenue Code” means the Internal Revenue Code of 1954, as amended through December 31, 1983.

(2) “Federal adjusted gross income” is the federal adjusted gross income referred to in section 290.01, subdivision 20, for the current taxable year, and includes the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code.

(3) “Pension income” means to the extent included in the taxpayer's federal adjusted gross income the amount received by the taxpayer

(A) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof,

(B) as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408, 409, or 409A of the Internal Revenue Code, or

(C) severance pay distributed to an individual upon discontinuance of the individual's employment due to termination of business operations by the

individual's employer, if the termination is reasonably likely to be permanent, involves the discharge of at least 75 percent of the employees at that site within a one-year period, and the business is not acquired by another person who continues operations at that site.

(4) "Severance pay" means an amount received for cancellation of an employment contract or a collectively bargained termination payment made as a substitute for income which would have been earned for personal services to be rendered in the future.

*Subd. 2. [EFFECTIVE DATE.] Subdivision 1 is effective for taxable years beginning after December 31, 1984."*

Amend the title accordingly

The motion prevailed. So the amendment to the Jude amendment was adopted.

Mr. Johnson, D.J. then moved to amend the Jude amendment to H.F. No. 2207, adopted by the Senate April 24, 1984, as follows:

Page 18, after line 21, insert:

"Sec. 22. [CORRECTION.]

*Subdivision 1. [AMENDMENT AGREED TO, NOT INCLUDED IN CONFERENCE REPORT.] Minnesota Statutes 1982, section 298.24, subdivision 1, as amended by H.F. No. 2016 at the 1984 regular session, is amended to read:*

Subdivision 1. (a) There is hereby imposed upon taconite and iron sulphides, and upon the mining and quarrying thereof, and upon the production of iron ore concentrate therefrom, and upon the concentrate so produced, a tax of \$1.25 cents per gross ton of merchantable iron ore concentrate produced therefrom. The tax on concentrates produced in 1978 and subsequent years prior to 1985 shall be equal to \$1.25 multiplied by the steel mill products index during the production year, divided by the steel mill products index in 1977. The index stated in code number 1013, or any subsequent equivalent, as published by the United States Department of Labor, Bureau of Labor Statistics Wholesale Prices and Price Indexes for the month of January of the year in which the concentrate is produced shall be the index used in calculating the tax imposed herein. In no event shall the tax be less than \$1.25 per gross ton of merchantable iron ore concentrate. The tax on concentrates produced in 1985 and 1986 shall be at the rate determined for 1984 production. For concentrates produced in 1987 and subsequent years, the tax shall be equal to the preceding year's tax plus an amount equal to the preceding year's tax multiplied by the percentage increase in the implicit price deflator from the fourth quarter of the second preceding year to the fourth quarter of the preceding year. "Implicit price deflator" means the implicit price deflator prepared by the bureau of economic analysis of the United States department of commerce.

(b) On concentrates produced in 1984, an additional tax is imposed equal to eight-tenths of one percent of the total tax imposed by clause (a) per gross ton for each one percent that the iron content of such product exceeds 62 percent, when dried at 212 degrees Fahrenheit.

(c) The tax imposed by this subdivision on concentrates produced in 1984

shall be computed on the production for the current year. The tax on concentrates produced in 1985 shall be computed on the average of the production for the current year and the previous year. The tax on concentrates produced in 1986 and thereafter shall be the average of the production for the current year and the previous two years. *The rate of the tax imposed will be the current year's tax rate.* This clause shall not apply in the case of the closing of a taconite facility if the property taxes on the facility would be higher if this clause and section 298.25 were not applicable.

(d) If the tax or any part of the tax imposed by this subdivision is held to be unconstitutional, a tax of \$1.25 per gross ton of merchantable iron ore concentrate produced shall be imposed.

*Subd. 2. [EFFECTIVE DATE.] Subdivision 1 is effective the day following final enactment of this act."*

Amend the title accordingly

The motion prevailed. So the amendment to the Jude amendment was adopted.

Mr. Jude moved to amend the Jude amendment to H.F. No. 2207, adopted by the Senate April 24, 1984, as follows:

Page 18 of the Jude amendment, after line 21, insert:

"Sec. 22. [CORRECTION.] S.F. No. 1336, if enacted at the 1984 regular session, section 19, is amended to read:

Sec. 19. Minnesota Statutes 1982, section 171.30, subdivision 1, is amended to read:

Subdivision 1. [ISSUANCE.] In any case where a person's license has been suspended under section 171.18 or revoked under sections 169.121, 169.123, or 171.17, ~~if the driver's livelihood or attendance at a chemical dependency treatment or counseling program depends upon the use of his driver's license,~~ the commissioner may at his own discretion issue a limited license to the driver *including under the following conditions:*

*(1) if the driver's livelihood or attendance at a chemical dependency treatment or counseling program depends upon the use of the driver's license; or*

*(2) if attendance at a post-secondary institution of education by an enrolled student of that institution depends upon the use of the driver's license.*

The commissioner in issuing a limited license may impose such conditions and limitations as in his judgment are necessary to the interests of the public safety and welfare including re-examination as to the driver's qualifications. The license may be limited to the operation of particular vehicles, to particular classes and times of operation and to particular conditions of traffic. *The commissioner may require that an applicant for a limited license affirmatively demonstrate that use of public transportation or carpooling as an alternative to a limited license would be a significant hardship.*

The limited license issued by the commissioner shall clearly indicate the limitations imposed and the driver operating under the limited license shall have the license in his possession at all times when operating as a driver.

In determining whether to issue a limited license, the commissioner shall



consider the number and the seriousness of prior convictions and the entire driving record of the driver and shall consider the number of miles driven by the driver annually.”

Amend the title accordingly

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Jude then moved to amend H.F. No. 2207, adopted by the Senate April 24, 1984, as follows:

Page 18, after the Jude amendment, after line 21, insert:

“Sec. 22. [CORRECTION.]

Subdivision 1. [OMITTED RAIL CORRIDOR.] H.F. No. 2317, article 2, section 1, clause (j), is amended to read:

(j) Rail Service Improvements

17,500

This appropriation is from the general fund.

This appropriation is for the purpose of conducting a study of expanded railroad passenger service.

The commissioner of transportation shall study the feasibility and potential methods of expanding railroad passenger service in the state. The study must examine the following rail corridors: (1) St. Paul to Willmar to Morris to Breckenridge to Moorhead; (2) Moorhead to Grand Forks to Winnipeg; (3) St. Paul to Mankato to Worthington; (4) St. Paul to Northfield to Owatonna to Albert Lea to Austin; (5) Duluth to Virginia to International Falls to Winnipeg; (6) St. Paul to Rochester; and (7) St. Paul to Alexandria to Fergus Falls to Moorhead to Winnipeg. The commissioner shall collect ridership data independent from AMTRAK data to analyze ridership and shall focus on local and intermediate stops. In analyzing the feasibility of expanding the railroad passenger service, the commissioner shall consider the following factors and any other factors deemed appropriate: (1) minimum train speed, service frequency, and performance standards; (2) station locations; (3) availability of equipment; (4) ridership forecasts; (5) track upgrading estimates; (6) fuel consumption; and (7) estimated fare recovery in relation to total operating costs. The commissioner shall report to the house and senate transportation committees by February 1, 1985, on his findings and recommendations.

This appropriation may not be expended until units of government along the proposed corridors have committed at least \$17,500 to match it.

Notwithstanding any provision of Minnesota Statutes, chapter 16A or any other law, the total amount appropriated for rail service improvements by Laws 1983, chapter 293, section 2, subdivision 5(a), shall be available for expenditure in any fiscal year.

Subd. 2. [EFFECTIVE DATE.] *Subdivision 1 is effective the day following its final enactment.*"

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

### SUSPENSION OF RULES

Mr. Jude 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. 2207 and that the rules of the Senate be so far suspended as to give H.F. No. 2207 its third reading and place it on its final passage. The motion prevailed.

H.F. No. 2207 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Nelson	Samuelson
Anderson	Dieterich	Kroening	Novak	Schmitz
Belanger	Frank	Kronebusch	Olson	Sieloff
Benson	Frederick	Laidig	Pehler	Solon
Berg	Frederickson	Langseth	Peterson, C.C.	Spear
Berglin	Freeman	Lantry	Peterson, D.C.	Storm
Bernhagen	Hughes	Lessard	Peterson, R.W.	Stumpf
Bertram	Isackson	Luther	Petty	Ulland
Chmielewski	Johnson, D.E.	McQuaid	Pogemiller	Vega
Dahl	Johnson, D.J.	Mehrkens	Purfeerst	Waldorf
Davis	Jude	Merriam	Ramstad	Wegscheid
DeCramer	Kamrath	Moe, D. M.	Reichgott	Willet
Dicklich	Knaak	Moe, R. D.	Renneke	

So the bill, as amended, passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, 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. 2312.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 20, 1984

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 2021.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 24, 1984

### FIRST READING OF HOUSE BILLS

The following bills were read the first time.

H.F. No. 2312: A resolution memorializing the United States Congress to allow greater flexibility in the use of federal funds for veterans care facilities and programs.

Mr. Peterson, C.C. moved that H.F. No. 2312 be laid on the table. The motion prevailed.

H.F. No. 2021: A resolution memorializing the United States Environmental Protection Agency to adopt rules for a ban on leaded gasoline, and memorializing the Congress of the United States to enact legislation either prohibiting leaded gasoline or allowing the states to prohibit it.

### SUSPENSION OF RULES

Mr. Petty 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. 2021 and that the rules of the Senate be so far suspended as to give H.F. No. 2021 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 2021 was read the second time.

H.F. No. 2021 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 46 and nays 18, as follows:

Those who voted in the affirmative were:

Adkins	Hughes	McQuaid	Peterson, R. W.	Stumpf
Berglin	Johnson, D.E.	Merriam	Petty	Ulland
Bertram	Johnson, D.J.	Moe, D. M.	Pogemiller	Vega
Dahl	Jude	Moe, R. D.	Ramstad	Waldorf
Davis	Knaak	Nelson	Reichgott	Wegscheid
Dicklich	Kroening	Novak	Samuelson	Willet
Diessner	Laidig	Olson	Schmitz	
Dieterich	Lantry	Pehler	Sieloff	
Frank	Lessard	Peterson, C.C.	Solon	
Freeman	Luther	Peterson, D.C.	Spear	

Those who voted in the negative were:

Anderson	Bernhagen	Frederick	Kronebusch	Renneke
Belanger	Brataas	Isackson	Langseth	Storm
Benson	Chmielewski	Kamrath	Mehrkens	
Berg	DeCramer	Knutson	Purfeerst	

So the resolution passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, 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. 2182, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 2182 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 24, 1984

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 2182

A bill for an act relating to agriculture; changing certain duties of the commissioner; changing certain reporting requirements concerning agricultural land ownership; refining procedures and deadlines for investment reimbursement; authorizing the commissioner to use certain funds for short-term loans to help participants meet their family farm security loan obligations; exempting certain corporations and persons from the definition of warehouseman; exempting the family farm security program from certain loan commitment approval requirements; amending Minnesota Statutes 1982, sections 21.118; 29.27; 31.11; 31A.08; 41.56, subdivision 3; 231.01, subdivision 5; 500.221, subdivision 2a; 500.24, subdivision 4; and Minnesota Statutes 1983 Supplement, sections 16A.80, subdivision 2; 32.417; 38.02, subdivisions 1 and 3; and 500.221, subdivision 4.

April 24, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H.F. No. 2182, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 2182 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 16A.80, subdivision 2, is amended to read:

Subd. 2. [DUTIES.] Notwithstanding any law to the contrary, an agency of state government which is authorized (1) to make, participate in, or guarantee loans to private sector businesses, or (2) to invest directly or indirectly in a private sector business shall submit each loan, loan participation, loan guarantee, or investment proposal to the office of debt and loan management before making a commitment to make the loan, loan participation, loan

guarantee, or investment. No loan, loan participation, loan guarantee, or investment covered by this section shall be made without the approval of the office of loan management. This section does not apply to the housing finance agency, the state board of investment, the iron range resources and rehabilitation board, the higher education coordinating board, the higher education facilities authority, the department of agriculture family farm security program, or the energy and economic development authority.

Sec. 2. [17.709] [COUNCIL ON AGRICULTURAL COMMODITY PRICING.]

*Subdivision 1. [APPOINTMENT; MEMBERS.] The council on agricultural commodity pricing is created and shall consist of four members of the senate appointed by the senate committee on rules and administration, four members of the house of representatives appointed by the speaker of the house, and four residents of the state representing farm organizations with a diverse, statewide membership of producers of agricultural commodities appointed by the commissioner of agriculture. Legislative council members shall be appointed at the commencement of the first year of each regular session for a two year term beginning on January 16 of that year. One member from each house of the legislature shall be a minority member of that body. The provisions of section 15.059, subdivisions 2, 3, and 4, apply to the nonlegislative members of the council. Vacancies may be filled in the same manner as the original appointment. The council may elect a chairman from among its members.*

*Subd. 2. [DUTIES.] The council shall review and make recommendations on how states with agricultural economies can cooperate in the areas of agricultural exports, specialty crops, agricultural education institutions, and other areas that will improve the agricultural economy. The council shall advise the commissioner of agriculture concerning agricultural commodity pricing and marketing and submit any recommended legislative changes to the appropriate standing committees of the legislature. The council must provide a forum for advice and comment from a broad spectrum of individuals and organizations involved in agriculture.*

Sec. 3. Minnesota Statutes 1982, section 17A.03, is amended by adding a subdivision to read:

*Subd. 13. [STATE LIVESTOCK WEIGHMASTER.] "State livestock weighmaster" means a person employed by the department and appointed by the commissioner to weigh livestock and issue official certificates of state weight.*

Sec. 4. Minnesota Statutes 1982, section 17A.03, is amended by adding a subdivision to read:

*Subd. 14. [PUBLIC LIVESTOCK WEIGHER.] "Public livestock weigher" means a person employed by the company to be responsible and accountable for weighing and recording the weights of livestock.*

Sec. 5. Minnesota Statutes 1982, section 17A.03, is amended by adding a subdivision to read:

*Subd. 15. [COMMERCIAL LIVESTOCK SCALE.] "Commercial livestock scale" means a livestock scale or monorail scale used in the purchase*

*or sale of livestock or livestock carcasses. For purposes of this subdivision, "livestock scale" means a scale equipped with stock racks and gates and adapted to weighing single or multiple heads of livestock standing on the scale platform, and "monorail scale" means a scale, also called an abattoir scale, a track scale, or a rail scale, the load receiving element of which is part of a monorail conveyor system and which is used primarily for the weighing of livestock carcasses.*

Sec. 6. Minnesota Statutes 1982, section 17A.04, subdivision 1, is amended to read:

Subdivision 1. [LICENSING PROVISIONS.] Licenses shall be issued to livestock market agencies and public stockyards annually and shall expire on December 31 each year, renewable annually thereafter. The license issued to a livestock market agency and public stockyard shall be conspicuously posted at the licensee's place of business. Licenses shall be required for livestock dealers and their agents for the period beginning July 1 each year and ending June 30. The license issued to a livestock dealer or the agent of a livestock dealer shall be carried by the person so licensed. The livestock dealer shall be responsible for the acts of his agents. *Licensed livestock market agencies, public stockyards, and livestock dealers shall be responsible for the faithful performance of duty of the public livestock weighers at their places of business.* The license issued to a livestock market agency, public stockyard or a livestock dealer or agent of a livestock dealer is not transferable. The operation of livestock market agencies, livestock dealers, agents and packers at a public stockyard are exempt from sections 17A.01 to 17A.09, 17A.12 to 17A.15, and 239.27.

Sec. 7. Minnesota Statutes 1982, section 17A.04, subdivision 6, is amended to read:

Subd. 6. [REFUSAL TO LICENSE.] The commissioner shall refuse to issue a *livestock market agency or livestock dealer* license if the applicant has not filed a surety bond in the form and amount required under sections 17A.04 and 17A.05; the commissioner may refuse to issue a license if the applicant (1) has not satisfactorily demonstrated by a current balance sheet and financial statement that the applicant's assets exceed his liabilities; (2) has been found by the department to have failed to pay, without reasonable cause, obligations incurred in connection with livestock transactions; ~~or~~ (3) has failed to *maintain and operate livestock or monorail scales in a manner to ensure accurate and correct weights; or* (4) *has failed to comply with other statutes or, rules, or regulations enforced by the commissioner or, the board of animal health, the division of weights and measures of the department of public service, or the federal Packers and Stockyards Administration.*

Sec. 8. Minnesota Statutes 1982, section 17A.04, subdivision 7, is amended to read:

Subd. 7. [REVOCATION OF LICENSE.] Whenever the commissioner finds that any livestock market agency or livestock dealer has violated the provisions of ~~sections 17A.04, 17A.05, 17A.07, or 17A.08 this chapter, or~~ *has failed to comply with other laws, rules, or regulations enforced by the board of animal health, the division of weights and measures of the department of public service, or the federal Packers and Stockyards Administration,* the commissioner may, by order, pursuant to the provisions of chapter

14, and this subdivision, revoke the license of the offender. Before any such license shall be revoked, the licensee shall be furnished with a statement of the complaints made against him, and a hearing shall be had before the commissioner upon at least ten days notice to the licensee to determine whether such license shall be revoked, which notice may be served either by certified mail addressed to the address of the licensee as shown in his application or in the manner provided by law for the service of a summons. At the time and place fixed for hearing, the commissioner or any official, employee or agent of the department authorized by the commissioner, shall receive evidence, administer oaths, examine witnesses, hear the testimony and thereafter file an order either dismissing the proceedings or revoking the license.

Sec. 9. Minnesota Statutes 1982, section 17A.04, subdivision 8, is amended to read:

Subd. 8. [SUSPENSION OF LICENSE.] Whenever the commissioner finds that the licensee has violated the provisions of ~~sections 17A.04, 17A.05, 17A.07, or 17A.08 this chapter, or has failed to comply with other laws, rules, or regulations enforced by the board of animal health, the division of weights and measures of the department of public service, or the Federal Packers and Stockyards Administration,~~ and that the continued activity of a licensee may cause irreparable injury or loss to persons engaged in business with the licensee, the commissioner may, without hearing, suspend the license of the licensee, provided that when a license is so suspended, the commissioner shall immediately initiate procedures to afford the licensee a hearing pursuant to subdivision 7 except that the ten days notice required in subdivision 7 may be waived by the licensee.

Sec. 10. Minnesota Statutes 1982, section 17A.05, is amended to read:

17A.05 [AMOUNT OF BONDS.]

Subdivision 1. [LIVESTOCK MARKET AGENCIES.] The amount of each livestock market agency bond filed with the commissioner shall be not less than \$10,000 or such larger amount as required, based on the commissioner's consideration of the principal's financial statement, the volume of business he reports, or any other factor the commissioner deems pertinent for the protection of the public. Each such bond shall be executed on a Packers and Stockyards Act form and shall contain the condition clause applicable when the principal sells on commission. A bond equivalent ~~in the form of a trust fund agreement~~ executed in accordance with the Packers and Stockyards Act, 1921, as amended, (7 U.S.C. 181 et seq.) ~~shall be~~ *is* acceptable.

Subd. 2. [LIVESTOCK DEALERS.] The amount of each livestock dealer bond filed with the commissioner shall be not less than \$5,000 or such larger amount as required, based on the commissioner's consideration of the principal's financial statement, the volume of business he reports, or any other factor the commissioner deems pertinent for the protection of the public. Each such bond shall contain the condition clause applicable when the principal buys on commission or as a dealer. A livestock dealer's bond shall be executed on a form furnished by the commissioner or in accordance with the Packers and Stockyards Act, 1921, as amended, (7 U.S.C. 181 et seq.).

~~If the~~ *When* a bond is executed on a state form furnished by the commissioner, the bond *shall be for the protection of both the buyer and the seller*

*named in the transaction when the principal fails to pay when due for livestock purchased or sold for his own account or the account of others and shall be limited to the protection of claimants whose residence or principal place of livestock business is in the state of Minnesota at the time of the transaction. If the bond is filed on a form in accordance with the Packers and Stockyards Act, the bond shall cover claimants regardless of place of residence.*

Sec. 11. Minnesota Statutes 1983 Supplement, section 17A.06, subdivision 3, is amended to read:

Subd. 3. [~~LEGAL PUBLIC NOTICE.~~] Prior to a hearing, the commissioner shall ~~notify by certified mail all known potential claimants and~~ publish a notice setting forth the default of the licensee and requiring all claimants to file proof of claim with the commissioner within ~~three months~~ *45 days* of the date such notice is published or be barred from participating in the proceeds of the bond. Such publication shall be made for ~~three consecutive weeks~~ in a newspaper published ~~at the county seat of~~ *in* the county in which the licensee has his principal place of business. The commissioner shall also fulfill any notice requirements prescribed by chapter 14 and rules of the office of administrative hearings. No claim shall be allowed unless it is filed with the commissioner within one year of the date of the transaction. If a livestock market agency or livestock dealer has on file a Packers and Stockyards Act bond and is registered with the Packers and Stockyards Administration, the terms of the bond or that federal agency's regulations will control ~~in determining the time for filing claims.~~

Sec. 12. Minnesota Statutes 1982, section 17A.07, is amended to read:

17A.07 [PROHIBITED CONDUCT.]

It shall be unlawful for any person to (1) carry on the business of a livestock market agency ~~or~~, livestock dealer, *or public stockyard* without a valid and effective license issued by the commissioner under the provisions of section 17A.04; (2) carry on the business of a livestock market agency or livestock dealer without filing and maintaining a valid and effective surety bond in conformity with sections 17A.04 and 17A.05; (3) carry on the business of a livestock market agency or livestock dealer if he cannot pay his debts as they become due or ceases to pay his debts in the ordinary course of business as they become due; (4) *use or allow to be used any livestock scale or monorail scale which has not been certified and approved for official use or has been found to be inaccurate;* (5) *fail to maintain and operate livestock or monorail scales in a manner to ensure accurate and correct weights;* (6) *weigh livestock or carcasses at other than true and correct weights or issue accounts and records on the basis of inaccurate or incorrect weights;* (7) engage in or use any unfair or deceptive practice or device in connection with marketing of livestock; ~~(8)~~ (8) willfully make or cause to be made any false entry or statement of fact in any application, financial statement or report filed with the department under ~~the provisions of sections 17A.04, 17A.05 and 17A.08~~ *this chapter.*

Sec. 13. Minnesota Statutes 1982, section 17A.10, is amended to read:

17A.10 [PACKING PLANTS, LIVESTOCK MARKET AGENCIES SCALES AND STOCKYARDS; WEIGHERS WEIGHING.]

*Subdivision 1. [COMMERCIAL LIVESTOCK SCALES.] All livestock*



scales and monorail scales used for the purpose of buying or selling livestock or livestock carcasses within the state must meet the construction, maintenance, testing, and certification requirements of the division of weights and measures of the department of public service, and be in compliance with the scales and weighing regulations of the Packers and Stockyards Administration of the United States Department of Agriculture and be tested and certified by the state division of weights and measures. The division of weights and measures or an authorized scale company shall test all livestock scales at least twice per year. The department of agriculture may perform scale maintenance inspections at least twice per year at intervals that will provide alternate testing or inspection of each scale every 90 days. Special tests may be required as necessary. The basic maintenance tolerance for livestock scales is one pound per 1,000 pounds of test load. The responsibility for compliance of a scale with these requirements rests with the owner or manager of the scale.

*Subd. 2. [STATE LIVESTOCK WEIGHMASTERS.]* The commissioner shall appoint at public stockyards, packing plants, slaughtering houses, buying stations, or livestock market agencies where the average daily number of livestock weighed for the purpose of establishing a basis for sale is 500 head or more, and the commissioner may appoint state employees as necessary to provide state weighing service at public stockyards, packing plants, slaughtering houses, buying stations, or livestock market agencies on application from such facilities where the average daily number of livestock weighed for the purpose of establishing a basis for sale is less than 500 head, such weighers as may be necessary for weighing livestock, provided that no weighers shall be required at facilities where the only livestock handled has been previously purchased or acquired, and title or terms of ownership already established. The commissioner shall prescribe and follow such reasonable regulations as he deems necessary for determining such daily average. Such weighers the business entity requesting official state livestock weighing. State livestock weighmasters shall weigh all livestock coming to these places for sale, and keep a record thereof. Upon request, the weighers shall of the weights, and furnish the interested parties a certificate setting forth of state weight stating the number of animals weighed and the actual weight of such animal or the animals. Such The certificate shall be is prima facie evidence of the facts therein certified. The scales at all such places on which livestock is weighed shall be constructed and maintained in accordance with the requirements of the state division of weights and measures, and be tested up to the maximum draft that may be weighed thereon, at least once every 90 days, and be in compliance with all the statutory requirements and regulations adopted by the state division of weights and measures pertaining to livestock scales and weighing. An application for official state livestock weighing constitutes an agreement between the business entity requesting state weighing and the commissioner. The agreement is for one year beginning July 1 and ending the following June 30. The agreement automatically renews each year unless the average daily number of livestock weighed falls below 500 head, in which case the business entity must give the commissioner a written notice of intent to terminate at least 90 days prior to July 1. Otherwise the commissioner shall continue to provide state weighing services in accordance with this chapter.

State weighing service that exists on January 1, 1984, may not be terminated except as provided in this subdivision.

*Subd. 3. [REQUEST BY PETITION.]* Sellers of record of any weighing station employing one or more public livestock weighers may request by

*petition state livestock weighmasters. The commissioner shall, upon a petition signed by at least five percent of the sellers of record from the previous 12-month period submit to all sellers of record from the previous 12-month period the question of requiring state livestock weighmasters at the weighing station. The question on the ballot shall be stated substantially as follows:*

*"Shall state livestock weighmasters be required at ..... weighing station?"*

*If the majority of the votes cast on the proposition is in the positive, the commissioner shall appoint state livestock weighmasters to the weighing station as necessary.*

*Subd. 4. [SUPERVISION AND ENFORCEMENT.] State livestock weighmasters have charge over the scales on which official certificates of state weight are issued to ensure compliance with scale maintenance and testing requirements and proper weighing procedures.*

*The commissioner shall appoint law compliance personnel as necessary to provide maintenance inspections, check-weighing, comparison weighing, and record audits and to investigate complaints in order to enforce this chapter.*

*The regulations pertaining to livestock and monorail scales adopted by the Packers and Stockyards Administration of the United States Department of Agriculture are applicable in Minnesota, and a memorandum of understanding with the Packers and Stockyards Administration provides for a cooperative state and federal enforcement program.*

Sec. 14. Minnesota Statutes 1982, section 17A.11, is amended to read:

17A.11 [FEES FOR LIVESTOCK WEIGHING.]

The commissioner shall prescribe the fee necessary to cover the cost of ~~such~~ state weighing, to be assessed and collected from the seller in ~~such~~ the manner as the commissioner may prescribe; ~~provided, that~~. The fee prescribed by the commissioner shall not exceed the fee in effect on March 1, 1984. The fee assessed *must* be the same, and the manner of collection ~~thereof of the fee must~~ be uniform at all facilities; ~~and provided, further, that~~ if. At any location, except a public stockyard, where state weighing is performed in accordance with ~~Laws 1974, Chapter 347~~ this chapter and the total annual fees collected are insufficient to pay the cost of ~~such~~ the weighing, the annual deficit shall be assessed and collected in ~~such~~ the manner as the commissioner may prescribe. Additional ~~moneys~~ money arising from the weighing of animals by the commissioner, which ~~have~~ has been collected and retained by any person, shall be paid on demand to the commissioner. All ~~moneys~~ money collected by the commissioner shall be deposited in the state treasury and credited to the livestock weighing fund, and shall be paid out only on the order of the commissioner and the state's warrant.

Sec. 15. Minnesota Statutes 1982, section 17A.12, is amended to read:

17A.12 [QUALIFICATIONS.]

No ~~weigher~~ state livestock weighmaster shall, during ~~his~~ the weighmaster's term of service, be in any manner financially interested in the handling, shipping, purchase, or sale of livestock; ~~nor~~ or in the employment of any

person engaged therein.

Sec. 16. [17A.17] [AUDIT BY DEPARTMENT.]

*The department may audit records, including incoming purchase records of a livestock packer and shipping weights or transfer of weight invoices, in order to ensure there are no weight discrepancies in hot weight or grade and yield transactions.*

Sec. 17. Minnesota Statutes 1982, section 31.11, is amended to read:

31.11 [RULES AND REGULATIONS.]

For the purpose of preventing fraud and deception in the manufacture, use, sale, and transportation of food, or for the purpose of protecting and preserving the public health, it shall also be the duty of the commissioner to ~~make and publish uniform~~ *adopt temporary or permanent rules and regulations*, not inconsistent with law, for carrying out and enforcing the provisions of laws now or hereafter enacted relating to food; which ~~rules and regulations~~ shall be made in the manner provided by law. Until such ~~rules and regulations~~ are made and published, the ~~rules and regulations~~ heretofore made by the commissioner shall remain in full force and effect, except as otherwise prescribed by law. Any person who shall manufacture, use, sell, transport, offer for use, sale or transportation, or have in possession with intent to use, sell or transport, any article of food contrary to the provisions of any such ~~rule or regulation~~, or who shall fail to comply with any such ~~rule or regulation~~, shall be guilty of a misdemeanor.

Sec. 18. Minnesota Statutes 1983 Supplement, section 32.417, is amended to read:

32.417 [INVESTMENT REIMBURSEMENTS TO MANUFACTURED MILK PRODUCERS.]

An operator of a dairy farm that produces milk for sale in cans may apply for a reimbursement in the amount of \$100 for the first \$500 or fraction thereof, and ten percent of the next \$2,000, of the net expenditures by the operator for any capital improvements or equipment installed primarily for the purpose of conforming to the standards adopted in section 32.415. ~~No An investment reimbursement may~~ *shall* be made to an applicant ~~unless as soon as practicable after~~:

(a) the applicant provides receipts for the expenditures;

(b) a dairy inspector authorized by the commissioner certifies that the applicant's dairy operation complies with the standards adopted in section 32.415 as a result of the installation of the improvements or equipment; and

(c) *the applicant provides a signed statement asserting that expenditures for the improvements and equipment were made on or after the effective date of this section but before July 4 April 20, 1985.*

The commissioner shall provide ~~an~~ *to the operator of each dairy farm that produces milk for sale in cans a simple application form for the reimbursement program provided by this section. By January 1, 1984, the commissioner shall adopt temporary rules under sections 14.29 to 14.36 which provide reimbursement application and payment procedures, and eligibility criteria based on an applicant's need for a reimbursement. Notwithstanding the provisions of*

~~section 14.35, the rules shall be effective until July 1, 1985. No reimbursement application may be approved after June 30, 1985. The department shall accept applications for the investment reimbursement program until April 30, 1985.~~

Sec. 19. Minnesota Statutes 1982, section 41.56, subdivision 3, is amended to read:

Subd. 3. [DEFAULT, FILING CLAIM.] (a) Within 90 days ~~of~~ after a default on a guaranteed family farm security loan, the lender shall send notice to the applicant stating that the commissioner must be notified if the default continues for 180 days, and the consequences of that default. The lender and the applicant may agree to take any steps reasonable to assure the fulfillment of the loan obligation.

(b) *If the participant who is an applicant proves to the commissioner that he cannot meet scheduled loan payments due to circumstances of a unique or temporary nature and the participant provides evidence to the commissioner that sufficient cash flow can be generated in the future to fully meet all needs, the commissioner may use funds in the special account under section 41.61, subdivision 1, to pay the applicant's loan obligation for not more than two consecutive years. The funds paid by the commissioner must be paid back to the fund within five years with interest charged at the rate of four percent below the prevailing Federal Land Bank rates.*

(c) After 180 days from the initial default, if the applicant has not made arrangements to meet his obligation, the lender shall file a claim with the commissioner, identifying the loan and the nature of the default, and assigning to the state all of the lender's security and interest in the loan in exchange for payment according to the terms of the family farm security loan guarantee. In the case of a seller-sponsored loan, the seller may elect to pay the commissioner all sums owed the commissioner by the applicant and retain title to the property in lieu of payment by the commissioner under the terms of the loan guarantee. If the commissioner determines that the terms of the family farm security loan guarantee have been met, he shall authorize payment of state funds to the lender, and shall notify the defaulting party. The state of Minnesota shall then succeed to the interest of the mortgagee or the vendor of the contract for deed. Taxes shall be levied and paid on the land as though the owner were a natural person and not a political subdivision of the state. The commissioner may, on behalf of the state, commence foreclosure or termination proceedings in the manner provided by law.

Sec. 20. [GREEN PRAIRIE; CERTAIN POWERS.]

*The town of Green Prairie in Morrison County may exercise the powers set out in Minnesota Statutes, section 368.01, subdivisions 14, 15, 16, 19, 21, 22, and 29.*

Sec. 21. Minnesota Statutes 1983 Supplement, section 38.02, subdivision 1, is amended to read:

Subdivision 1. [PRO RATA DISTRIBUTION; CONDITIONS.] (1) Money appropriated to aid county and district agricultural societies and associations shall be distributed among all county and district agricultural societies or associations in the state pro rata, upon condition that each of them has complied with the conditions specified in clause (2).

(2) To be eligible to participate in such distribution, each such agricultural

society or association (a) shall have held an annual fair for each of the three years last past, unless prevented from doing so because of a calamity or an epidemic declared by the local board of health or the state commissioner of health to exist; (b) shall have an annual membership of 25 or more; (c) shall have paid out to exhibitors for premiums awarded at the last fair held a sum not less than the amount to be received from the state; (d) shall have published and distributed not less than three weeks before the opening day of the fair a premium list, listing all items or articles on which premiums are offered and the amounts of such premiums and shall have paid premiums pursuant to the amount shown for each article or item to be exhibited; provided that premiums for school exhibits may be advertised in the published premium list by reference to a school premium list prepared and circulated during the preceding school year; and shall have collected all fees charged for entering an exhibit at the time the entry was made and in accordance with schedule of entry fees to be charged as published in the premium list; (e) shall have paid not more than one premium on each article or item exhibited, excluding championship or sweepstake awards, and excluding the payment of open class premium awards to 4H Club exhibits which at this same fair had won a first prize award in regular 4H Club competition; (f) shall have submitted its records and annual report to the commissioner of agriculture on a form provided by the commissioner of agriculture, on or before the first day of ~~December~~ *November* of the current year.

(3) All payments authorized under the provisions of this chapter shall be made only upon the presentation by the commissioner of agriculture with the commissioner of finance of a statement of premium allocations. As used herein the term premium shall mean the cash award paid to an exhibitor for the merit of an exhibit of livestock, livestock products, grains, fruits, flowers, vegetables, articles of domestic science, handicrafts, hobbies, fine arts, and articles made by school pupils, or the cash award paid to the merit winner of events such as 4H Club or Future Farmer Contest, Youth Group Contests, school spelling contests and school current events contests, the award corresponding to the amount offered in the advertised premium list referred to in schedule 2. Payments of awards for horse races, ball games, musical contests, talent contests, parades, and for amusement features for which admission is charged, are specifically excluded from consideration as premiums within the meaning of that term as used herein. Upon receipt of the statement by the commissioner of agriculture, it shall be the duty of the commissioner of finance to draw his voucher in favor of the agricultural society or association for the amount to which it is entitled under the provisions of this chapter, which amount shall be computed as follows: On the first \$750 premiums paid by each society or association, such society or association shall receive 100 percent reimbursement; on the second \$750 premiums paid, 80 percent; on the third \$750 premiums paid, 60 percent; and on any sum in excess of \$2,250, 40 percent.

(4) If the total amount of state aid to which the agricultural societies and associations are entitled under the provisions of this chapter exceeds the amount of the appropriation therefor, the amounts to which the societies or associations are entitled shall be pro rated so that the total payments by the state will not exceed the appropriation.

3, is amended to read:

Subd. 3. [CERTIFICATION, COMMISSIONER OF AGRICULTURE.] Any county or district agricultural society which has held its second annual fair is entitled to share pro rata in the distribution. The commissioner of agriculture shall certify to the secretary of the state agricultural society, within 30 days after payments have been made, a list of all county or district agricultural societies that have complied with this chapter, and which are entitled to share in the appropriation. All payments shall be made ~~within three months after the agricultural societies submitted their reports under subdivision 1, clause (2)(f) on or before December 20 of the year in which the fair is held~~ or within 30 days after all societies have submitted their annual report to the commissioner of agriculture, whichever is later.

Sec. 23. [121.60] [MILK IN SCHOOLS PROGRAM; CITATION.]

*Sections 23 to 28 may be cited as the Minnesota Milk In Schools Act.*

Sec. 24. [121.61] [MILK IN SCHOOLS PROGRAM.]

*Subdivision 1. [ADMINISTRATION.] The Minnesota milk in schools program created by this act shall be administered by the commissioner of education or designee. The state board of education may adopt rules and temporary rules for operation of the program. No temporary rules promulgated to initiate the program may remain in effect for more than 360 days after the effective date of this act. The Minnesota milk in schools program shall be coordinated with federal milk and school lunch programs operated by the department of education.*

*Subd. 2. [ELIGIBLE SCHOOLS.] "Eligible schools" means public school districts and nonpublic schools which operate educational programs for students in kindergarten through grade six. Schools which are participating in the federal special milk program authorized pursuant to Public Law 89-642 shall not be eligible to participate in the program established in this section.*

*Subd. 3. [ELIGIBLE MILK PRODUCTS.] The Minnesota milk in schools program may be used to help eligible schools provide the following products to students: whole homogenized milk, "two percent" milk, skim milk, chocolate flavored milk containing not less than two percent butterfat, and any other products that may be designated by state board rules. Eligible milk products may be delivered to eligible schools packaged in single serving containers or in larger quantities.*

*Subd. 4. [APPLICATION.] Beginning in the 1986-1987 school year, by August 1 of each year, any eligible school may apply to the commissioner of education on application forms provided by the department to participate in the Minnesota milk in schools program and to receive aid for eligible milk products as defined in subdivision 3.*

Sec. 25. [121.62] [AID PAYMENTS.]

*The department of education shall pay aid to eligible schools who comply with the requirements of section 24, subdivision 4, in an amount equal to the amount raised by the school district pursuant to section 27, but not to exceed an amount of \$1.25 for each pupil unit in average daily membership in grades kindergarten to six. The school district may decide how the aid is allocated*

*among the pupils in those grades. The department shall make an initial payment of the district's aid entitlement by August 31 of each fiscal year and the remaining amount by March 31 in the same fiscal year.*

Sec. 26. [121.63] [UFARS ACCOUNT.]

*The state board of education, with the advice and assistance of the uniform financial and reporting standards council, shall establish a new Minnesota milk in schools program account. Funds received by the district for this program shall be deposited in this account and shall be expended only for the purposes of this program.*

Sec. 27. [121.64] [ADDITIONAL FUNDING.]

*Districts participating in this program may accept additional private contributions to supplement the state funding. These contributions shall be deposited in the district's fund established pursuant to section 26 and shall be treated in accordance with the provisions of section 290.089, subdivision 2, for income tax purposes.*

Sec. 28. [121.65] [PROMOTION; DISSEMINATION OF INFORMATION.]

*The department of education, in cooperation with the school districts, shall promote and disseminate information about the Minnesota milk in schools program to school district residents.*

Sec. 29. [EFFECTIVE DATE.]

*Section 20 is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the town board of Green Prairie. Sections 23 to 27 are effective July 1, 1986. Section 28 is effective July 1, 1985."*

Delete the title and insert:

*"A bill for an act relating to agriculture; providing for rural Minnesota and its towns; providing for omnibus agricultural law changes; creating the Minnesota milk in schools program; amending Minnesota Statutes 1982, sections 17A.03, by adding subdivisions; 17A.04, subdivisions 1, 6, 7, and 8; 17A.05; 17A.07; 17A.10; 17A.11; 17A.12; 31.11; 41.56, subdivision 3; Minnesota Statutes 1983 Supplement, sections 16A.80, subdivision 2; 17A.06, subdivision 3; 32.417; 38.02, subdivisions 1 and 3; proposing new law coded in Minnesota Statutes, chapters 17; 17A; and 121."*

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Stephen G. Wenzel, James Metzen, Sylvester Uphus, Rick Krueger, Bob Jensen

Senate Conferees: (Signed) Joe Bertram, Charles R. Davis, Charles A. Berg, Gary M. DeCramer

Mr. Bertram moved that the foregoing recommendations and Conference Committee Report on H.F. No. 2182 be now adopted, and that the bill be repassed as amended by the Conference Committee.

Mr. Wegscheid moved that the recommendations and Conference Committee Report on H.F. No. 2182 be rejected and that the bill be re-referred to the Conference Committee as formerly constituted for further consideration.

The question was taken on the adoption of the motion of Mr. Wegscheid.

Mr. Wegscheid moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 39 and nays 24, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laidig	Olson	Sieloff
Belanger	Frederickson	Lantry	Pehler	Spear
Benson	Freeman	Lessard	Peterson, D.C.	Storm
Berglin	Isackson	McQuaid	Peterson, R.W.	Ulland
Bernhagen	Kamrath	Mehrkens	Petty	Waldorf
Brataas	Knaak	Merriam	Purfeerst	Wegscheid
Diessner	Knutson	Moe, D. M.	Ramstad	Willet
Frank	Kroening	Nelson	Reichgott	

Those who voted in the negative were:

Adkins	DeCramer	Johnson, D.J.	Moe, R. D.	Samuelson
Bertram	Dicklich	Jude	Novak	Schmitz
Chmielewski	Dieterich	Kronebusch	Peterson, C.C.	Solon
Dahl	Hughes	Langseth	Pogemiller	Stumpf
Davis	Johnson, D.E.	Luther	Renneke	

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 bill was read the first time and referred to the Committee indicated.

Mr. Knaak introduced—

S.F. No. 2222: A bill for an act relating to municipalities; granting power to regulate or prohibit the setting or placement of traps, snares, or similar devices.

Referred to the Committee on Agriculture and Natural Resources.

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. 111: A Senate resolution relating to notifying the House of Representatives the Senate is about to adjourn sine die.

BE IT RESOLVED, by the Senate:

That the Secretary of the Senate shall notify the House of Representatives the Senate is about to adjourn sine die.

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. 112: A Senate resolution relating to notifying the Governor the Senate is about to adjourn sine die.

BE IT RESOLVED, by the Senate:

That the Secretary of the Senate shall notify The Honorable Rudy Perpich, Governor of the State of Minnesota, that the Senate is ready to adjourn sine die.

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. 113: A Senate resolution relating to conduct of Senate business during the interim between Sessions.

BE IT RESOLVED, by the Senate:

The powers, duties, and procedures set forth in this resolution apply during the interim between the adjournment sine die of the 73rd Legislature, 1984 Session, and the convening of the 74th Legislature, 1985 Session.

The Committee on Rules and Administration may, from time to time, assign to the various committees and subcommittees of the Senate, in the interim, matters brought to its attention by any member of the Senate for study and investigation. The standing committees and subcommittees may study and investigate all subjects that come within their usual jurisdiction, as provided by Minnesota Statutes, Section 3.921. A committee shall carry on its work by subcommittee or by committee action as the committee from time to time determines. Any study undertaken by any of the standing committees, or any subcommittee thereof, shall be coordinated to the greatest extent possible with other standing committees or subcommittees of the Senate and House of Representatives, and may, if the committee or subcommittee so determines, be carried on jointly with another committee or subcommittee of the Senate or House of Representatives.

The Subcommittee on Committees of the Committee on Rules and Administration shall appoint persons as necessary to fill any vacancies that may occur in committees, commissions, and other bodies whose members are to be appointed by the Senate authorized by rule, statute, resolution, or otherwise. The Subcommittee on Committees may appoint members of the Senate to assist in the work of any committee.

The Committee on Rules and Administration shall establish positions, set compensation and benefits, appoint employees, and authorize expense reimbursement as it deems proper to carry out the work of the Senate.

The Committee on Rules and Administration may authorize members of the Senate and personnel employed by the Senate to travel and to attend courses of instruction or conferences for the purpose of improving and making more efficient Senate operation and may reimburse these persons for the costs thereof out of monies appropriated to the Senate for the standing committees.

All members of activated standing committees or subcommittees of the

Senate, and staff, shall be reimbursed for all expenses actually and necessarily incurred in the performance of their duties during the interim in the manner provided by law. Payment shall be made by the Secretary of the Senate out of monies appropriated to the Senate for the standing committees. The Committee on Rules and Administration shall determine the amount and manner of reimbursement for living and other expenses of each member of the Senate incurred in the performance of his duties when the Legislature is not in regular session.

The Secretary of the Senate shall continue to perform his duties during the interim. During the interim, but not including time which may be spent in any special session, the Secretary of the Senate shall be paid for services rendered the Senate at the rate established for that position for the 1984 regular session, unless otherwise directed by the Committee on Rules and Administration, plus travel and subsistence expense incurred incidental to his Senate duties, including salary and travel expense incurred in attending meetings of the American Society of Legislative Clerks and Secretaries and the National Conference of State Legislatures.

Should a vacancy occur in the position of Secretary of the Senate, by resignation or other causes, the Committee on Rules and Administration shall appoint an acting Secretary of the Senate who shall serve in such capacity during the remainder of the interim under the provisions herein specified.

The Secretary of the Senate is authorized to employ after the close of the session, the employees necessary to finish the business of the Senate at the salaries paid under the rules of the Senate for the 1984 regular session. He is authorized to employ the necessary employees to prepare for the 1985 session at the salaries in effect at that time.

The Secretary of the Senate shall classify as "permanent" for purposes of Minnesota Statutes, Sections 3.095 and 43A.24, those Senate employees heretofore or hereafter certified as "permanent" by the Committee on Rules and Administration.

The Secretary of the Senate, as authorized and directed by the Committee on Rules and Administration, shall furnish each member of the Senate with postage and supplies, and may reimburse each member for long distance telephone calls and answering services upon proper verification of the expenses incurred, and for other expenses authorized from time to time by the Committee on Rules and Administration.

The Secretary of the Senate shall correct and approve the Journal of the Senate for those days that have not been corrected and approved by the Senate, and shall correct printing errors found in the Journal of the Senate for the 73rd Legislature. He may include in the Senate Journal proceedings of the last day, appointments by the Subcommittee on Committees to interim commissions created by legislative action, permanent commissions or committees established by statute, standing committees, official communications and other matters of record received on or after adjournment sine die.

The Secretary of the Senate may pay election and litigation costs as authorized by the Committee on Rules and Administration.

The Secretary of the Senate, with the approval of the Committee on Rules and Administration, shall secure bids and enter into contracts for the printing

of the daily Senate journals, bills, general orders, special orders, calendars, resolutions, printing and binding of the permanent Senate Journal, shall secure bids and enter into contracts for remodeling, improvement and furnishing of Senate office space, conference rooms and the Senate Chamber and shall purchase all supplies, equipment and other goods and services necessary to carry out the work of the Senate. Any contracts in excess of \$5,000 shall be signed by the Chairman of the Committee on Rules and Administration and another member designated by the Committee on Rules and Administration.

The Secretary of the Senate shall draw warrants from the legislative expense fund in payment of the accounts herein referred to.

All Senate records, including committee books, are subject to the direction of the Committee on Rules and Administration.

The Senate Chamber, retiring room, committee rooms, all conference rooms, storage rooms, Secretary of the Senate's office, Rules and Administration office, and any and all other space assigned to the Senate shall be reserved for use by the Senate and its standing committees only and shall not be released or used for any other purpose except upon authorization of the Secretary of the Senate with the approval of the Committee on Rules and Administration, or the Chairman thereof.

The custodian of the Capitol shall continue to provide parking space through the Secretary of the Senate for members and staff of the Minnesota State Senate on Aurora Avenue and other areas as may be required during the interim. The Secretary of the Senate may deduct from the check of any legislator or legislative employee a sum adequate to cover the exercise of the parking privilege herein defined in conformity with the practice of the department of Administration.

The question was taken on the adoption of the resolution.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Nelson	Samuelson
Anderson	Dieterich	Kroening	Novak	Schmitz
Belanger	Frank	Kronebusch	Olson	Sieloff
Berg	Frederick	Laidig	Pehler	Solon
Berglin	Frederickson	Langseth	Peterson, C.C.	Spear
Bernhagen	Freeman	Lantry	Peterson, D.C.	Storm
Bertram	Hughes	Lessard	Peterson, R.W.	Stumpf
Brataas	Isackson	Luther	Petty	Ulland
Chmielewski	Johnson, D.E.	McQuaid	Pogemiller	Waldorf
Dahl	Johnson, D.J.	Mehrkens	Purfeerst	Wegscheid
Davis	Jude	Merriam	Ramstad	Willett
DeCramer	Kamrath	Moe, D. M.	Reichgott	
Dicklich	Knaak	Moe, R. D.	Renneke	

The motion prevailed. So the resolution was adopted.

Remaining on the Order of Business of Motions and Resolutions, without objection, the Senate reverted to the Order of Business of Messages From the House.

**MESSAGES FROM THE HOUSE**

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1880 and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 1880: A bill for an act relating to local government; providing for financing of county and county regional jails; amending Minnesota Statutes 1982, sections 641.24; and 641.264, subdivision 1.

Senate File No. 1880 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 24, 1984

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1628 and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 1628: A bill for an act relating to public welfare; setting licensing, planning and zoning provisions with respect to licensed residential and day care facilities; providing that certain facilities are permitted multi-family uses; allowing municipalities to require conditional use permits for certain other facilities; requiring counties to engage in planning to promote dispersal of residential facilities; providing that certain facilities are permitted single family uses; amending Minnesota Statutes 1982, sections 245.783, by adding a subdivision; 245.812, subdivisions 3, 4 and 7, and by adding a subdivision; and 462.357, subdivisions 7, 8, and by adding a subdivision.

Senate File No. 1628 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 24, 1984

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1563, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 1563: A bill for an act relating to labor; extending the statute of limitation on certain actions to recover wages or overtime; clarifying child labor penalties; amending Minnesota Statutes 1982, section 541.07; Minnesota Statutes 1983 Supplement, section 181A.12, subdivision 1.

Senate File No. 1563 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 24, 1984

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1349, and repassed said bill in accordance with the report of the Committee, so

adopted.

S.F. No. 1349: A bill for an act relating to liquor; abolishing prohibition on furnishing liquor to certain persons and exclusion of certain persons from liquor establishments after notice; amending Minnesota Statutes 1982, section 340.601; repealing Minnesota Statutes 1982, sections 340.73, subdivision 2; 340.78; and 340.81.

Senate File No. 1349 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 24, 1984

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 992, 1905, 120, 433, 924, 1330, 1442, 1561, 1441, 2102, 1614, 1884 and 1559.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 24, 1984

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. 12.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 24, 1984

House Concurrent Resolution No. 12: A House concurrent resolution relating to the delivery of bills to the governor after final adjournment.

WHEREAS, the Minnesota Constitution, Article IV, Section 23, authorizes the presentation to the Governor after sine die adjournment of bills that passed in the last three days of the session; NOW, THEREFORE,

BE IT RESOLVED by the House of Representatives of the State of Minnesota, the Senate concurring, that upon adjournment sine die of the 73rd regular session of the Legislature, bills shall be presented to the Governor as follows:

(a) The Speaker of the House of Representatives, the Chief Clerk of the House of Representatives, the President of the Senate, and the Secretary of the Senate shall certify and sign each bill in the same manner and upon the same certification as each bill is signed for presentation to the Governor prior to adjournment sine die, and each of those officers shall continue in his designated capacity during the three days following the date of final adjournment.

(b) The Chief Clerk of the House of Representatives and the Secretary of the Senate, in accordance with the rules of the respective bodies and under the supervision and direction of the standing Committee on Rules and Legislative Administration and the standing Committee on Rules and Administration, shall carefully enroll each bill and present them to the Governor in the same manner as each bill is enrolled and presented to the Governor prior to

the adjournment of the Legislature sine die.

(c) The Revisor of Statutes shall continue to assist in all of the functions relating to enrollment of bills of the House of Representatives and of the Senate under the supervision of the Chief Clerk of the House of Representatives and the Secretary of the Senate in the same manner that his assistance was rendered prior to the adjournment of the Legislature sine die.

**BE IT FURTHER RESOLVED** that the Chief Clerk of the House of Representatives is directed to deliver copies of this resolution to the Governor and the Secretary of State.

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

### **MEMBERS EXCUSED**

Mr. Taylor was excused from this evening's Session. Mr. Hughes was excused from the Session of today from 6:10 to 8:45 p.m. Mr. Waldorf was excused from the Session of today from 7:30 to 8:30 p.m.

### **ADJOURNMENT**

Mr. Moe, R.D. moved that the Senate do now adjourn sine die. The motion prevailed.

**COMMUNICATIONS RECEIVED  
SUBSEQUENT TO ADJOURNMENT**

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

April 23, 1984

The Honorable Jerome M. Hughes  
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. 506, 746, 989, 1112, 1196, 1398, 1477, 1495, 1642, 1740, 1768, 1853, 1867, 1891 and 2145.

Sincerely,

Rudy Perpich, Governor

April 23, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1984 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1984	Date Filed 1984
	1553	411	April 22	April 23
	2047	412	April 22	April 23
	2038	413	April 22	April 23
	1998	414	April 22	April 23
	1936	415	April 22	April 23
	1835	416	April 22	April 23
	1824	417	April 22	April 23
	1819	418	April 22	April 23
	1809	419	April 22	April 23
	1652	420	April 22	April 23
	1445	421	April 22	April 23
1454		422	April 22	April 23
1351		423	April 22	April 23
2145		424	April 23	April 23
1891		425	April 23	April 23
1867		426	April 23	April 23
1853		427	April 23	April 23
1768		428	April 23	April 23
1740		429	April 23	April 23
1642		430	April 23	April 23
1495		431	April 23	April 23
1477		432	April 23	April 23
1398		433	April 23	April 23
1196		434	April 23	April 23
1112		435	April 23	April 23

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1984	Date Filed 1984
989		436	April 23	April 23
746		437	April 23	April 23
506		438	April 23	April 23
	2150	439	April 23	April 23
	1939	440	April 23	April 23
	1912	441	April 23	April 23
	1786	442	April 23	April 23
	1781	443	April 23	April 23
	1656	444	April 23	April 23
	1651	445	April 23	April 23
	1562	446	April 23	April 23
	1338	447	April 23	April 23
	1058	448	April 23	April 23
	996	449	April 23	April 23
	585	450	April 23	April 23
	523	451	April 23	April 23
1504		452	April 19	April 20

Sincerely,

Joan Anderson Growe  
Secretary of State

April 24, 1984

The Honorable Jerome M. Hughes  
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. 1986, 1662, 1813, 1258, 1794, 1760, 1807, 1973, 1977 and 1622.

Sincerely,

Rudy Perpich, Governor

April 25, 1984

The Honorable Jerome M. Hughes  
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. 887, 1365, 1451, 1466, 1469, 1498, 1546, 1575, 1732, 1776, 1849, 1879, 2076 and 1243.

Sincerely,

Rudy Perpich, Governor

April 25, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1984



Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1984	Date Filed 1984
1258		453	April 24	April 24
1622		454	April 24	April 24
1662		455	April 24	April 24
1760		456	April 24	April 24
1794		457	April 24	April 24
1807		458	April 24	April 24
1813		459	April 24	April 24
1973		460	April 24	April 24
1977		461	April 24	April 24
1986		462	April 24	April 24
	1393	463	April 24	April 24
	1561	464	April 24	April 24
887		465	April 25	April 25
1365		466	April 25	April 25
1451		467	April 25	April 25
1466		468	April 25	April 25
1469		469	April 25	April 25
1498		470	April 25	April 25
1546		471	April 25	April 25
1575		472	April 25	April 25
1732		473	April 25	April 25
1776		474	April 25	April 25
1849		475	April 25	April 25
1879		476	April 25	April 25
2076		477	April 25	April 25
	1032	478	April 25	April 25
	1149	479	April 25	April 25
	1156	480	April 25	April 25
	1264	481	April 25	April 25
	1291	482	April 25	April 25
	1304	483	April 25	April 25
	1347	484	April 25	April 25
	1371	485	April 25	April 25
	1402	486	April 25	April 25
	1404	487	April 25	April 25
	1422	488	April 25	April 25
	1509	489	April 25	April 25
	1522	490	April 25	April 25
	1533	491	April 25	April 25
	1633	492	April 25	April 25
	1659	493	April 25	April 25
	1695	494	April 25	April 25
	1703	495	April 25	April 25
	1722	496	April 25	April 25
	1735	497	April 25	April 25
	1753	498	April 25	April 25
	1770	499	April 25	April 25
	1771	500	April 25	April 25
	1839	501	April 25	April 25

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1984	Date Filed 1984
	2016	502	April 25	April 25
	2081	503	April 25	April 25
1243		Res. 12	April 25	April 25
	2180	Res. 13	April 25	April 25

Sincerely,

Joan Anderson Growe  
Secretary of State

April 26, 1984

The Honorable Jerome M. Hughes  
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. 311, 531, 751, 1298, 1408, 1418, 1435, 1492, 1511, 1520, 1589, 1683, 1750, 1790, 1815, 1862, 1883, 1903, 1913, 1931, 1954, 1978, 2072, 2083, 2109 and 2165.

Sincerely,

Rudy Perpich, Governor

April 26, 1984

The Honorable Jerome M. Hughes  
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. 147, 1473, 1762 and 1859.

Sincerely,

Rudy Perpich, Governor

April 26, 1984

The Honorable Jerome M. Hughes  
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. 1114, 1403, 1789, 1810, 1821, 1826, 1974 and 2164.

Sincerely,

Rudy Perpich, Governor

April 26, 1984

The Honorable Jerome M. Hughes  
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. 1337.

Sincerely,

Rudy Perpich, Governor

April 26, 1984

The Honorable Jerome M. Hughes  
President of the Senate

Dear Sir:

I am today returning Senate File No. 1842 to the Senate unsigned. I cast this veto for several reasons.

First, during my campaign I talked of the importance of economic development and said it far outweighed the importance of gun control as an issue. I saw no need then for changes in gun laws, and I continue to hold that view. My action today will leave the laws as they now exist.

Second, if the cities of Minneapolis and St. Paul tried to impose their regulations on my home community of Hibbing, I would be adamantly opposed. Senate File No. 1842 would impose unwanted new regulations on Minneapolis and St. Paul, and I oppose it just as adamantly. This is a diverse state with differing needs and desires in different regions. Those diversities must be respected.

Third, law enforcement leaders have urged a retention of current laws, and I respect their judgment. They are charged with maintaining the public safety and their advice is not to be readily ignored.

I want to express my respect for those who hold views different than those I now express. Supporters of this bill have provided learned and earnest advice to me and my staff. This has not been an easy decision, and I recognize the deeply-held views on both sides.

In conclusion, I do not support a ban on handguns (as in the Morton Grove, Illinois, situation). I have been assured by the mayors of Minneapolis and St. Paul that they have no plans to enact such a ban. Further I will ask the mayors to work with their city councils to create uniform ordinances in these communities. This should help meet some of the objections raised by supporters of the bill.

Sincerely,

Rudy Perpich, Governor

April 27, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1984 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1984	Date Filed 1984
	756	504	April 25	April 26
	1107	505	April 25	April 26
	1352	506	April 25	April 26
	1405	507	April 25	April 26
	1421	508	April 25	April 26
	1425	509	April 25	April 26
	1428	510	April 25	April 26
	1456	511	April 25	April 26
	1481	512	April 25	April 26
	1524	513	April 25	April 26
	1528	514	April 25	April 26
	1606	515	April 25	April 26
	1620	516	April 25	April 26
	1663	517	April 25	April 26
	1760	518	April 25	April 26
	1778	519	April 25	April 26
	1801	520	April 25	April 26
	1803	521	April 25	April 26
	1814	522	April 25	April 26
	1831	523	April 25	April 26
	1846	524	April 25	April 26
	1850	525	April 25	April 26
	1853	526	April 25	April 26
	1856	527	April 25	April 26
	1875	528	April 25	April 26
	1911	529	April 25	April 26
	1920	530	April 25	April 26
	1946	531	April 25	April 26
	1949	532	April 25	April 26
	1950	533	April 25	April 26
	1966	534	April 25	April 26
	1975	535	April 25	April 26
	1982	536	April 25	April 26
	2006	537	April 25	April 26
	2148	538	April 25	April 26
	2188	539	April 25	April 26
	2238	540	April 25	April 26
	2247	541	April 25	April 26
311		542	April 25	April 26
1298		543	April 25	April 26
1408		544	April 25	April 26
1418		545	April 25	April 26
1435		546	April 25	April 26
1492		547	April 25	April 26
1511		548	April 25	April 26
1520		549	April 25	April 26
1589		550	April 25	April 26
1683		551	April 25	April 26
1750		552	April 25	April 26
1790		553	April 25	April 26
1815		554	April 25	April 26
1862		555	April 25	April 26
1883		556	April 25	April 26

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1984	Date Filed 1984
1903		557	April 25	April 26
1913		558	April 25	April 26
1931		559	April 25	April 26
1954		560	April 25	April 26
1978		561	April 25	April 26
2072		562	April 25	April 26
2165		563	April 25	April 26
147		564	April 26	April 26
1337		565	April 26	April 26
1473		566	April 26	April 26
1762		567	April 26	April 26
1859		568	April 26	April 26
	432	569	April 26	April 26
	560	570	April 26	April 26
	950	571	April 26	April 26
	1315	572	April 26	April 26
	1386	573	April 26	April 26
	1427	574	April 26	April 26
	1466	575	April 26	April 26
	1655	576	April 26	April 26
	1806	577	April 26	April 26
	1878	578	April 26	April 26
	1886	579	April 26	April 26
	1977	580	April 26	April 26
	1999	581	April 26	April 26
	2186	582	April 26	April 26
	1775	583	April 26	April 26
	2051	584	April 26	April 26
	322	585	April 26	April 26
	1203	586	April 26	April 26
	1257	587	April 26	April 26
	1279	588	April 26	April 26
	1382	589	April 26	April 26
	1507	590	April 26	April 26
	1516	591	April 26	April 26
	1678	592	April 26	April 26
	1815	593	April 26	April 26
	1915	594	April 26	April 26
	1974	595	April 26	April 26
	2141	596	April 26	April 26
	2314	597	April 26	April 26
1974		598	April 26	April 26
1114		599	April 26	April 26
1403		600	April 26	April 26
1789		601	April 26	April 26
1810		602	April 26	April 26
1821		603	April 26	April 26
1826		604	April 26	April 26
531		Res. 14	April 25	April 26
751		Res. 15	April 25	April 26
2083		Res. 16	April 25	April 26
2109		Res. 17	April 25	April 26
	2134	Res. 18	April 25	April 26

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1984	Date Filed 1984
	1800	Res. 19	April 25	April 26
2164		Res. 20	April 26	April 26

Sincerely,  
Joan Anderson Growe  
Secretary of State

May 2, 1984

The Honorable Jerome M. Hughes  
President of the Senate

Dear Sir:

I have today vetoed Senate File No. 1572 which would have amended various provisions relating to Minnesota's probate laws.

This veto is made with the support of the bill's principal authors. The veto is necessitated because of a defect in the effective date section of the bill. That section would have repealed crucial sections of existing law prior to the effective date of provisions amending those sections. This 'gap' in our probate laws would have caused severe problems.

The authors have assured me they will seek the enactment of a properly worded bill early in the 1985 session.

Sincerely,  
Rudy Perpich, Governor

May 2, 1984

The Honorable Jerome M. Hughes  
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. 120, 433, 881, 924, 992, 1007, 1048, 1235, 1330, 1336, 1349, 1407, 1441, 1442, 1455, 1559, 1560, 1561, 1562, 1563, 1864, 1614, 1628, 1702, 1880, 1884, 1905, 1914, 1976, 2046, 2102, 2108, 2138, 1736, 2043 and 2016.

Sincerely,  
Rudy Perpich, Governor

May 7, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1984 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1984	Date Filed 1984
881		605	May 2	May 3
992		606	May 2	May 3

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1984	Date Filed 1984
1976		607	May 2	May 3
1563		608	May 2	May 3
1442		609	May 2	May 3
2138		610	May 2	May 3
1559		611	May 2	May 3
1330		612	May 2	May 3
1407		613	May 2	May 3
1235		614	May 2	May 3
1562		615	May 2	May 3
1614		616	May 2	May 3
1628		617	May 2	May 3
2016		618	May 2	May 3
1736		619	May 2	May 3
120		620	May 2	May 3
1048		621	May 2	May 3
1336		622	May 2	May 3
2108		623	May 2	May 3
1560		624	May 2	May 3
1561		625	May 2	May 3
1349		626	May 2	May 3
1441		627	May 2	May 3
2046		628	May 2	May 3
1702		629	May 2	May 3
1905		630	May 2	May 3
1884		631	May 2	May 3
1455		632	May 2	May 3
1880		633	May 2	May 3
1007		634	May 2	May 3
924		635	May 2	May 3
433		636	May 2	May 3
2102		637	May 2	May 3
2043		638	May 2	May 3
1914		639	May 2	May 3
1864		640	May 2	May 3
	2098	641	May 2	May 3
	1991	642	May 2	May 3
	1559	643	May 2	May 3
	1577	644	May 2	May 3
	1532	645	May 2	May 3
	994	646	May 2	May 3
	820	647	May 2	May 3
	533	648	May 2	May 3
	1961	649	May 2	May 3
	1903	650	May 2	May 3
	1766	651	May 2	May 3
	1761	652	May 2	May 3
	1743	653	May 2	May 3
	2317	654	May 2	May 3
	2207	655	May 2	May 3
	1587	656	May 2	May 3
	2021	Res. 21	May 2	May 3

Sincerely,

Joan Anderson Growe  
Secretary of State

May 7, 1984

The Honorable Jerome M. Hughes  
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. 2030.

Sincerely,

Rudy Perpich, Governor

May 9, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1984 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1984	Date Filed 1984
	229	657	May 7	May 8
2030		658	May 7	May 8

Sincerely,

Joan Anderson Growe  
Secretary of State

May 31, 1984

The Honorable Jerome M. Hughes  
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 Concurrent Resolution No. 17.

Sincerely,

Rudy Perpich, Governor

May 31, 1984

The Honorable Harry A. Sieben, Jr.  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Act of the 1984 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:



S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1984	Date Filed 1984
Senate Conc. Res. 17		Res. 22	May 31	May 31

Sincerely,  
Joan Anderson Growe  
Secretary of State

October 17, 1984

The Honorable Jerome M. Hughes  
President of the Senate

Dear Sir:

Pursuant to the provisions of Laws 1984, I have made the following appointments:

Chapter 654: Compensation Council - Messrs. Luther and Spear.

Respectfully,  
Roger D. Moe  
Senate Majority Leader

October 17, 1984

The Honorable Jerome M. Hughes  
President of the Senate

Dear Sir:

On May 22, 1984, the Subcommittee on Committees met and by appropriate action made the following appointments:

Pursuant to Laws 1984

Chapter 463: Advisory Council on Bargaining Impasse Resolution - Messrs. Nelson and Mehrkens.

Chapter 654: Legislative Commission on Long Term Health Care - Mrs. Lantry.

Chapter 502: Local Government Aids Study Commission - Messrs. Johnson, D.J.; Berg; Schmitz; Merriam; Sieloff; Belanger; Pehler; Novak and Ms. Berglin.

Chapter 654: World Trade Center Board - Mr. Luther and Mrs. Lantry.

Respectfully,  
Roger D. Moe  
Senate Majority Leader

October 17, 1984

Senator Roger D. Moe  
Senate Majority Leader

Dear Sir:

I have made the following appointment:

Pursuant to Laws 1984, Chapter 654: Compensation Council - Mr. Dean E. Johnson.

Sincerely,

James Ulland  
Senate Minority Leader