

NEWS

from the

MINNESOTA HOUSE OF REPRESENTATIVES

LEGISLATIVE INFORMATION OFFICE, ROOM 8, STATE CAPITOL, ST. PAUL, MINNESOTA 55155 • 612-296-2146

for immediate release
March 5, 1982

Contact: Deborah Friedman

Legislature sets structures for dealing with turn-back of federal programs

The first signs of the new federalism surfaced at the March 2 meeting of the House Local and Urban Affairs Committee. The committee recommended passage of a bill which would require the Minnesota Department of Energy, Planning and Development to administer the federal Community Development Block Grant Program for small cities.

Beginning in October 1982 the federal government will turn the program over to the states. About \$23 million in block grants would probably come to the state. The bill requires the department to use the money for development projects in small cities, and encourages use of the funds for projects that provide jobs, housing, or better living environment for low and moderate income people. The bill, HF2174 (Ogren, DFL-Aitkin), goes now to the Appropriations Committee.

And on March 4th, the full House passed HF1794 (Wynia, DFL-St. Paul), which sets up an advisory committee to recommend how to divide up the new federal block grants for maternal and child health care. The federal government has been funding the programs separately, but will now send a reduced lump sum for the state to distribute. Wynia's bill calls for continuation of all current programs until July 1983, but at proportionally reduced funding. After that date, the council would recommend priority programs, and search for alternative funding for programs that may have to be cut.

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Contact: Bonnie Kollodge or Laura Godfrey

Minnesota House passes school aids bill

The Minnesota House passed a bill on Mar. 1, that sets state funding and program requirements for Minnesota school districts, and sets districts' property taxing authority.

School aids takes one of the biggest chunks out of the state's two-year budget, and this year's school aids bill has to consider changes in school funding as a result of the emergency budget bill the Legislature passed in January in special session.

Per pupil state aid would increase 14 percent over the 1982-83 school year under the bill, from \$1326 to \$1515 per pupil. Program cuts and additional taxes at the state and school district levels will have to make up for the tight budgets.

Some cost savings would be in the form of eliminated state mandates which meet present reporting and budgeting requirements, and cut off the mandatory pre-school health screening program. Special education changes may also save districts some money.

On the taxation end, the school districts' taxing authority would increase to allow districts to raise money to cover budget gaps and continue services, such as bus transportation for students within a one to two mile radius of school.

The bill will most likely go to conference committee to work out differences with the Senate version of the bill, before going to the governor's desk.

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Contact: Deborah Friedman

Landfill owners escape additional taxation

Landfill owners would no longer have to pay into a state superfund for cleaning up hazardous waste problems, under amendments the House Taxes Committee made to the Minnesota Environmental Response and Liability Act on Mar. 4.

As the bill came out of two other House committees, it would have taxed both solid and hazardous waste disposal site owners to provide matching funds for federal clean-up dollars, and to go beyond that to start cleaning up 49 sites in the state the Pollution Control Agency has identified as dangerous.

But people testifying on the tax portions of the bill said it isn't fair that solid waste haulers would provide about 96 percent of the funds for the clean-up of sites that they say are mostly hazardous and industrial waste sites, not the landfills that take common household garbage. So the Taxes Committee deleted sections of the bill that would have taxed solid waste and added a direct general fund appropriation to make up for some of the lost funds.

Committee discussion also centered around the liability sections of the bill, which assign strict, "joint and several liability" to people who use and handle hazardous wastes. This provision allows injured persons to more easily get compensation for injuries they suffer from hazardous waste spills, groundwater contamination, and other harm hazardous waste causes, because the injured person would need to sue only one of any number of people who may be responsible, and the subject of the lawsuit can then in turn sue others who may share the responsibility.

Committee members approved the bill and sent it on to the Appropriations Committee.

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Contact: Bonnie Kollodge

Minnesota House bill hits at liquor sales to intoxicated persons

Last summer the Supreme Court struck down major portions of the Dram Shop Act, which regulates liquor sales, because the law didn't adequately cover the sale of 3.2 beer, Representative Todd Otis (DFL-Mpls), told members of the House Commerce Committee on Mar. 2.

Under the Dram Shop Act, liquor establishments are liable for damages which result from illegal liquor sales to minors and to intoxicated persons. Before the Supreme Court decision, people who suffered injury after a liquor store or bar owner illegally sold them liquor, could sue the establishment within one year of injury, and serve notice of the claim 120 days after the injury. But, the Supreme Court struck those provisions, leaving liquor establishments with no notice provision and a six-year statute of limitations.

Otis has a bill which would restore the notice and one-year statute of limitations provisions of the Dram Shop Act, and establish similar criminal penalties and standards for the illegal sale of intoxicating and non-intoxicating malt liquor.

Other provisions in the bill would remove the limit on the amount that injured people could recover for injuries, and allow them to recover pecuniary loss over and above losses due to injury to person, property, or means of support. This provision would also allow families of victims to sue.

Another portion of Otis's proposal would require mandatory insurance coverage for people who sell liquor--either on or off sale. The Minneapolis representative said this would ensure that liquor establishment owners could pay in case of a lawsuit; and would act as a deterrent to illegal sale of alcohol. The committee recommended the bill to pass, which now goes to the full House.

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Contact: Jean Mehle

Forest management and acid rain bills get
Minnesota House committee approval

A special legislative committee has spent several years studying Minnesota's forest resources. Those studies led to a bill the Minnesota House Environment and Natural Resources Committee sent one step closer to becoming law at a March 2 meeting.

The bill, H.F.1982, comes from Rep. Irvin Anderson, DFL-Int'l Falls, and would set state policy on forest management, reforestation and forest roads. The bill says Minnesota's forest management policy is to provide for multiple use of forest resources. The policy urges reforestation at least equal to the amount of timber loggers harvest and the amount of forest land damaged by natural causes. Construction of forest roads and trails would provide access to state forest lands so the Department of Natural Resources can manage, protect, and develop those resources, according to the bill.

H.F.1982 would also change some state forest boundaries, establish a forest management fund in the state treasury, and require DNR to adopt a forest management plan for state forest lands.

Also, at the March 2 meeting, an acid rain bill attempting to reduce sulphur dioxide pollutants got committee approval.

Rep. Arlene Lehto, DFL-Duluth, is author of the bill which would require the Pollution Control Agency to set standards on emissions of sulphur dioxide by 1985. The PCA would then have to come up with an acid deposition control plan by 1986. By 1990, the law would require all Minnesota sources that wend sulphur dioxide into the environment to meet PCA standards.

The House Appropriations Committee looks at the acid rain bill next.

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March 12, 1982

Contact: Deborah Friedman

Legislator proposes additional tax on farm sales to discourage speculation

Land speculators who buy farmland and sell it a year or two later without ever having lived on the land are draining the life and economy of rural communities, and pricing young families out of the market for farms, supporters of a capital gains tax bill told the Minnesota House Taxes Committee March 5th.

On March 9th, the full House passed the bill, HF1099 (Ogren, DFL-Aitkin), which would apply an additional, graduated tax on the monetary gain a person gets from selling farm land he or she has owned less than five years.

In 1955, Rep. Ogren told the committee, 63 percent of farm sales went to people who planned to live and work on the land; in 1981, that figure was down to 18 percent. HF1099 serves notice, Ogren said, that rural Minnesota frowns on land speculation, and if the tax works to cut down the number of land speculators in the market, farm families may have a better chance to get started.

Committee and floor discussion centered around the possible penalty the tax might impose on legitimate farmers who must sell land quickly for financial or personal reasons. On the floor, the bill gained amendments that exempt from the tax persons over 55 years of age who sell land, and people who sell non-homestead farmland, and apply the gain directly to purchase of a homestead.

The bill now awaits action in the Senate.

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Contact: Julie Johnson or
Bonnie Kollodge

Drug paraphernalia act passes Minnesota House

Representative Randy Kelly (DFL-St. Paul) introduced a bill in the Minnesota House to raise penalties for conspiring to violate drug laws, and ended up with a bill that also prohibits drug paraphernalia. The House on March 10 amended another bill, the model drug paraphernalia act, onto Kelly's bill, HF1758, and passed the measure.

Rep. Bill Schreiber (IR-Brooklyn Park) offered the paraphernalia amendment, which had committee discussion earlier in the session. The new law would prohibit all equipment and products that people intend to use to manufacture, inject, or otherwise put illegal or controlled drugs into the body. Legislators have been working on ways to outlaw paraphernalia for a long time, but have been wary of passing laws that might not hold up in the courts.

Rep. Schreiber said this model law has stood up to court tests. The Supreme Court has upheld the constitutionality of a similar law, and has refused to review lower court approvals of the exact same act, according to Schreiber.

"The discussion at this point," Schreiber told the House, "is whether you feel that drug paraphernalia is something that ought to be sold in the open and available to anyone, or whether you think there ought to be some restrictions on its sale and use."

Other provisions of the bill spell out factors courts must consider in determining whether objects are paraphernalia, and prescribes penalties for manufacturing, delivering, possessing or advertising paraphernalia.

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Contact: Laura Godfrey or
Karin Goebel

Minnesota House passes bonding issue bill to reduce loan to University Hospitals

A bill to cut down on the amount of money the state would lend for the new University of Minnesota Hospital addition passed in the Minnesota House Thursday, March 11. The House defeated the bill by one vote Tuesday, March 9, but Representative Doug Carlson asked the House to reconsider the bill, and it passed on reconsideration, 81-44.

Originally, the University project had strong legislative support throughout its planning and at the time the Legislature authorized a \$190 million dollar bond issue for the project last spring.

Tight finances, however, have forced the University to scale down the project and the House took another look at whether the University needed \$190 million dollars for a project that now has an expected cost of \$154 million. The University Hospital board says they need the \$190 million to give them a safety margin to cover the interest and principal payments which are due during construction.

Representative John Weaver of Anoka, author of HF1757, proposed the cut, and said that, because the University reduced the size of the project, the state should pay for the building itself and the equipment to train doctors and treat seriously ill patients, not the financing costs.

As of March 10, University of Minnesota President C. Peter Magrath postponed construction of the \$154 million University Hospital because of a depressed economy and high interest rates on state bonds to finance it. If the University decides to go ahead, the project will have less state money to go on.

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Work Incentive bill may help AFDC

The Minnesota House passed a bill which would solve some of the state's AFDC problems by encouraging parents under Minnesota's Aid to Families with Dependent Children program to stay at their jobs, according to the bill's author, Representative John Brandl, of Minneapolis. Brandl, who calls this a work incentive bill, says similar plans have worked in several other states. Start up costs of the program would be \$343,000, but the plan projects a \$2.3 million savings for the next biennium.

The new AFDC plan would increase the minimum amount a family needs to live on by 35 percent, but does not increase current payment amounts. The standard of need increase will make more Minnesotans eligible for AFDC, but it will also encourage people on AFDC to look for work or stay on their jobs. Testimony at committee meetings said problems arise when AFDC recipients won't look for jobs, or quit their jobs because their incomes when they work are too high to qualify for AFDC, yet not enough to live on. So, they give up jobs and live on AFDC payments.

Earl Craig, Jr., president of the Urban Coalition of Minneapolis, supported the bill in a letter to the committee, saying Minnesota has more working AFDC parents than any other state, and he doesn't believe Minnesota should fall in line with policies that force working parents to return to total dependence when they had been on the road to independence.

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Contact: Laura E. Godfrey

House approves constitutional amendment questions for November

In a series of late-night sessions the week of March 8, the Minnesota House approved two questions and gave preliminary approval to a third question. If the questions meet approval in the Senate and the Governor signs them, voters will find them on the general election ballot in November.

The House gave final approval to the intermediate court of appeals question Wednesday and to the pari-mutual betting amendment Thursday. A third amendment, one that would ask the voters whether Minnesota should lift the interest rate and total dollar restrictions on bonds to finance state highway construction and repairs, got preliminary approval late Thursday, and could be the third question on the ballot. The constitution currently fixes state highway bond interest rates at 5 percent and sets a dollar limit on the amount of highway bonding the state may issue.

Voter approval of the intermediate court of appeals would create a court to relieve some of the Supreme Court's burden by trying all lower court appeals, except first-degree murder, workers' compensation, and tax cases, which would still go to the higher court.

The pari-mutuel betting question, HF376 (Reding, DFL-Austin) would remove the constitutional restriction against gambling in Minnesota. A state lottery was also a possibility, under an earlier version of the bill, but the provision the House passed would amend the constitution to remove only restrictions on pari-mutuel betting on horse and dog racing.

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Contact: Laura Godfrey

Major education bills pass as legislative session nears end

The School Aids Bill, the University Hospital bonding repeal, and a bill to authorize bonding for building repair were among the education bills the Minnesota House of Representatives passed in the 1982 legislative session.

The School Aids Bill sets funding limits and taxing authority for the state's public schools, increases per pupil spending to \$1,475 for the

The basic and discretionary tax rates for school districts will go up a total of one and one-half mills next year, and the bill gives districts authority to raise taxes to cover student transportation aid reductions which were a part of the 1981 school aids cuts.

part of the 1981 school aids cuts.

Special education changes will let special education class sizes increase 20 percent to help districts manage salaries. The bill cuts summer school aid for some handicapped students to fund that aid for the most severely handicapped and makes pre-school health screening an optional program.

The University Hospital bonding repeal, HF1757, passed March 12 after losing on an earlier vote, cutting financing for the University's hospital project from \$190 to \$154 million.

Minnesota House approves one, defeats a second tax proposal

Legislators worked on two tax bills the week of March 15. One includes budget cuts and shifts to solve the state's \$229 million budget gap, the other contains a number of local, technical, and minor tax law changes. On March 18, the House defeated HF2190, the budget/tax proposal, on a 60-67 vote.

The bill would have cut \$30 million from each of state department and local government aid appropriations, shifted \$103 million in state payments, and raised taxes \$69 million, mainly through taxes on candy, pop, cable TV services, and liquor by the drink.

The House could reconsider the bill, bring up an alternative budget proposal, or adjourn without a budget solution.

Legislators approved a compromise version of HF1872 (Anderson, I., DFL-Int'l Falls) on March 13. The bill requires counties to charge a severance tax on gravel and other aggregate materials; extends the tax credit for home use of solar and biomass equipment and earth-sheltered homes; gives the Revenue Department power to withhold late child support payments from income tax refunds, and power to ask courts to stop tax preparers from preparing false tax returns.

HF1872 calls for reassessment of tornado-damaged property, and state reimbursement to local tax units of tax dollars lost to reduced property values; requires the commissioner of economic development to look at ways to help border communities compete with across-the-border neighbors; and allows the state to work with local governments to create reduced tax zones, "enterprise zones," to spur economic development.

1982 Agriculture Legislation

A year long task force study on grain storage and merchandising resulted in two bills to regulate grain buyers and grain warehouse operators. The two proposals got Minnesota House approval during March 12 and 13 sessions, and await the governor's signature, along with a farmland preservation bill.

According to Representative Glen Anderson, author of both bills, HF2033 would require the grain buyer to pay up to 90 percent of the value of the grain when the buyer picks it up from the farmer. The bill requires bonding of buyers to ensure payments to farmers in case the buyer fails to deliver payment for the grain. It's now common practice for the farmer to get payment only after the buyer delivers the grain to a third party, which may be three to four weeks later.

The second of Anderson's bills, SF1962, would regulate warehouse operators, setting bonding requirements at 50 percent of the value of grain and storage with a \$10,000 cap. The legislation provides for two audits a year for warehouse operators and would allow the commissioner of agriculture to conduct spot grain inspections at the commissioner's discretion.

Other farm legislation to get House and Senate approval would set state policy for the preservation of farmland, conserve soil and water resources, and encourage growth and development in rural Minnesota; would prohibit state agencies from using prime farmland for projects such as highway construction and waste disposal sites, and allocate state cost-sharing funds for soil erosion and water control problems.

Minnesota Legislature passes DWI and other drug traffic laws

Driving while intoxicated topped the list of legislative priorities this session because of the increasing numbers of people driving Minnesota's roads while drunk. The Legislature also addressed issues in the criminal justice and judiciary system, such as drug paraphernalia, "super-bullets", "look-alike" drugs, and child pornography.

On March 19, the governor signed into law the comprehensive DWI bill, which increases criminal penalties for DWI convictions, lengthens drivers license revocations, sets rehabilitation and treatment requirements, and expands the authority of police to give chemical tests to drivers. Part of the bill that won't go into effect until 1983 would require peace officers or other authorized persons to take the DWI suspects to detoxification or drug rehabilitation centers until they're sober, or someone takes them home or to another medical facility.

House and Senate approved drug legislation prohibits the sale, transfer, and delivery of look-alike drugs. "Look-alikes" strongly resemble controlled drugs in appearance, but may not be controlled themselves, such as caffeine. Effects are deadly if someone who takes look-alikes thinking they're the real thing, at some point takes the real drug. Drug paraphernalia legislation will try to put a halt on the manufacture, delivery, possession, or advertisement of drug paraphernalia, and defines paraphernalia.

"Metal-penetrating" bullets, which have the ability to penetrate metal and body armor, would be illegal if the governor signs HF1704 into law. Use or possession of the bullet during commission of a crime would be a felony.

Other legislation would crack down on child pornography, increasing the penalty for distributing pornography and setting penalties for possessing obscene photos, negatives, slides, or video tapes of children.

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Contact: Jean Mehle

Minnesota Legislature passes environmental bills

Protecting Minnesota's sensitive lakes and forests, maximizing the use of timber lands, and dealing with the solid and hazardous wastes the state produces were three of the environmental issues the Minnesota Legislature addressed during the 1982 session.

Acid rain legislation that passed the House and Senate will require the Pollution Control Agency, by Jan. 1, 1985, to set acid deposition standards (standards on the maximum amount of acidity sensitive lakes and forests in Minnesota could handle without harm to plant and wildlife). By January 1986, the PCA will need to develop a plan to control acid deposition, reduce the emissions of sulphur dioxide which cause acid rain. By 1990, all state sources of sulphur dioxide emissions would have to meet the PCA standards.

A new forest policy is on its way to becoming law. The policy seeks to: provide for multiple use of forest resources; provide for reforestation at least equal to the amount of timber loggers harvest and the amount damaged by natural causes; provide for access to state forest lands through construction of roads, so the Department of Natural Resources can manage, protect, and develop the resources.

Those who profit from producing or using hazardous chemicals will be liable for the cleanup of hazardous waste spills and for injuries resulting from improper disposal, according to a bill the Minnesota House and Senate passed, but the governor has said he might veto.

The bill would establish a standard, in law, to determine who is responsible for injuries the dumping of hazardous wastes causes, and would give the state authority to clean up wastes sites and later take action to recover costs from those who disposed of the hazardous substances.