

Sec. 3. The Minnesota conference shall hold a meeting of delegates to discuss the development of small business and its opportunities and needs in the state. The meeting shall be in January 1981 and be conducted according to rules and procedures provided by the conference commissioners. The Minnesota conference shall use information developed by the White House conference and seek the assistance of the United States Small Business Administration whenever appropriate.

Sec. 4. The conference shall report proposals for action to help the development of small business to the legislature and governor by March 1, 1981.

Sec. 5. \$10,000 is appropriated from the general fund to the Minnesota conference on small business for the purposes of this act. Gifts to the conference are also appropriated to it for the purposes of this act. Notwithstanding any other law, these appropriations cancel March 31, 1981.

Approved April 24, 1980

CHAPTER 614—H.F.No. 2476

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; imposing conditions on the expenditure of public money; creating, abolishing, modifying, and transferring agencies and functions; fixing and limiting fees; altering conditions of public employment; authorizing purchase, sale, and transfer of public lands; authorizing certain public improvements of a capital nature; requiring studies and reports; limiting liability in certain civil actions; exempting certain motor vehicle sales transactions from regulation by the banking commissioner; regulating drainage systems in the metropolitan area; regulating administration of the Nine Mile Creek Watershed District, the Riley-Purgatory Creek Watershed District and the Red Lake Watershed District; authorizing an ad valorem tax for certain purposes; appropriating money; amending Minnesota Statutes 1978, Sections 3A.03, Subdivision 2; 3A.04, Subdivisions 3 and 4; 10A.01, Subdivision 10c; 11.15, Subdivision 4; 15.0597, Subdivisions 3, 4, 5, 6 and 7; 15.50, Subdivisions 1 and 2; 16.02, Subdivision 10; 16.854, Subdivision 1; 16A.131; 16A.67, Subdivision 1; 16A.721; 43.05, Subdivision 2; 43.062, Subdivisions 1 and 2; 43.065; 43.067, Subdivision 2; 43.068; 43.09, Subdivision 2a; 43.323, Subdivision 1; 43.324, Subdivision 2; 43.35; 62D.12, by adding a subdivision; 82.34; 90.195; 94.10, Subdivision 1; 94.16; 97.431; 97.432; 106.471, by adding a subdivision; 116C.63, Subdivision 4; 116D.04, by adding a subdivision; 136.81, Subdivision 1; 145.913, Subdivision 3; 155.14; 168.66, Subdivision 4; 174.03, by adding a subdivision; 197.75, Subdivision 1; 214.06, Subdivision 1; 216.16; 216A.01; 216A.03, Subdivision 3, and by adding a subdivision; 216A.04, Subdivisions 1 and 3, and by adding a subdivision; 216A.05, Subdivisions 4 and 5; 216A.07; 216B.17, Subdivision 1; 216B.19; 216B.54; 216B.62; 216B.64; 237.02; 237.12; 237.295, Subdivisions 1 and 2; 238.08, by adding a subdivision; 245.814; 246.014; 256.73, Subdivision 2; 256D.06, by

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adding a subdivision; 352.01, Subdivision 2B; 352.04, Subdivision 5; 352.73, Subdivision 3; 352B.25; 352C.04, Subdivision 3; 352C.09, Subdivision 2; 353.83; 354.55, Subdivision 5; 355.46, Subdivision 3; 355.50; 401.02, Subdivision 3; 403.11, Subdivision 3; 462A.05, by adding a subdivision; 462A.21, by adding a subdivision; 473.408, Subdivision 3; 473.435; 473.641, by adding a subdivision; 490.123, Subdivision 1; Chapters 16, by adding sections; 16A, by adding sections; 97, by adding a section; 112, by adding a section; 138, by adding a section; 152, by adding a section; 216A, by adding a section; 246, by adding a section; 253, by adding a section; 256, by adding a section; 259, by adding a section; 326, by adding a section; 544, by adding a section; Minnesota Statutes, 1979 Supplement, Sections 3.005, Subdivision 4; 15A.083, Subdivision 4; 16A.126; 43.062, Subdivision 3; 43.15, Subdivision 1; 43.24; 82.21, Subdivision 1; 174.28, Subdivision 2; 180.03, Subdivision 2; 299D.03, Subdivision 2; 354A.12, Subdivision 2; 422A.101, Subdivision 3; 465.72; Laws 1959, Chapter 690, Section 2, as amended; and Laws 1979, Chapter 332, Article 1, Section 115, Subdivision 2; repealing Minnesota Statutes 1978, Sections 3A.11, Subdivision 3; 43.03; 43.06; 216B.62, Subdivision 1; 352.73, Subdivision 4; 354.43, Subdivision 2; 490.025, Subdivision 8; Minnesota Statutes, 1979 Supplement, Sections 16.965 and 43.067, Subdivision 4; Laws 1977, Chapter 454, Section 45; Laws 1979, Chapter 217, Section 11; and a law enacted at the 1980 regular session styled as H. F. No. 1121, Article XIII, Section 1; reenacting Minnesota Statutes, 1979 Supplement, Section 473.446, Subdivision 1.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **STATE GOVERNMENT; APPROPRIATIONS.** The sums set forth in the columns designated "APPROPRIATIONS" are appropriated from the general fund, or any other fund designated, to the agencies and for the purposes specified in the following sections of this act, to be available for the fiscal years indicated for each purpose. The figures "1980" and "1981", wherever used in this act, mean that the appropriation or appropriations listed thereunder are available for the year ending June 30, 1980, or June 30, 1981, respectively.

	SUMMARY BY FUND		
	1980	1981	TOTAL
General	\$22,100,700	\$19,923,600	\$42,024,300
Game and Fish	704,500	959,300	1,663,800
TOTAL	\$22,805,200	\$20,882,900	\$43,688,100
			APPROPRIATIONS
			Available for the Year
			Ending June 30
			1980 1981

Sec. 2. CONTINGENT ACCOUNTS

- (a) Fuel and Utilities \$ 704,500 \$5,000,000
This appropriation is added to the appropriation in Laws 1979, Chapter 333, Section 8, Subdivision 6. \$704,500 the first year is from the game and fish fund.
- (b) Grain Inspection 1,000,000
This appropriation is added to the appropriation in Laws 1979, Chapter 333, Section 8, Subdivision 7.

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Sec. 3. LEGISLATURE

(a) Legislative Reference

Library

40,900

60,900

This appropriation is added to the appropriation in Laws 1979, Chapter 333, Section 2, Subdivision 4, for the *Legislative Reference Library*.

(b) Revisor of Statutes

75,000

This appropriation is available only to match money from the National Historical Publications and Records Commission for the unpublished laws project.

Sec. 4. GOVERNOR

Washington Office

32,000

This appropriation is added to the appropriation for executive operations in Laws 1979, Chapter 333, Section 9.

Sec. 5. SECRETARY OF STATE

25,000

Approved Complement - add 1

This appropriation is for the open appointments program.

This appropriation is available until June 30, 1981. Funds which were to expire March 30, 1980 are available until June 30, 1980.

Sec. 6. STATE PLANNING AGENCY

The appropriation for population estimates made in Laws 1979, Chapter 303, Article II, Section 37, is available until June 30, 1981.

Sec. 7. ADMINISTRATION

Approved Complement

General - Add 1

(a) Small Business Set Aside

25,000

This appropriation is contingent on the passage in 1980 of a law expanding the small business and minority set aside.

(b) Surplus Property Revolving Fund

Any unexpended balance of the \$61,500 appropriated in Laws 1979, Chapter 333, Section 18, for the reduction of obligations shall remain available for expenditure as provided in that section through June 30, 1981. If the surplus property revolving fund is abolished prior to June 30, 1981, any portion of the \$61,500 that is outstanding shall be immediately returned to the general fund.

(c) Micrographics Acceleration

100,000

This sum is appropriated to the commissioner of administration for purposes of establishing a micrographics acceleration account. The commissioner may expend money from this account to promote and initiate new applications of micrographics, to microfilm permanent records stored in the state records center, to microfilm state agency records having permanent value but which have been damaged due to disasters, to microfilm state agency records having permanent value when the agencies cease to exist, and to microfilm state agency records having permanent value when the agencies must move to new quarters or reorganize their space due to new programs and for whom no microfilming moneys have been appropriated.

A work program shall be presented to the chairman of the house appropriations committee and the chairman of the senate finance committee for review and comment prior to the expenditure of money appropriated by this paragraph.

This appropriation is available until June 30, 1981. *

* Section 7 (c) was vetoed by the governor.

(d) The requirement made in Laws 1978, Chapter 791, Section 2, Clause (q) that all of lot Q shall be made available to the visiting public is deleted.

(e) The appropriation made in Laws 1978, Chapter 791, Section 2, Clause (r) is also available to meter other spaces in the capitol complex and to convert the parking time limits of existing meters in the capitol complex.

(f) County Litigation Expense

150,000

The commissioner of administration shall reimburse any county for up to 50 percent of the legal expenses incurred by it in litigation concerning state and county jurisdiction over Indians, Indian hunting and fishing rights, and other issues relating to Indians.

Sec. 8. CAPITOL AREA

ARCHITECTURAL AND PLANNING BOARD

28,000

This appropriation is added to the appropriation in Laws 1979, Chapter 333, Section 19. This appropriation is available until June 30, 1981.

Sec. 9. FINANCE

Approved Complement - Add 3

(a) *Payroll and Personnel Information System*

221,300 250,400

(b) Advance Inflation Adjustment

959,200

Sec. 10. PERSONNEL

Approved Complement

General - Add 2

(a) Affirmative Action for Veterans

6,000

This appropriation is added to the appropriation for Human Resource Improvement in Laws 1979, Chapter 333, Section 21.

(b) Internship and Summer Youth Work Experience Programs

40,000

The commissioner of personnel shall evaluate the accomplishments of these programs and present recommendations for their future operation to the legislature by January 1, 1981. Unless extended by the legislature, these programs expire June 30, 1981.

Sec. 11. REVENUE

(a) Railroad Gross Earnings

150,000

(b) Implement Tax Changes of 1979

92,600 92,600

Sec. 12. AGRICULTURE

Agricultural Research and Promotion

125,000

This appropriation is added to the appropriation in Laws 1979, Chapter 333, Section 24 for Development and Protection of Agricultural Resources.

Sec. 13. NATURAL RESOURCES

Approved Complement

General - Add 9

Game and Fish - Add 9

(a) Ditch Assessments

85,000

This appropriation is added to the appropriation for Administrative Management Services in Laws 1979, Chapter 333, Section 26, to be available until June 30, 1981.

(b) Big Marine Lake Pilot Study

73,500

The commissioner of natural resources shall conduct a pilot study project, which could be applied in similar geohydrologic circumstances statewide, to determine the effectiveness of utilizing Little Carnelian Lake as an outlet through infiltration and seepage for surplus waters of Big Marine and Big Carnelian Lakes, Washington County.

(c) All money that has in the past been appropriated to the commissioner of natural resources for forest management purposes from the iron range resources and rehabilitation account will in the future be appropriated from the general fund, if the iron range resources and rehabilitation board funds the iron range information system and the heavy metals release study in the department of natural resources in the amount of \$100,000 for the remainder of this biennium.

(d) Boundary Waters Canoe Area
Forestry Intensification

3,000,000

The money appropriated by Laws 1979, Chapter 333, Section 26, for implementation of the federal Boundary Waters Canoe Area legislation during fiscal year 1981 is increased by this appropriation from the general fund in order to provide a total of \$3,750,000 to qualify for \$3,000,000 in federal reimbursements on the basis of 80 percent federal, 20 percent state. If by January 1, 1981 the federal program has not been appropriated, the unexpended balance of this appropriation of \$3,750,000 will cancel. Said \$3,750,000 is available for expenditure for the period October 1, 1980 to September 30, 1981, provided that no more than \$250,000 may be expended prior to the appropriation of federal funds. All such federal reimbursements are deposited to the general fund. The existing 26 complement positions approved by the legislative advisory commission on July 31, 1979 are continued in the federal complement.

The money appropriated by Laws 1979, Chapter 333, Section 26 for implementation of the federal Boundary Waters Canoe Area legislation during fiscal year 1980 shall not lapse on June 30, 1980, but shall continue through September 30, 1980.

(e) St. Croix Wild River State Park	131,200
(f) Tettegouche State Park	24,000
(g) Inflation Expenses at State Parks	150,000 *

* Section 13 (g) was vetoed by the governor.

(h) The appropriations in (e), (f) and (g) are added to the appropriation for Park and Recreation Management in Laws 1979, Chapter 333, Section 26.

(i) Conservation Officers 445,700

To assist the department in reducing the number of violations and providing a quicker response to public complaints.

Changes or additions indicated by underline deletions by ~~strikeout~~

\$267,400 of this appropriation is from the game and fish fund and the entire appropriation is added to the appropriation for Enforcement of Natural Resources Laws and Rules in Laws 1979, Chapter 333, Section 26.

(j) Geological Test Drilling	194,000	
(k) Soil and Water Conservation Board		25,000

This appropriation is added to the appropriation for the Soil and Water Conservation Board made in Laws 1979, Chapter 333, Section 26.

(l) The amount of the appropriation made in Laws 1979, Chapter 333, Section 26, for the fiscal year 1981 from the general fund is changed from \$33,741,000 to \$33,049,100 and the amount from the game and fish fund is changed from \$16,103,100 to \$16,795,000 to provide 100 percent of regional game and fish administration, 29 percent of field services support, and 60 percent of regional enforcement financing from the game and fish fund. These percentages shall be used in preparing future budget requests.

Sec. 14. MINNESOTA ZOOLOGICAL GARDEN

The appropriation made in Laws 1979, Chapter 333, Section 27, shall stand.

During consideration of the zoological garden's transportation system legislation, the legislature was consistently and unequivocally assured that the only post enactment responsibility of the legislature would be to appropriate the receipts of the transportation system for the purpose of effecting the installment payments of the system. Accordingly, authorization for the acquisition by installment purchase agreement of the transportation system at the Minnesota zoological garden pursuant to Minnesota Statutes, Section 85A.02, Subdivision 16 was made on the understanding that the system would produce revenues sufficient to meet all operating costs and installment payments. This authorization did not constitute a direct or indirect obligation of the state for the acquisition of the system beyond net revenues generated by the system.

This section is intended to make clear to all potential investors in state and local bonds and to financial institutions that the state is not and never has been

responsible otherwise for the financing of the zoo ride. The legislature's action regarding appropriations for installment purchase payments for the zoo ride is intended to have no effect on the security of bonds for which the state's full faith credit, and taxing power are pledged, or bonds of the Minnesota housing finance agency secured in the manner provided by Minnesota Statutes, Section 462A.22, Subdivision 8. This section is further intended to forestall any attempt by any person to cause damage to the credit rating of the state in order to force the state to assume an obligation for which it is neither legally nor morally responsible.

Sec. 15. POLLUTION CONTROL

Appropriations made in Laws 1979, Chapter 333, Section 29, for functions relating to the Reserve Mining project and for preparation of environmental impact statements are available for either year of the biennium.

Sec. 16. NATURAL RESOURCES

ACCELERATION

(a) In Laws 1979, Chapter 333, Section 31, Subdivision 4, Clause (b), the appropriation condition "through March, 1980" is changed to "through June 30, 1981".

(b) In Laws 1979, Chapter 333, Section 31, Subdivision 3, Clause (l), the approved complement is changed to 6, the reference to paragraphs (g) and (h) is changed to paragraphs (j) and (k) and \$313,000 is changed to \$338,000.

(c) \$75,000 of the unexpended balance of money appropriated by Laws 1975, Chapter 204, Section 55, and reappropriated by Laws 1977, Chapter 455, Section 28, for construction and repair of dams and channel excavation to manage water levels on Heron Lake in Jackson County is reappropriated and shall remain available until expended for a water management study of Heron Lake in Jackson County, to be conducted by the Middle Des Moines Watershed District and the DNR. Of this money, \$32,500 may be expended for salaries, supplies, and expenses for one additional unclassified position in the department of natural resources.

The money reappropriated above may not be expended until local money in the amount of \$50,000 is made available for the water management study.

Changes or additions indicated by underline deletions by ~~strikeout~~

The remainder of the appropriation is cancelled.

Sec. 17. BOARD OF
ELECTRICITY

200,000 300,000

This appropriation is added to the appropriation in Laws 1979, Chapter 333, Section 33, Subdivision 7.

Sec. 18. ECONOMIC DEVELOPMENT
Approved Complement

General - Add 1

Federal - Subtract 1

(a) Small Business Assistance Center

25,200

This appropriation is added to the appropriation for Small Business Development in Laws 1979, Chapter 333, Section 38.

(b) Duluth Port Authority

210,500

This appropriation is added to the appropriation for the same purpose in Laws 1979, Chapter 333, Section 38.

(c) Development Resources

40,000

This appropriation is added to the appropriation for Economic Development Assistance in Laws 1979, Chapter 333, Section 38, and is available only to match federal money on the basis of \$1 state for \$3 federal.

Sec. 19. VETERANS AFFAIRS

Approved Complement - Add 8.5

(a) Veterans Home - Minneapolis

21,000 126,000

This appropriation is added to the appropriation for the same purpose in Laws 1979, Chapter 333, Section 40.

(b) In Laws 1979, Chapter 333, Section 40, the appropriation language relative to nondedicated receipts for the veterans home is changed from "\$3,546,000" to "\$3,369,500"

(c) Educational Benefits for
Soldiers and their children

15,000

Sec. 20. PUBLIC SAFETY

(a) State Patrol Overtime During
Independent Truckers Protest

343,300

(b) \$135,000 of the appropriation by Laws 1979, Chapter 333, Section 41, for the investigation of cross jurisdictional criminal activity for fiscal 1980 shall not cancel and is available for fiscal 1981.

Changes or additions indicated by underline deletions by ~~strikeout~~

Sec. 21. CRIME CONTROL PLANNING BOARD

\$486,000 is appropriated to the crime control planning board from the crime control planning board contingency account for Fiscal Year 1981 program levels specified in this section.

(a) Planning, Research and Evaluation	284,900
(b) Administration	201,100

The executive director of the crime control planning board, with the approval of the commissioner of finance, may transfer unencumbered balances not specified for a particular purpose between the program levels of administration and criminal justice planning, research, and evaluation. The transfer shall occur only after obtaining advice from the chairmen of the house appropriations committee and the senate finance committee. The advice is advisory only. Failure by the chairmen to provide advice within 15 days is to be considered positive assent.

The complement as specified in Laws 1979, Chapter 333, Section 42, for the crime control planning board stands. For accounting purposes, the crime control planning board may treat these positions as all state funded.

(c) Law Enforcement Assistance	90,000
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This appropriation is for grants for youth intervention programs. *

* Section 21 (c) was vetoed by the governor.

The appropriations in (a), (b), and (c) are added to the appropriations for the same purposes in Laws 1979, Chapter 333, Section 42.

(d) Automated Fingerprint Identification System - Evaluation	30,000
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The board shall evaluate the need for expanding the Minnesota automated fingerprint identification system throughout the state and the adequacy of technology currently available to operate the expanded system. The board shall report to the legislature by January 1, 1981, the results of the evaluation, including a recommendation on expanding the system based upon projected costs and benefits.

(e) Automated Fingerprint Identification System - Upgrading	169,000
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Changes or additions indicated by underline deletions by ~~strikeout~~

This appropriation is for a grant to the St. Paul police department to upgrade the Minnesota automated fingerprint identification system. *

* Section 21 (e) was vetoed by the governor.

Sec. 22. COUNCIL ON BLACK MINNESOTANS 40,000

Sec. 23. HOUSING FINANCE AGENCY

(a) Indian Housing 3,000,000

This appropriation is for transfer to the housing development fund created in Minnesota Statutes, Section 462A.20.

\$2,000,000 is for the American Indian revolving fund created in Minnesota Statutes, Section 462A.21, Subdivision 4c, for distribution in the amount of \$1,830,000 to the Minnesota Chippewa Tribe and \$170,000 to the Sioux Communities.

\$1,000,000 is for the urban American Indian revolving fund created in Minnesota Statutes, Section 462A.21, Subdivision 4d. *

* Section 23 (a) was vetoed by the governor.

(b) Temporary Shelter Residential Housing 100,000

This appropriation is for transfer to the housing development fund, created in section 462A.20, for the purposes of section 462A.05, as amended by this act, and for the payment of necessary and incidental costs and expenses. *

* Section 23 (b) was vetoed by the governor.

Sec. 24. EDUCATION

(a) Vocational Student Organization Center 191,200

(b) Vocational Curriculum Services 455,000

This appropriation is for a consolidation of the two programs formerly known as the Minnesota Instructional Materials Center and the Curriculum Articulation Center.

(c) Vocational Agricultural Coordinators 220,700

(d) The amounts in (a), (b), and (c) shall be spent pursuant to agreements between the state board of education and the recipients. The agreements are not

subject to the contract approval procedures of the commissioner of administration.

Until June 30, 1981, the recipient may charge fees to users of these services designed to cover the cost to the recipient of duplication and distribution, plus ten percent.

Sec. 25. HIGHER EDUCATION
COORDINATION BOARD

(a) Scholarship and Grant-in-Aid

Data Processing System

230,600

This appropriation is available until June 30, 1981.

\$160,600 of this appropriation is available after a feasibility study of the system is completed and may be expended only with the approval of the governor after consultation with the legislative advisory commission.

(b) Study of Area Vocational-
Technical Institutes

28,000

In view of future enrollment trends, the higher education coordinating board, in cooperation with the state board for vocational education, shall conduct a study of the area vocational-technical institutes and make *recommendations in regard to:*

- (1) The mission of the area vocational-technical institutes and their relationship to other systems and institutions;
- (2) The instructional programs and community services to be offered by the area vocational-technical institutes;
- (3) The governance and structure of the area vocational-technical institutes;
- (4) The financing policies and procedures of the area vocational-technical institutes;
- (5) Other appropriate issues as necessary.

The board shall submit its report and recommendations to the legislature by February 1, 1981.

Sec. 26. STATE UNIVERSITY
BOARD

175,000

This appropriation is for a grant to Northern Minnesota Public Television, Incorporated, for the *purchase of studio and production equipment* and is available until June 30, 1981.

Changes or additions indicated by underline deletions by ~~strikeout~~

Sec. 27. TRANSPORTATION

(a) Transportation Finance Study
Commission

60,000 *

* Section 27 (a) was vetoed by the governor.

(b) Transit Assistance Grants

14,658,000

2,273,100

\$11,500,000 the first year is for performance funding payments to the metropolitan transit commission for its regular route bus service program.

\$1,850,000 the first year is for a social fare reimbursement grant to the metropolitan transit commission, of which no more than \$25,000 may be used by the commission for administrative expenses.

\$245,300 the first year and \$264,500 the second year is for subsidies to private operators within the metropolitan area.

\$1,062,700 the first year and \$2,008,600 the second year is for public transit subsidy grants outside the Twin Cities metropolitan area.

These appropriations are added to the appropriations for Transit Assistance Grants in Laws 1979, Extra Session Chapter 1, Section 4.

(c) Amtrack Rail Subsidy - Duluth -
Twin Cities

475,000

The appropriations in (a), (b), and (c) above are available until June 30, 1981.

Sec. 28. CORRECTIONS

(a) Minnesota Corrections Board
Approved Complement - Add 9.5

298,200

(b) Crime Victim Services

39,000 *

* Section 28 (b) was vetoed by the governor.

(c) Notwithstanding the provisions of Minnesota Statutes, Chapter 401, effective January 1, 1981 no county or group of counties participating in the Community Corrections Act shall be charged any per diem cost of confinement for adults sentenced to the commissioner of corrections for crimes committed on or after January 1, 1981.

Sec. 29. PUBLIC WELFARE

(a) Computer Costs

100,000

200,000

If the appropriation for either year is insufficient, the appropriation for the other year is available, upon the advance approval of the commissioner of finance.

The commissioner of public welfare shall continue to operate the state hospital billing and accounts receivable system.

(b) Costs to Move Income Maintenance

Bureau 238,000

This appropriation is available until June 30, 1981.

(c) American Indian

Chemical Dependency Program 500,000

This appropriation is available until June 30, 1981.

(d) Hearing Impaired Program

50,000

This appropriation is for a grant to Ramsey county for the St. Paul Ramsey mental health center for a state-wide program including evaluation, consultation, training, care, and treatment for hearing impaired persons and their families, and training and consultation to staff members and others to increase skills and knowledge. This is a final and non-recurring appropriation.

(e) State Hospital Complement

4,200,000

This appropriation provides funds to increase the approved state complement of the several state hospitals serving mentally retarded residents by 250 positions. *All new positions herein granted shall be to serve the mentally retarded residents and shall be direct patient care positions, including, but not limited to, the classifications of human services technician, recreation aide, social work case aide and dental assistant. No new supervisor positions shall be added as a result of this appropriation. As the number of mentally retarded residents declines, the 1 to 8 staff to resident ratio shall be maintained. "Staff" as used here means the direct care state complement, on duty in the residential units. The authority granted in Laws 1979, Chapter 336, Section 2, Subdivision 5 for 120 human services technician positions above the approved complement is changed to 50 positions effective July 1, 1980.*

(f) Notwithstanding the provisions of section 256.01, subdivision 2, clause (13), the commissioner of public welfare has the authority to operate the work equity program through December 1981.

(g) Family Subsidy Program

100,000

This appropriation provides for participation by up to 35 additional families in the mentally retarded family subsidy program.

Changes or additions indicated by underline deletions by ~~strikeout~~

This appropriation is available until June 30, 1981.

(h) State Adoption Exchange 15,000

This appropriation provides money to administer a photographic state adoption exchange.

This appropriation is available until June 30, 1981.

(i) Notwithstanding the provisions of Minnesota Statutes, Chapter 256E, a county board may delegate to a county welfare board established pursuant to Chapter 393, authority to provide, or approve contracts for the purchase of, the kinds of community social services that were provided or contracted for by county welfare boards prior to the enactment of Laws 1979, Chapter 324. Designation of the method for providing citizen participation in the planning process, final approval of the community social services plan and the distribution of community social services money shall be the responsibility of the county board.

(j) Services to Brain-Injured Persons 24,000

The commissioner of public welfare shall contract with an approved vendor to pay the costs of services provided to brain-injured persons. The commissioner shall contract with a neurosurgeon who is independent of the approved vendor to evaluate, initially and on or about March 1, 1981, each person for whom services are provided under this appropriation to ascertain the person's current stage of neurological development and prognosis for improvement. The neurosurgeon shall send a written report of each evaluation to the commissioner. For the purposes of this appropriation, "approved vendor" means the Institutes for the Achievement of Human Potential. The commissioner shall report to the legislature by April 1, 1981 on the implementation of this provision.

Sec. 30. HEALTH

(a) The appropriation in Laws 1978, Chapter 793, Section 28, Subdivision 4, relating to contaminated wells in St. Louis Park, is available until June 30, 1981.

(b) Grants under Laws 1979, Chapter 336, Section 7, for converting hospitals to nursing homes shall also be made to a publicly owned or nonproprietary organization or person if the facility was used as a licensed hospital at any time during the last three years and if it meets all other requirements for a grant.

\$40,000 of the appropriation in Laws 1979, Chapter 336, Section 7 for conversion of hospitals is transferred to the commissioner of public welfare to provide a grant for the establishment of a branch mental health clinic.

(c) Special Grants for Home Based Services for Elderly and Adult Physically Impaired Persons

500,000

This appropriation shall be spent in accordance with this act. None of this appropriation may be used by the commissioner of health for administration of these special grants.

(d) THC Therapeutic Research Act

100,000

Not more than \$10,000 of this appropriation may be used by the commissioner for administrative expenses. This appropriation is available until June 30, 1981. *

* Section 30 (d) was vetoed by the governor.

Sec. 31. ECONOMIC SECURITY

Notwithstanding the provisions of Laws 1979, Chapter 336, Section 3, the sum therein appropriated to the department for matching federal funds for the establishment of comprehensive services for independent living, is hereby made available to the department for the fiscal year beginning July 1, 1980, provided there is assurance of a minimum of 25 percent federal participation in the program. Any unexpended balance remaining in the first year for comprehensive services for independent living shall not cancel, but shall be available for the second year of the biennium. The division of vocational rehabilitation shall submit to the governor and the legislature by January 1, 1981 a report regarding comprehensive services for independent living in Minnesota.

Sec. 32. MINNESOTA HISTORICAL SOCIETY

Analysis of State Records

40,500

This appropriation is added to the appropriation in Laws 1979, Chapter 337, Section 4, Subdivision 1, Paragraph (a).

Sec. 33. BOARD OF THE ARTS

500,000

This appropriation is for a grant to West Central Minnesota Educational Television Company to build or purchase office, studio and transmission facilities and to purchase production, transmission and tower

equipment. This appropriation is available only to match a federal grant from the National Telecommunications and Information Administration sufficient to cover 75 percent of total project costs, and the state share is limited to 15 percent of total project costs, but local and private money may cover 10 percent or a greater share of project costs.

This appropriation is available until December 1, 1981. *

* Section 33 was vetoed by the governor.

Sec. 34. RETIREMENT CONTRIBUTIONS.

Subdivision. 1. EXECUTIVE DIRECTOR OF THE MINNESOTA STATE RETIREMENT SYSTEM

(a) Legislators' and their Surviving Spouses and Dependents, per Sections 3A.03, Subdivision 2; 3A.04, Subdivisions 3 and 4; and 3A.11	1,100,000
(b) Supplemental Benefits for Former State Employees per Section 352.73	65,000
(c) Constitutional Officers, Commissioners, and their Spouses and Dependent Children Benefits, per Section 352C.04, Subdivision 3; and 352C.09, Subdivision 2	85,700
(d) Judges' Retirement State Contributions, per Section 490.123, Subdivision 1	2,110,000

Subd. 2. BOARD OF TRUSTEES OF THE TEACHERS RETIREMENT FUND

(a) State University and Community College Supplemental Retirement, per Section 136.81, Subdivision 1; and Teachers Supplemental Benefits, per Section 354.55, Subdivision 5	1,352,500
(b) Employer Contributions Statewide, per Section 354.43	78,297,000

Subd. 3. COMMISSIONER OF FINANCE

(a) Employer Contributions Duluth Teachers Retirement Fund Association, per Section 354A.12, Subdivision 2	1,337,000
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(b) Employer Contributions Minneapolis Teachers Retirement Fund Association, per Section 354A.12, Subdivision 2	8,878,925
(c) Employer Contributions St. Paul Teachers Retirement Fund Association, per Section 354A.12, Subdivision 2	6,600,000
(d) Municipal Employees Retirement Fund per Minnesota Statutes, Section 422A.101, Subdivision 3	4,500,000
Subd. 4. COMMISSIONER OF PERSONNEL Social Security Contributions for Educational Employees of Political Subdivisions per Section 355.46	65,101,000
Subd. 5. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION Supplemental Benefits per Section 353.83	61,400

Sec. 35. Minnesota Statutes, 1979 Supplement, Section 3.3005, Subdivision 4, is amended to read:

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 amount of money subject to the urgency 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.

Sec. 36. **FEDERAL MONEY REQUESTS, 1980 SESSION.** Requests to spend federal money or to add federal complement submitted to the 1980 session of the legislature that were previously submitted to the legislative advisory commission are approved. Those not previously submitted to the legislative advisory commission are referred to the legislative advisory commission for review at its next meeting.

Sec. 37. Minnesota Statutes 1978, Section 3A.03, Subdivision 2, is amended to read:

Subd. 2. **REFUNDMENT.** (1) Any person who has made contributions pursuant to subdivision 1 who is no longer a member of the legislature and has less than eight years service as a member of the legislature and is not receiving, has not received, or is not entitled to receive any allowance or benefit under

sections 3A.01 to 3A.10 is entitled to receive upon application to the director a refundment of all contributions credited to his account without interest thereon. ~~The moneys required for such refundments are appropriated annually to the director from the general fund in the state treasury.~~

(2) The refundment of contributions as provided in clause (1) above terminates all rights of a former member of the legislature or his survivors under sections 3A.01 to 3A.10. Should the former member of the legislature again be a member of the legislature after having taken a refundment as provided above, he shall be considered a new member. However, such new member may reinstate the rights and credit for service forfeited, provided the new member repays all refundments taken plus interest thereon at six percent per annum compounded annually.

(3) No person shall be required to apply for or accept a refundment.

Sec. 38. Minnesota Statutes 1978, Section 3A.04, Subdivision 3, is amended to read:

Subd. 3. **PAYMENT.** The surviving spouse's and dependent children's survivor benefits payable under this section ~~are appropriated annually to the director from the general fund in the state treasury;~~ and shall be paid by him the director monthly in the same manner as retirement allowances are authorized to be paid by sections 3A.01 to 3A.10.

Sec. 39. Minnesota Statutes 1978, Section 3A.04, Subdivision 4, is amended to read:

Subd. 4. **REFUNDS TO ESTATE.** Upon the death of a member of the legislature without a surviving spouse and without any dependents, a refundment of contributions of such deceased member of the legislature shall be paid to the estate of the member upon application of the representative thereof. ~~Such moneys as may be necessary to carry out the terms of this provision are appropriated annually to the director from the general fund in the state treasury.~~

This subdivision is applicable to an application for refundment covering contributions of a deceased member, regardless of when his death occurred.

Sec. 40. Minnesota Statutes 1978, Section 10A.01, Subdivision 10c, is amended to read:

Subd. 10c. "Noncampaign disbursement" means a purchase or payment of money or anything of value made, or an advance of credit incurred, by a political committee, political fund, or principal campaign committee for any purpose other than to influence the nomination or election of a candidate.

Noncampaign disbursement includes:

- (a) Payment for accounting and legal services;
- (b) Return of a contribution to the source;

(c) Repayment of a loan made to the political committee, political fund, or principal campaign committee by that committee or fund;

(d) Return of moneys from the state elections campaign fund;

(e) Payment for food and beverages consumed at a fundraising event;

(f) Services for a constituent by a member of the legislature or a constitutional officer in the executive branch, performed from the beginning of the term of office to 60 days after adjournment sine die of the legislature in the election year for the office held; and

(g) A donation in kind given to the political committee, political fund, or principal campaign committee for purposes listed in clauses (e) and (f). The board shall determine whether an activity involves a noncampaign disbursement within the meaning of this subdivision.

Sec. 41. Minnesota Statutes 1978, Section 11.15, Subdivision 4, is amended to read:

Subd. 4. All interest and profit accruing from any investment of the state bond fund shall be credited to and be a part of the state bond fund, and all loss from the sale thereof and all necessary expenses of investment and reinvestment shall be charged to that fund. Notwithstanding any other law to the contrary and unless otherwise required by covenants made for the security of bonds outstanding on the date of enactment and payable from the state bond fund, all interest and profit accruing after January 1, 1980, from any investment of the state bond fund is appropriated and shall be credited to and be a part of the general fund. All necessary expenses of investment and reinvestment of the state bond fund shall be charged to the state bond fund. *

* Section 41 was vetoed by the governor.

Sec. 42. Minnesota Statutes 1978, Section 15.0597, Subdivision 3, is amended to read:

Subd. 3. **PUBLICATION OF AGENCY DATA.** The secretary of state shall provide for periodic annual updating of the required data and shall annually arrange for the publication in the state register of the compiled data from all agencies on or about November 15 of each year. ~~Beginning in 1979, the compilation may be published together with the agency descriptions required by section 15.0412, subdivision 2.~~ Copies of the compilation shall be delivered to the governor and the legislature. Copies of the compilation shall be made available by the secretary to any interested person at cost, and copies shall be available for viewing by interested persons and for sale. The chairman of an agency who does not submit data required by this section ~~or section 15.0412, subdivision 2,~~ or who does not notify the secretary of a vacancy in his agency, shall not be eligible for a per diem or expenses in connection with agency service until December 1 of the following year.

Sec. 43. Minnesota Statutes 1978, Section 15.0597, Subdivision 4, is amended to read:

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Subd. 4. **NOTICE OF VACANCIES.** The chairman of an existing agency, in respect to vacancies in existing agencies, or the appointing authority, in respect to newly created agency positions, shall notify the secretary of a vacancy within 45 days after the occurrence of the vacancy. Every 45 days the secretary shall prepare a list of all vacancies in state agencies, together with a list of the vacancies scheduled to occur within the next 45 days as a result of the expiration of membership terms or the creation of new agency positions. This listing shall be published in the next available issue of the state register, and scheduled to occur in the agency as a result of the expiration of membership terms at least 45 days before the vacancy occurs. The chairman of an existing agency shall give written notification to the secretary of each vacancy occurring as a result of newly created agency positions and of every other vacancy occurring for any reason other than the expiration of membership terms as soon as possible upon learning of the vacancy and in any case within 15 days after the occurrence of the vacancy. The appointing authority for newly created agencies shall give written notification to the secretary of all vacancies in the new agency within 15 days after the creation of the agency. Every 21 days, the secretary shall publish in the state register a list of all vacancies of which the secretary has been so notified. Only one notice of a vacancy shall be so published, unless the appointing authority rejects all applicants and requests the secretary to republish the notice of vacancy. One copy of the listing shall be made available at the office of the secretary to any interested person. The secretary shall distribute by mail copies of the listings to requesting persons. The listing for all vacancies scheduled to occur in the month of January shall be published in the state register together with the compilation of agency data required to be published pursuant to subdivision 3.

Sec. 44. Minnesota Statutes 1978, Section 15.0597, Subdivision 5, is amended to read:

Subd. 5. **NOMINATIONS FOR VACANCIES.** Any person may nominate himself to be appointed to an agency vacancy by completing an application on a form prepared and distributed by the secretary. Any person or group of persons may, on a ~~similar~~ the prescribed application form, nominate another person to be appointed to a vacancy so long as the person so nominated consents in writing on the application form to the nomination. The application form shall specify the nominee's name, mailing address, telephone number, preferred agency position sought, a statement that the nominee satisfies any legally prescribed qualifications, and any other information the nominating person feels would be helpful to the appointing authority. The application form shall permit the nominating person at his discretion to indicate the nominee's sex, political party preference or lack thereof, race and national origin. If a person submits an application at the ~~best~~ ~~of or upon~~ the suggestion of an appointing authority, the person shall so indicate on the application form. ~~The secretary shall, upon 45~~ Twenty-one days after publication of a vacancy in the state register or ~~upon 45 days prior to a scheduled vacancy, whichever date occurs first, pursuant to subdivision 4, the secretary shall~~ submit copies of all applications received for a position to the appointing authority charged with filling the vacancy. If no applications have been received by the secretary for the vacant position by the date he is required to submit

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copies to the appointing authority, he shall so inform the appointing authority. Applications received by the secretary shall be deemed to have expired one year after receipt of the application ~~or upon appointment and, if required, advice and consent by the senate to a vacancy, whichever occurs first.~~ An application for a particular agency position shall be deemed to be an application for all vacancies in that agency occurring prior to the expiration of the application and shall be public information.

Sec. 45. Minnesota Statutes 1978, Section 15.0597, Subdivision 6, is amended to read:

Subd. 6. **APPOINTMENTS.** In making an appointment to a vacant agency position, the appointing authority shall consider applications for positions in that agency supplied by the secretary. No appointing authority may appoint someone to a vacant agency position until (1) ten days after receipt of the applications for positions in that agency from the secretary or (2) receipt of notice from the secretary that no applications have been received for vacant positions in that agency. At least five days before the date of appointment, the appointing authority shall issue a public announcement and inform the secretary in writing of the name of the person the appointing authority intends to appoint to fill the agency vacancy ~~at least five days before the date of appointment and the expiration date of that person's term.~~ If the appointing authority intends to appoint a person other than one for whom an application was submitted pursuant to this section, the appointing authority shall complete an application form on behalf of the appointee and submit it to the secretary indicating on the application that it is submitted by the appointing authority. If the appointment requires the advice and consent of the senate, the secretary shall, prior to consideration by the senate of the appointment, supply the president of the senate with a copy of the application, together with a copy of any documents which the appointee is required by virtue of his appointment to submit to the ethical practices board. With respect to the ethical practices board, the secretary shall also submit a copy of the application and documents to the speaker of the house of representatives prior to consideration of the appointment by the house of representatives.

Sec. 46. Minnesota Statutes 1978, Section 15.0597, Subdivision 7, is amended to read:

Subd. 7. **REPORT.** Together with the compilation required in subdivision 3, the secretary shall annually deliver to the governor and the legislature a report containing the following information:

- (a) The number of vacancies occurring in the preceding year;
- (b) The number of vacancies occurring as a result of scheduled ends of terms, unscheduled vacancies and the creation of new positions;
- (c) Breakdowns by county, legislative district and, if known, the sex, political party preference or lack thereof, race and national origin, for members whose agency membership terminated during the year and appointees to the vacant positions; and

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(d) The number of vacancies filled from applications submitted by (1) the appointing authorities for the positions filled, (2) nominating persons and self-nominees who submitted applications at ~~the behest of or upon~~ the suggestion of appointing authorities, and (3) all others.

Sec. 47. Minnesota Statutes 1978, Section 15.50, Subdivision 1, is amended to read:

15.50 CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD. Subdivision 1. (a) The legislature finds that the purposes of the board are to (1) preserve and enhance the dignity, beauty and architectural integrity of the capitol, the buildings immediately adjacent to it and the capitol grounds, and the capitol area; (2) protect, enhance, and increase the open spaces within the capitol area when deemed necessary and desirable for the improvement of the public enjoyment thereof; (3) develop proper approaches to the capitol area for pedestrian movement, the highway system, and mass transit system so that the area achieves its maximum importance and accessibility; and (4) establish a flexible framework for growth of the capitol buildings which will be in keeping with the spirit of the original design.

(b) ~~A~~ The capitol area architectural and planning board, herein referred to as the board, consisting consists of seven ten members is hereby created. The lieutenant governor shall be a member of the board. Three members shall be appointed by the governor by and with the advice and consent of the senate; three members, one of whom shall be a resident of the district planning council area containing the capitol area, shall be appointed by the mayor of the city of Saint Paul, with the advice and consent of the city council. The speaker of the house shall appoint a member of the house of representatives and the president of the senate shall appoint one senator to be members of the board. Each person appointed to the board shall qualify by taking the oath of office. ~~Effective following the end of terms of members expiring June 30, 1975, the number of members to be appointed by the governor shall increase to four and the number of members to be appointed by the mayor of the city of Saint Paul shall decrease to two.~~

(c) The lieutenant governor is the chairman of the board. The attorney general is the legal advisor to the board. The board may elect a vice-chairman who may preside at meetings in the absence of the lieutenant governor and such other officers as it may deem necessary to carry out its duties.

(d) The board shall select an executive secretary to serve the board. It may employ such other officers and employees as it may deem necessary all of whom shall be in the classified service of the state civil service. The board may contract for professional and other similar service on such terms as it may deem desirable.

Sec. 48. Minnesota Statutes 1978, Section 15.50, Subdivision 2, is amended to read:

Subd. 2. (a) The board shall prepare, prescribe, and from time to time amend a comprehensive use plan for the capitol area, herein called the area which

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shall initially consist of that portion of the city of Saint Paul comprehended within the following boundaries: Beginning at the point of intersection of the centerline of the Arch-Pennsylvania freeway and the centerline of Marion Street, thence southerly along the centerline of Marion Street to the north line of the right-of-way of Interstate Highway 94, thence easterly along the said north line to the centerline of Cedar Avenue, thence southeasterly along the centerline of Cedar Avenue to the centerline of Tenth Street, thence northeasterly along the centerline of Tenth Street to the centerline of Minnesota Street, thence northwesterly along the centerline of Minnesota Street to the centerline of Eleventh Street, *thence northeasterly along the centerline of Eleventh Street to the centerline of Jackson Street*, thence northwesterly along the centerline of Jackson Street to the centerline of the Arch-Pennsylvania freeway extended, thence westerly along the centerline of the Arch-Pennsylvania freeway extended and Marion Street to the point of origin. Pursuant to the comprehensive plan, or any portion thereof, the board may regulate, by means of zoning regulations adopted pursuant to the administrative ~~procedures~~ procedure act, the kind, character, height, and location, of buildings and other structures constructed or used, the size of yards and open spaces, the percentage of lots that may be occupied, and the uses of land, buildings and other structures, within the area. To protect and enhance the dignity, beauty and architectural integrity of the capitol area, the board is further empowered to include in its zoning rules design review procedures and standards with respect to any proposed construction activities in the capitol area significantly affecting the dignity, beauty and architectural integrity of the area. No person shall undertake these construction activities as defined in the board's rules in the capitol area unless he has first submitted construction plans to the board, obtained a zoning permit from the board and received a written certification from the board specifying that he has complied with all design review procedures and standards. ~~The Violation of such the zoning regulations shall be is~~ a misdemeanor. The board may, at its option, proceed to abate any ~~such~~ violation by injunction. The board and the city of St. Paul shall cooperate in assuring that the area adjacent to the capitol area is developed in a manner that is in keeping with the purpose of the board and the provisions of the comprehensive plan.

(b) The commissioner of administration shall act as a consultant to the board with regard to the physical structural needs of the state. He shall make studies and report the results to the board when they request him to do so for their planning purpose.

(c) No public building, street, parking lot, or monument, or other construction shall be built or altered on any public lands within the area unless the plans for the same conforms to the comprehensive use plan as specified in clause (d) and to the requirement for competitive plans as specified in clause (e). No alteration substantially changing the external appearance of any existing public building approved in the comprehensive plan or the exterior or interior design of any proposed new public building the plans for which were secured by competition under clause (e), may be made without the prior consent of the board. The commissioner of administration shall consult with the board regarding internal changes having the effect of substantially altering the architecture of the interior of any proposed building.

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(d) The comprehensive plan shall show the existing land uses and recommend future uses including: areas for public taking and use; zoning for private land and criteria for development of public land, including building areas and open spaces; vehicular and pedestrian circulation; utilities systems; vehicular storage; elements of landscape architecture. No substantial alteration or improvement shall be made to public lands or buildings in the area save with the written approval of the board.

(e) The board shall secure by competitions, plans for any new public building. Plans for any comprehensive plan, landscaping scheme, street plan, or property acquisition, which may be proposed, or for any proposed alteration of any existing public building, landscaping scheme or street plan may be secured by a similar competition. Such competition shall be conducted under rules prescribed by the board and may be of any type which meets the competition standards of the American Institute of Architects. Designs selected shall become the property of the state of Minnesota and the board may award one or more premiums in each such competition and may pay such costs and fees as may be required for the conduct thereof. At the option of the board, plans for projects estimated to cost less than ~~\$500,000~~ \$1,000,000 may be approved without competition provided such plans have been considered by the ~~architectural~~ advisory committee described in clause (f). Plans for projects estimated to cost less than ~~\$200,000~~ \$400,000 and for construction of streets need not be considered by the ~~architectural~~ advisory committee if in conformity with the comprehensive plan.

(f) The board shall not adopt any plan under clause (e) ~~hereof~~ unless it ~~shall first receive~~ receives the comments and criticism of a ~~an~~ an advisory committee of three ~~architects~~ persons, each of whom is either an architect or a planner, who have been selected and appointed as follows: one by the board of the arts, one by the board, and one by the Minnesota Society of the American Institute of Architects. Members of ~~such~~ the committee shall not be contestants under clause (e) ~~hereof~~. ~~Such~~ The comments and criticism shall be a matter of public information. ~~Such~~ The committee shall advise the board on all architectural and planning matters. For that purpose:

(1) ~~Such~~ The committee shall be kept currently informed concerning, and have access to, all data, including all plans, studies, reports and proposals, relating to the area as the same are developed or in the process of preparation whether by the commissioner of administration, the state planning director, the metropolitan council, the city of Saint Paul, or by any architect, planner, agency or organization, public or private, retained by the board or not retained and engaged in any work or planning relating to the area. A copy of any such data prepared by any public employee or agency shall be filed with the board promptly upon completion:

(2) The board may employ such stenographic or technical help as may be reasonable to assist ~~such~~ the committee to perform its duties:

(3) When so directed by the board, ~~such~~ the committee may serve as, and any member or members thereof may serve on, the jury or as professional advisor for any architectural competition. The board shall select the architectural advisor and jurors for any competition with the advice of the committee and

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(4) The city of St. Paul shall advise the board.

(g) The comprehensive plan for the area shall be developed and maintained in close cooperation with the state planning agency and the planning department and the council for the city of Saint Paul and the board of the arts, and no such plan or amendment thereof shall be effective without 90 days' notice to the planning department of the city of Saint Paul and the board of the arts.

(h) The board and the commissioner of administration jointly, shall prepare, prescribe, and from time to time revise standards and policies governing the repair, alteration, furnishing, appearance and cleanliness of the public and ceremonial areas of the state capitol building. Pursuant to this power, the board shall consult with the director of the Minnesota state historical society and receive his advice regarding the historic fidelity of plans for the capitol building. The standards and policies developed as herein provided shall be binding upon the commissioner of administration. The provisions of sections 15.0411 to 15.0426 shall not apply to this clause.

(i) The board in consultation with the commissioner of administration shall prepare and submit to the legislature and the governor no later than October 1 of each even-numbered year a report on the status of implementation of the comprehensive plan together with a program for capital improvements and site development, and the commissioner of administration shall provide the necessary cost estimates for such a the program.

(j) The state shall, by the attorney general upon the recommendation of the board and within appropriations available for that purpose, acquire by gift, purchase or eminent domain proceedings any real property situated in the area described in this section and it shall also have the power to acquire an interest less than a fee simple interest in the property, if it finds that it is needed for future expansion or beautification of the area.

(k) The board is the successor of the state veterans' service building commission, and as such may adopt regulations and may reenact the regulations adopted by its predecessor under Laws 1945, Chapter 315, and acts amendatory thereof.

(l) The board shall meet at the call of the chairman and at such other times as it may prescribe.

(m) The commissioner of administration is ~~authorized to~~ and shall assign quarters in the state veterans service building to (1) the department of veterans affairs of which such part as the commissioner of administration and commissioner of veterans affairs may mutually determine shall be on the first floor above the ground and (2) the American Legion, Veterans of Foreign Wars, Disabled American Veterans, Military Order of the Purple Heart, United Spanish War Veterans, and Veterans of World War I, and their auxiliaries, incorporated, or when incorporated, under the laws of the state, and (3) as space becomes available to such other state departments and agencies as he may deem desirable.

Sec. 49. Minnesota Statutes, 1979 Supplement, Section 15A.083, Subdivision 4, is amended to read:

Subd. 4. **RANGES FOR OTHER JUDICIAL POSITIONS.** Salaries or salary ranges are provided for the following positions in the judicial branch of government. The appointing authority of any position for which a salary range has been provided shall fix the individual salary within the prescribed range, considering the qualifications and overall performance of the employee. Appointments to fill vacancies shall not be made above the midpoint of the salary range prescribed for the position unless the personnel board state court administrator has been consulted in advance and his approval obtained. Any salary increase that would adjust an employee's rate of pay beyond the midpoint of the range prescribed for the position must be approved in advance by the personnel board state court administrator.

	Salary or Range	
	Effective July 1, 1979	Effective July 1, 1980
Public defender	\$37,500	\$40,000
District administrator	27,000-37,500	28,500-40,000
County attorneys council executive director	22,000-32,000	23,500-34,000
Board on judicial standards executive director	36,000	38,000
State court administrator	44,500	47,000

Sec. 50. Minnesota Statutes 1978, Section 16.02, Subdivision 10, is amended to read:

Subd. 10. To rent land and other premises when necessary for state purposes. ~~No such land or premises shall be rented for a term exceeding two years at a time; except that, with the approval of the legislative advisory commission.~~ The commissioner may lease land or premises for a term not exceeding five years, subject to cancellation upon 30 days written notice by the state for any reason except rental of other land or premises for the same use; provided further that the rental of non-state owned land and buildings, or substantial portions thereof, by the commissioner within the capitol area as defined in section 15.50 shall not take place unless the commissioner first consults with the capitol area architectural and planning board. Lands needed by the department of transportation for storage of vehicles or road materials may be rented for a term not exceeding five years ~~without the approval of the legislative advisory commission,~~ such leases for terms over two years being subject to cancellation upon 30 days written notice by the state for any reason except rental of other land or premises for the same use.

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Sec. 51. Minnesota Statutes 1978, Chapter 16, is amended by adding a section to read:

[16.095] CONTRACTS-VENDORS RECORDS SUBJECT TO EXAMINATION. A contract made by or under the supervision of the commissioner of administration, any state department or agency, or any county or unit of local government shall include an audit clause that provides that the books, records, documents, and accounting procedures and practices of the contractor relevant to the contract are subject to examination by the contracting department or agency, and either the legislative auditor or the state auditor as appropriate.

Sec. 52. Minnesota Statutes 1978, Chapter 16, is amended by adding a section to read:

[16.955] COMPUTER ACTIVITIES; EVALUATION; APPROVAL; SYSTEM DEVELOPMENT METHODOLOGY. Subdivision 1. DEFINITIONS. For the purposes of this section the following terms have the meaning given them.

(a) "Computer activity" means the development or acquisition of a data processing device or system.

(b) "Data processing device or system" means any equipment or computer programs, including but not limited to computer hardware, firmware, software, and communication protocol, used in connection with the processing of information via electronic data processing means, and includes data communication devices used in connection with computer facilities for the transmission of data.

(c) "State agency" means any state officer, employee, board, commission, authority, department or other agency of the executive branch of state government, but not including the University of Minnesota.

Subd. 2. EVALUATION PROCEDURE. By January 1, 1981, the commissioner of administration shall establish and, as necessary, update and modify procedures to evaluate computer activities proposed by state agencies. The procedures shall evaluate the necessity, design and plan for development, ability to meet user requirements, feasibility, and flexibility, of the proposed data processing device or system, its relationship to other state data processing devices or systems, and its costs and benefits when considered by itself and when compared with alternative solutions.

Subd. 3. EVALUATION AND APPROVAL REQUIREMENTS. A state agency shall not undertake a computer activity until the activity has been evaluated according to the procedures developed pursuant to subdivision 2 and the commissioners of administration and finance have given written approval of the proposed activity. If a proposed computer activity is not approved, the commissioner of finance shall cancel the unencumbered balance of any appropriation allotted for the activity. The commissioners of administration and finance may delegate their respective approval powers regarding computer activities to the head of another agency including the agency seeking approval where delegation is deemed appropriate.

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Subd. 4. REPORT TO LEGISLATURE. If a proposed computer activity is approved, the commissioners of administration and finance shall submit to the legislature a concise narrative explanation of the computer activity and a request for any additional appropriation necessary to complete the activity.

Subd. 5. SYSTEM DEVELOPMENT METHODOLOGY. By January 1, 1981, the commissioner of administration shall establish and, as necessary, update and modify a methodology for the development of approved data processing systems by state agencies. The development methodology shall be used to define the design, programming, and implementation of approved data processing systems. The development methodology shall also enable and require a data processing system to be defined in terms of its computer programs, input requirements, output formats, administrative procedures, and processing frequencies.

Subd. 6. SYSTEM DEVELOPMENT METHODOLOGY REQUIREMENTS. A state agency shall not develop, improve or modify of a data processing system using any methodology other than that established by the commissioner of administration.

Sec. 53. Minnesota Statutes 1978, Section 16.854, Subdivision 1, is amended to read:

16.854 STATE BUILDING INSPECTOR. Subdivision 1. **APPOINTMENT.** ~~As soon after July 1, 1971, as is possible~~ The commissioner shall appoint a state building inspector who under the direction and supervision of the commissioner shall administer the code. ~~The state building inspector shall serve at the pleasure of the commissioner within the department of administration and shall be in the unclassified service of the state.~~

Sec. 54. Minnesota Statutes 1978, Chapter 16A, is amended by adding a section 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.

Sec. 55. Minnesota Statutes, 1979 Supplement, Section 16A.126, is amended to read:

16A.126 COMMISSIONER TO APPROVE BILLING RATES FOR REVOLVING FUNDS. The commissioner of finance shall approve the rates at which services are billed state departments or agencies by any revolving fund. ~~In order to reduce revolving fund reserves maintained for unforeseen needs and~~ thereby reduce the rates which using agencies must pay, the commissioner may transfer moneys not otherwise appropriated in the general fund to a revolving fund if, in the commissioner's judgment, a bona fide, immediate expenditure is necessary and if there are insufficient moneys in the revolving fund to meet the expenditure. Any money so transferred for the purchase of equipment shall be

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repaid to the general fund in installments over its useful life on a schedule established by the commissioner of finance. Other moneys so transferred shall be repaid to the general fund on a schedule established by the commissioner of finance but within a period not to exceed five years.

Sec. 56. Minnesota Statutes 1978, Section 16A.131, is amended to read:

16A.131 SALARY DEDUCTIONS, AUTHORIZATION. Subdivision 1.

Every officer and employee of the state may purchase and pay for bonds, stamps, 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 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 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 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.

Subd. 2. The commissioner of finance, with the written consent of a state employee, may deduct from the salary of the employee a sum agreed to by the employee for the purchase of mass transit ridership cards. The commissioner of finance shall deposit all money resulting from these payroll deductions in the special account authorized by section 16.72, subdivision 7.

Sec. 57. Minnesota Statutes 1978, Chapter 16A, is amended by adding a section to read:

[16A.19] RETIREMENT APPROPRIATIONS; DEFICIENCIES. In the event that a direct appropriation for retirement contributions, benefits, or administrative expenses, or for social security contributions pursuant to section 355.46, is insufficient to meet the state's obligation under the program for which it is made for the fiscal year for which it is made, the agency to whom the appropriation was made shall certify to the committee on finance of the senate, the committee on appropriations of the house of representatives, and the commissioner of finance the amount necessary to meet the deficiency. Upon this certification, the commissioner of finance shall transfer the necessary amounts to the appropriate accounts. The amount necessary to make the transfer is appropriated from the general fund in the state treasury to the agency to whom the transfer is made.

Sec. 58. Minnesota Statutes 1978, Section 16A.67, Subdivision 1, is amended to read:

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16A.67 CERTIFICATES OF INDEBTEDNESS. Subdivision 1. For the purpose of supplying deficiencies in the general fund certificates of indebtedness of the state may be issued in accordance with the provisions of Article 11, Section 6, of the Constitution and the further provisions of this section. No such deficiency is deemed to exist by reason of the fact that expenditures pursuant to appropriation and allotment for a particular purpose may at any time exceed the cash receipts from any source of special revenue appropriated to the fund for such purpose, notwithstanding that a "fund" may have been created by law for such purpose and may have been established by the commissioner of finance as a bookkeeping account in the general books of account of the state for the purpose of reflecting the revenues deposited and expenditures appropriated for such purpose in accordance with the provisions of section 16A.53. A deficiency shall be deemed to exist only when the total amount of outstanding warrants drawn on ~~such~~ the general fund, pursuant to appropriation and allotment for all purposes and accounts of the fund, exceeds the cash balance in the fund. In this event a deficiency shall be deemed to exist in the general fund, notwithstanding that there may then be a balance of cash or investments on hand in one or more special or dedicated funds created by the Constitution or required to be created and maintained as separate funds by federal law or by rules or regulations promulgated by federal authority pursuant thereto; and this section does not authorize a transfer of money from any of those special or dedicated ~~fund~~ funds to the general fund, except by the issuance and sale of certificates of indebtedness as herein provided.

Sec. 59. Minnesota Statutes 1978, Section 16A.721, is amended to read:

16A.721 FEES FROM SEMINARS AND WORKSHOPS. The commissioner of finance may adopt rules for charging fees for seminars and workshops conducted by state agencies. The commissioner may establish an account for deposit of seminar and workshop fee receipts generated, which are appropriated for payment of expenses relating to the workshops and seminars. The commissioner shall not allow the unobligated balance of this account to exceed \$10,000. ~~This provision applies to fiscal year 1979.~~

Sec. 60. **PERSONNEL BOARD ABOLISHED; TRANSITION.** The personnel board is abolished. Its duties and functions are transferred as provided for in this act. All employees of the board shall be reassigned to the department of personnel without loss of seniority, salary, benefits or other rights.

Sec. 61. Minnesota Statutes 1978, Section 43.05, Subdivision 2, is amended to read:

Subd. 2. **SPECIFIED DUTIES.** The commissioner shall:

(1) ~~Attend all meetings of the board;~~

(2)(1) Promulgate personnel rules for the purpose of carrying out the provisions of this chapter; these rules shall provide, among other things, for current records of efficiency, and standards of performance, for all employees subject to the provisions of this chapter; the manner of completing appointments and promotions; rejection of eligible candidates; examinations; retention of exam-

ination records under the provisions of section 138.163; creation of eligible lists, with successful candidates ranked according to their ratings in the examinations; leaves of absence with and without pay; transfers, reinstatements, layoffs, vacations, and hours of work; public notice of examinations; procedure for changes in rates of pay; compulsory retirement at fixed ages; and other conditions of employment. If a rule is made concerning sick leave for illness in the immediate family of an employee, the term "immediate family" shall be limited to the spouse, minor or dependent children, or parent where the parent has no other person to provide the necessary nursing care, living in the household of the employee:

~~(3)~~(2) Operate an information system from which data can be retrieved concerning employees in agencies under his jurisdiction showing their employment histories including the date of appointment, demotion, reinstatement, increases or decreases in pay, the compensation and title of the position, changes in title, transfers, and separations from the service; and the commissioner shall have access to all public and private personnel data kept by an appointing authority, the examination of which will aid in the discharge of his duties:

~~(4)~~(3) Prepare, in accordance with the provisions of this chapter and the rules adopted hereunder, examinations, eligible lists, and ratings of candidates for appointment:

~~(5)~~(4) Make certifications for appointment within the classified service, in accordance with the provisions of this chapter:

~~(6)~~(5) Make investigations concerning all matters touching the enforcement and effect of the provisions of this chapter and the personnel rules prescribed hereunder:

~~(7)~~(6) Discharge such duties as are imposed upon him by this chapter:

~~(8)~~(7) Establish, publish and continually review logical career paths in the classified civil service:

~~(9)~~(8) Consider all requests for other than state appropriated funds from any state department or agency for personnel purposes all of which shall be submitted to him for comment before any such request is made of a federal, local, or private agency; and

~~(10)~~(9) Prepare rules regulating the temporary designation of positions in the unclassified civil service:

~~(11)~~(10) Review, establish or change titles for the positions in the unclassified civil service in the executive branch of state government except those established by law or by the constitution, to make titles descriptive of positions and consistent throughout the state service; and

~~(12)~~(11) In conformance with the rule making provisions of chapter 15, promulgate a code of ethics establishing standards of conduct to be observed by state employees in the performance of their official duties.

Sec. 62. Minnesota Statutes 1978, Section 43.062, Subdivision 1, is amended to read:

43.062 **SALARY SETTING AUTHORITY.** Subdivision 1. **SALARY LISTING.** The ~~personnel board~~ governor shall, on or before ~~November 15~~ January 15 of each ~~even~~ odd numbered year, submit to the ~~commissioner of personnel~~ legislature a listing of salaries for the positions listed in sections 15A.081 and 15A.083 ~~and for members of the legislature.~~ The ~~board~~ governor may also recommend adding or deleting of positions from this list.

Sec. 63. Minnesota Statutes 1978, Section 43.062, Subdivision 2, is amended to read:

Subd. 2. **COMMITTEE TO CONSIDER ADVICE.** Before submitting the salary listing prescribed in subdivision 1 to ~~the commissioner of personnel,~~ the ~~personnel board~~ governor shall consult with ~~the governor,~~ the commissioner of administration, the commissioner of finance, and the commissioner of personnel concerning the salary listing and shall give due consideration to the advice of these officers. Before submitting to the ~~commissioner of personnel~~ a salary listing prescribed in subdivision 1 for an employee in the office of a constitutional officer, the ~~personnel board~~ governor shall consult with the constitutional officer concerning the salary listing and shall give due consideration to the advice of the officer.

Sec. 64. Minnesota Statutes, 1979 Supplement, Section 43.062, Subdivision 3, is amended to read:

Subd. 3. **BASE SALARIES.** Except for positions for which salary ranges have been established, the salary listing shall contain a specific salary for each position defined in subdivision 1.

The ~~board~~ governor shall determine only a fixed salary for the positions of the constitutional officers, executive secretary of the board of investment, the judge of the workers' compensation court of appeals and the commissioner of public service.

Sec. 65. Minnesota Statutes 1978, Section 43.065, is amended to read:

43.065 **SALARY REVIEW.** Subdivision 1. **SALARIES TO BE EQUITABLE.** When determining or recommending salaries for any position, the ~~personnel board and the~~ governor and the commissioner of personnel shall assure that:

(1) Salaries in the classified and unclassified service bear equitable relationship to one another:

(2) Salaries among the various positions listed in section 15A.081, bear equitable relationships to one another; and

(3) Salaries for state positions bear equitable relationships to salaries for similar positions outside state service.

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Salaries bear equitable relationships to one another within the meaning of this section if salaries for positions which require comparable knowledge, abilities, duties, responsibilities and accountabilities are comparable and if salaries for positions which require differing knowledge, abilities, duties, responsibilities and accountabilities are directly proportional to the knowledge, abilities, duties, and responsibilities required.

Subd. 2. **METHOD OF REVIEW.** In recommending the salary listing described in section 15A.081, the ~~board~~ governor shall consider only those criteria established by subdivision 1 and shall not take into account personal performance of individual incumbents. The ~~board~~ governor shall establish an objective system for quantifying knowledge, abilities, duties, responsibilities and accountabilities and in determining salary listings rate each position according to this system.

Subd. 3. **INFORMATION, CONSULTANTS.** Each department shall furnish the ~~board~~ commissioner with any information which the ~~board~~ commissioner may request to aid in the performance of its duties. Subject to appropriations, the ~~board~~ commissioner may engage expert consultants.

Sec. 66. Minnesota Statutes 1978, Section 43.067, Subdivision 2, is amended to read:

Subd. 2. **DISCRETIONARY EXEMPTIONS.** The ~~personnel~~ board ~~commissioner~~ may grant exemptions from the provisions of subdivision 1 in the case of individual persons. A salary increase authorized by other law by reason of seniority or cost of living adjustments shall not be sufficient reason to grant an exemption. The ~~board~~ commissioner may grant an exemption upon application of the appointing authority, but only if the ~~board~~ commissioner determines that the position requires special expertise necessitating a higher salary in order to attract or retain qualified persons. In no event may a salary exempted pursuant to this subdivision exceed 120 percent of the base salary of the position in respect to which the exemption was requested.

Sec. 67. Minnesota Statutes 1978, Section 43.068, is amended to read:

43.068 **GOVERNOR MAY FIX CERTAIN SALARIES.** The initial salary of a department head and any deputy of a department head occupying a position in the unclassified service hereafter established whose salary is not specifically prescribed by law shall be fixed by the governor, after consultation with the ~~personnel~~ board ~~commissioner~~, whose recommendation shall be advisory only, in an amount comparable to the salary of a department head or a deputy of a department head having similar duties and responsibilities.

Sec. 68. Minnesota Statutes, 1979 Supplement, Section 43.09, Subdivision 2a, is amended to read:

Subd. 2a. **ADDITIONAL UNCLASSIFIED POSITIONS.** Notwithstanding any other law to the contrary, the ~~personnel~~ board ~~commissioner~~, upon the request of the governor, is hereby authorized to establish permanent unclassified positions, or to unclassify previously classified positions, provided that:

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(1) Positions so established involve only deputy or assistant heads of departments or agencies, or director level positions which are not specifically established by law, and who are appointed by and report directly to a head of a department or agency who is required by law to be appointed by the governor, or by a gubernatorially appointed board; as well as one position for a personal secretary of any head of a department or agency listed in clause (4).

(2) Classified incumbents of such positions, if any, are not removed from that position for a period of one year except under applicable provisions of rules and laws governing classified state employees. An incumbent of a position that is declassified pursuant to this subdivision, if he so requests within 120 days after being removed from that position, shall be appointed to a classified position comparable to the position that was declassified, or if such a position is unavailable, to a position comparable to that which he held immediately prior to being appointed to the position that was declassified. If a position is declassified and the incumbent at the time the position was declassified had no classified status immediately prior to the appointment to the position that was declassified, he shall, if he so requests within 120 days after being removed from that position, be appointed to a comparable or lower classified position within two salary ranges of the position that was declassified.

(3) If an employee in the classified civil service accepts a newly created unclassified position, he shall retain an inactive classified civil service status and, upon his request, shall be reappointed to a classified position comparable to that which he held immediately prior to being appointed to the unclassified position.

(4) Positions so established are limited in number to six in the departments of administration, corrections, economic security, finance, transportation, natural resources, public safety, public welfare, and revenue; to five in the departments of commerce, education, health, labor and industry, personnel and the housing finance agency; to four in the departments of agriculture, and economic development; to three in the department of public service, the planning agency, and the pollution control agency; and to two in the departments of human rights, the crime control planning board and veterans affairs. Departments or agencies not enumerated in this clause shall not be authorized to establish additional unclassified positions under the provisions of this subdivision.

(5) Funds are available.

Sec. 69, Minnesota Statutes, 1979 Supplement, Section 43.15, Subdivision 1, is amended to read:

43.15 AFFIRMATIVE ACTION; DISCRIMINATION FORBIDDEN. Subdivision 1. **STATEWIDE AFFIRMATIVE ACTION PROGRAM.** In order to assure that positions in the state civil service are equally accessible to all qualified persons, and in order to eliminate the underutilization of qualified members of protected groups, the commissioner of personnel shall adopt and periodically revise as necessary a statewide affirmative action program covering all agencies in the executive branch. The commissioner shall designate a state director of equal employment opportunity to serve in the unclassified service and to whom may be

delegated the preparation, revision and implementation of the program. The statewide program and any revisions thereto shall be adopted as rules and individual agency affirmative action plans adopted pursuant to the statewide program shall be in accordance with adopted rules. As used in this section, "protected group" means a group consisting of females, handicapped persons, and until 1989 veterans who served in the military service of this country during the period ~~July 4 from August 5, 1964, to December 31, 1976~~ May 7, 1975, and separated under honorable conditions from any branch of the armed forces of the United States: (a) after having served on active duty for 181 consecutive days or (b) by reason of disability incurred while serving on active duty, and who are permanent residents of the state of Minnesota, or members of the following minorities: Black, Hispanic, Asian or Pacific Islander, American Indian or Alaskan native.

Sec. 70. Minnesota Statutes, 1979 Supplement, Section 43.24, is amended to read:

43.24 REMOVAL. Subdivision 1. **WRITTEN STATEMENT.** No permanent employee in the classified service, under the provisions of this chapter or the rules made pursuant thereto, shall be removed, discharged, suspended without pay for more than 30 days, or reduced in pay or position, except for just cause. In case of any disciplinary action, as enumerated in this section, the employee shall, before the action is taken, be furnished with a statement, in writing, setting forth the reasons for the disciplinary action, be permitted five days time to reply thereto, in writing, or upon his request, to appear personally and reply to the head of the department. A copy of the statement and the employee's reply, if any, shall be filed with the commissioner prior to the effective date thereof. Any permanent employee in the classified service who is removed, discharged, suspended without pay for more than 30 days, or reduced in pay or position, shall be notified no later than the effective date of the action of his right to appeal the action to the ~~board~~ chief hearing examiner of the state office of administrative hearings who shall assign a hearing examiner to hear the matter.

Subd. 1a. **JUST CAUSE.** For the purposes of this section, "just cause" includes, but is not limited to, consistent failure to perform assigned duties, substandard performance, insubordination, and serious violation of written policies and procedures, provided the policies and procedures are applied in a uniform, non-discriminatory manner. "Just cause" excludes the religious beliefs, political beliefs, race, sex, disability status and age of the employee, subject however to mandatory retirement ages specified by law and excludes discharge for mere whim or caprice.

Subd. 2. **APPEAL TO BOARD; PUBLIC HEARINGS, FINDINGS, HEARING CONFERENCE.** Any permanent employee who is removed, discharged, suspended without pay for more than 30 days, or reduced in pay or position and who has not elected to proceed pursuant to a grievance procedure, if such the procedure is available, pursuant to sections 179.61 to 179.77, may appeal to the ~~board~~ chief hearing examiner of the state office of administrative hearings who shall assign a hearing examiner to hear the matter within 30 days after the

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effective date of ~~such~~ the removal, discharge, suspension or reduction in pay or position. In no event may an employee avail himself of both the procedure under this section and the grievance procedure under sections 179.61 to 179.77. Upon ~~such~~ appeal, both the appealing employee and the appointing authority or their representatives shall meet with the hearing officer, at a place and on ~~such~~ a date as set by him for the purpose of determining the facts at issue. Prior to the hearing conference, both parties may stipulate on mutually agreed matters relevant to the dismissal or other disciplinary action referred to in this subdivision. If the hearing officer is successful in reaching a mutually agreed settlement between both parties, such agreement shall be certified to the ~~board~~ chief hearing examiner, with copies furnished to both parties, and ~~such~~ the agreement, if approved by the ~~board~~ chief hearing examiner, shall become binding on both parties. The hearing conference shall be conducted in such manner and follow such procedures as prescribed by the ~~board~~ contested case provisions of chapter 15. The issues and facts on which agreement has not been reached will be decided during the hearing at which hearing technical rules of evidence shall not apply. If the ~~board~~ hearing examiner finds that the action complained of was not taken by the appointing authority for just cause, the employee shall be reinstated to his position, or an equal position in another department or division, without loss of pay. If the ~~board~~ hearing examiner finds that there exist sufficient grounds for institution of dismissal but extenuating circumstances are brought out in testimony and evidence, ~~it~~ he may in ~~its~~ his discretion reinstate the employee, with full, partial, or no pay, or it may modify the appointing authority's action by substituting a lesser disciplinary action. The hearing officer shall recommend to the ~~board~~ chief hearing examiner an appropriate disposition of the case. If no exceptions are made, the hearing officer's recommended disposition shall, at the option of the ~~board~~ chief hearing examiner, become final. If exceptions are taken, the ~~board~~ chief hearing examiner, upon a review of the record, may accept the officer's recommendations with or without additional oral or written evidence from the parties, may remand the case to the officer for further hearing, adopt the hearing officer's report with any changes warranted by the record, or issue its own report of findings and orders. In those cases in which the ~~board~~ chief hearing examiner finds just cause for dismissal, the findings and recommendations of the ~~board~~ chief hearing examiner shall be submitted to and considered by the appointing authority, who may, not later than 30 days after receipt of ~~such~~ the findings and recommendations, reinstate the employee with or without pay for the period of suspension, or otherwise modify his original decision of suspension, demotion, or discharge. When any permanent employee is dismissed and not reinstated after appeal, the ~~board~~ chief hearing examiner may direct that his name be placed on an appropriate reemployment list, for employment in any similar position other than the one from which he has been removed, which direction shall be enforced by the commissioner. If the chief hearing examiner supports the agency decision, or if the agency refuses to accept the chief hearing examiner's recommendations, the employee may appeal as though from a contested case decision pursuant to chapter 15.

Subd. 3. **REQUEST FOR WRITTEN STATEMENT.** When any such permanent employee shall be suspended without pay, he shall, within 30 days

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time after being notified of such disciplinary action, be furnished with a statement in writing specifically setting forth the reasons for the disciplinary action, and a copy of such statement shall then also be filed with the commissioner.

Sec. 71. Minnesota Statutes 1978, Section 43.323, Subdivision 1, is amended to read:

43.323 **PERSONNEL RULE; PROCEDURE.** Subdivision 1. When so authorized by law, the commissioner of personnel shall issue personnel rules or revisions in conformance with the requirements of chapter 15, ~~personnel rules, or changes thereof; and shall submit such proposed rules, or changes to existing rules;~~ to the personnel board; for its opinion which shall be advisory only.

Within three weeks after receipt of such proposed rules or changes to existing rules, the personnel board shall file its opinion on the proposed rule or rule change with the commissioner.

After receipt of the board's advisory opinion on the proposed rule or change of rule, the commissioner shall within seven days promulgate or withdraw the proposed rule or proposed change of rule. A provision of an agreement entered into by the commissioner pursuant to section 179.74, subdivision 5 shall supersede the provisions of any rule or portion thereof which is inconsistent therewith.

Sec. 72. Minnesota Statutes 1978, Section 43.324, Subdivision 2, is amended to read:

Subd. 2. The recommendation of the commissioner as required by subdivision 1 shall include the recommendations of ~~the personnel board~~ concerning salaries in the unclassified service or any modifications thereof which he has made. ~~But no modification of the personnel board's recommendations shall be made by the commissioner without a written explanation therefor; and in no event may the commissioner make any changes in the recommendations of the personnel board concerning positions in the legislative and judicial branches.~~

Sec. 73. Minnesota Statutes 1978, Section 43.35, is amended to read:

43.35 **VIOLATIONS; PENALTIES.** Any ~~personnel board member, the commissioner, or examiner or any other person,~~

(1) who wilfully or corruptly, by himself or in cooperation with one or more persons, defeats, deceives, or obstructs any person with respect to his rights of examination or application according to this chapter, or to any rules or regulations prescribed pursuant thereto, or

(2) who wilfully or corruptly falsely marks, grades, estimates, or reports upon the examination or proper standing of any person examined, registered, certified, employed, or promoted pursuant to the provisions of these sections, or aids in so doing, or who wilfully destroys any examination questions, answers, or records thereon of any applicant for civil service within a period of one year after any examination has been completed, or

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(3) who wilfully or corruptly makes or files any false representations concerning the persons examined, registered, certified, appointed, employed, or promoted, or

(4) who wilfully or corruptly furnishes any person with any special or secret information for the purpose of either improving or injuring the prospects or chances of any person so examined, registered, or certified, being appointed, employed, or promoted, or

(5) who personates any other person, or permits or aids in any manner any other person to personate him in connection with any examination or registration, or application or request to be examined or registered, or

(6) who wilfully or corruptly shall appoint to a position in the classified service, or dismisses, suspends, reduces in rank or pay any officer or employee from any position in the classified service otherwise than in compliance with, and in conformity to, the provisions of this chapter and the rules and regulations of the commissioner of personnel adopted pursuant thereto, or

(7) who wilfully or corruptly refuses or neglects otherwise to comply with, or conform to, the provisions of this chapter and the rules and regulations made pursuant thereto, or violates any of these provisions, shall be deemed guilty of a misdemeanor and punished accordingly.

Any conviction under this section shall render the public officer or position held by the person so convicted vacant, and such person shall be ineligible to hold public office for a period of five years from the date of the conviction.

Sec. 74, Minnesota Statutes 1978, Section 62D.12, is amended by adding a subdivision to read:

Subd. 12. No health maintenance contract issued or renewed on or after July 1, 1980 shall contain any provision denying or reducing benefits because services are rendered to an insured or dependent who is eligible for or receiving medical assistance pursuant to chapter 256B or services pursuant to sections 252.27; 260.251, subdivision 1a; 261.27; or 393.07, subdivisions 1 or 2.

Sec. 75, Minnesota Statutes, 1979 Supplement, Section 82.21, Subdivision 1, is amended to read:

82.21 FEES. 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;

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(d) A fee not to exceed ~~\$20~~ \$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.

Sec. 76. Minnesota Statutes 1978, Section 82.34, is amended to read:

82.34 REAL ESTATE EDUCATION, RESEARCH AND RECOVERY FUND. Subdivision 1. There is established a "real estate education, research and recovery fund" to be administered by the commissioner of securities. The state treasurer shall be the custodian of the fund and shall operate under the direction of the commissioner.

Subd. 2. There is hereby created in the state treasury a real estate education, research and recovery fund which shall be administered by the commissioner in the manner and for the purposes prescribed in this section.

Subd. 3. Each real estate broker and real estate salesperson entitled under this chapter to renew his license, when renewing for the first time after July 1, 1973, shall pay in addition to the appropriate renewal fee a further fee of \$20 which shall be credited to the real estate education, research and recovery fund. Any person who receives a new real estate broker's or real estate salesperson's license after July 1, 1973 shall pay said fee of \$20 in addition to all other fees payable, provided that in no case shall any real estate broker or real estate salesperson be required under this subdivision to pay said fee of \$20 more than once. The one time fee shall increase to \$40 for any person who receives a new real estate broker's or real estate salesperson's license after July 1, 1980. In addition each real estate broker or real estate salesperson when renewing his license after July 1, 1980, shall each time pay a fee of \$5 to be credited to the real estate education, research and recovery fund.

Subd. 4. If at the end of any fiscal year prior to calendar year 1981 following the establishment of the real estate education, research and recovery fund, the amount remaining in the fund is less than \$200,000, every licensed real estate broker and real estate salesperson, when renewing his license, shall pay in addition to the annual renewal fee, a sum not to exceed \$20 said sum having been determined by the commissioner to be sufficient to restore the balance in the fund to at least \$200,000.

Commencing with calendar year 1981, not to exceed \$400,000 of the fund shall be available for recovery purposes to satisfy all claims authorized for payment each calendar year. This shall be designated as the recovery portion of the fund. Commencing in calendar year 1981, if the amount remaining in the fund after payment of all amounts authorized during the preceding calendar year for payment to claimants is less than \$400,000 plus the amount appropriated pursuant to subdivision 6, every licensed real estate broker and real estate salesperson, when renewing his license, shall pay, in addition to the annual renewal fee and the \$5 fee set forth in subdivision 3, a sum not to exceed \$35, said sum having been reasonably determined by the commissioner to be necessary to restore the balance in the fund.

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Subd. 5. Any funds in excess of ~~\$200,000~~ shall, upon request of the commissioner, be invested by the state board of investment in the class of securities specified in section 11.16 and acts amendatory thereto. All interest and profits from such investments shall be credited to the real estate education, research and recovery fund. The state treasurer shall be the custodian of securities purchased under the provisions of this section.

Subd. 6. The commissioner ~~in his discretion may use any funds in excess of \$200,000~~ may expend moneys as appropriated for the following purposes:

(a) To promote the advancement of education and research in the field of real estate for the benefit of those licensed under this chapter:

(b) To underwrite educational seminars and other forms of educational projects for the benefit of real estate licensees:

(c) To establish a real estate chair or courses at Minnesota state institutions of higher learning for the purpose of making such courses available to licensees and the general public:

(d) To contract for a particular educational or research project in the field of real estate to further the purposes of this chapter ~~;~~:

(e) To pay the costs of the real estate advisory council established under section 82.30; and

(f) To pay any reasonable costs and disbursements, excluding attorney's fees, incurred in defending actions against the real estate education, research and recovery fund including the cost of mailing or publication of notice pursuant to subdivision 12 and subdivision 14.

Subd. 7. When any aggrieved person obtains a final judgment in any court of competent jurisdiction against any person 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, 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 ~~real estate education, research and recovery~~ portion of the fund of the amount of actual and direct out of pocket loss in such transaction, but excluding interest on the loss and on any judgment obtained as a result of such 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 such transaction. A copy of the verified application shall be served upon the commissioner and upon the judgment debtor, and a certificate or affidavit of such service filed with the court.

Subd. 8. The court shall conduct a hearing upon such application 30 days after service of the application upon the commissioner. Upon petition of the commissioner, the court shall continue the hearing up to 60 days further; and upon a showing of good cause may continue the hearing for such further period as the court deems appropriate. At the hearing the aggrieved person shall be required to show that:

(a) He is not a spouse of debtor, or the personal representative of such spouse;

(b) He has complied with all the requirements of this section;

(c) He has obtained a judgment as set out in subdivision 7, stating the amount thereof and the amount owing thereon at the date of the application;

(d) He has made all reasonable searches and inquiries to ascertain whether the judgment debtor is possessed of real or personal property or other assets, liable to be sold or applied in satisfaction of the judgment;

(e) By such search he has discovered no personal or real property or other assets liable to be sold or applied, or that he has discovered certain of them, describing them, owned by the judgment debtor and liable to be so applied, and that he has taken all necessary action and proceedings for the realization thereof, and that the amount thereby realized was insufficient to satisfy the judgment, stating the amount so realized and the balance remaining due on the judgment after application of the amount realized;

(f) He has diligently pursued his remedies against all the judgment debtors and all other persons liable to him in the transaction for which he seeks recovery from the real estate education, research and recovery fund;

(g) He is making said application no more than one year after the judgment becomes final, or no more than one year after the termination of any review or appeal of the judgment.

Subd. 9. Whenever the court proceeds upon an application as set forth in subdivision 7, it shall order payment out of the real estate education, research and recovery portion of the fund only upon a determination that the aggrieved party has a valid cause of action within the purview of subdivision 7 and has complied with the provisions of subdivision 8. The judgment shall be only prima facie evidence of such cause of action and for the purposes of this section shall not be conclusive. The commissioner may defend any such action on behalf of the fund and shall have recourse to all appropriate means of defense and review including examination of witnesses. The commissioner may move the court at any time to dismiss the application when it appears there are no triable issues and the petition is without merit. The motion may be supported by affidavit of any person or persons having knowledge of the facts, and may be made on the basis that the petition, and the judgment referred to therein, does not form the basis for a meritorious recovery claim within the purview of subdivision 7; provided, however, the commissioner shall give written notice at least ten days before such motion. The commissioner may, subject to court approval, compromise a claim based

upon the application of an aggrieved party. He shall not be bound by any prior compromise or stipulation of the judgment debtor.

Subd. 10. The commissioner may defend any such action on behalf of the fund and shall have recourse to all appropriate means of defense and review, including examination of witnesses. The judgment debtor may defend any such action on his own behalf and shall have recourse to all appropriate means of defense and review, including examination of witnesses. Whenever an applicant's judgment is by default, stipulation, or consent, or whenever the action against the licensee was defended by a trustee in bankruptcy, the applicant shall have the burden of proving his cause of action for fraudulent, deceptive or dishonest practices, or conversion of trust funds. Otherwise, the judgment shall create a rebuttable presumption of the fraudulent, deceptive or dishonest practices, or conversion of trust funds. This presumption is a presumption affecting the burden of producing evidence.

Subd. 11. If the court finds after the hearing that said claim should be levied against the recovery portion of the fund ~~allocated for the purpose of carrying out the provisions of this section~~, the court shall enter an order directed to the commissioner requiring payment from the ~~real estate education, research and recovery~~ portion of the fund of whatever sum it shall find to be payable upon the claim pursuant to the provisions of and in accordance with the limitations contained in this section.

Subd. 12. (a) Notwithstanding any other provision of this section, the liability of ~~that the recovery~~ portion of the ~~real estate education, research and recovery~~ fund ~~allocated for the purposes of this section~~ to all persons for all losses shall not exceed ~~\$20,000~~ \$25,000 for any one licensee;

(b) If the ~~\$20,000~~ \$25,000 liability of the ~~real estate education, research and recovery~~ portion of the fund is insufficient to pay in full the valid claims of all aggrieved persons by whom claims have been filed against any one licensee, such ~~\$20,000~~ \$25,000 shall be distributed among them in the ratio that their respective claims bear to the aggregate of such valid claims or in such other manner as the court deems equitable. Distribution of such moneys shall be among the persons entitled to share therein, without regard to the order of priority in which their respective judgments may have been obtained or their claims have been filed. Upon petition of the commissioner, the court may require all claimants and prospective claimants against one licensee to be joined in one action, to the end that the respective rights of all such claimants to the ~~real estate education, research and recovery~~ portion of the fund may be equitably adjudicated and settled.

Subd. 13. Should the commissioner pay from the ~~real estate education, research and recovery~~ portion of the fund any amount in settlement of a claim or toward satisfaction of a judgment against a licensed broker or salesperson, the license of the broker or salesperson shall be automatically suspended upon the effective date of an order by the court as set forth herein authorizing payment from the ~~real estate education, research and recovery~~ portion of the fund. No such broker or salesperson shall be granted reinstatement until he has repaid in

full, plus interest at the rate of ~~four~~ 12 percent a year, ~~twice~~ the amount paid from the ~~real estate education, research and recovery portion of the fund on his account, and has obtained a surety bond issued by an insurer authorized to transact business in this state in the amount of \$40,000. The bond shall be filed with the commissioner, with the state of Minnesota as obligee, conditioned for the prompt payment to any aggrieved person entitled thereto, of any amounts received by the real estate broker or salesperson or to protect any aggrieved person from loss resulting from fraudulent, deceptive or dishonest practices or conversion of trust funds arising out of any transaction when the real estate broker or salesperson was licensed and performed acts for which a license is required under this chapter. The bond shall remain operative for as long as that real estate broker or salesperson is licensed. No payment shall be made from the recovery portion of the fund based upon claims against any broker or salesperson who is granted reinstatement pursuant to this subdivision.~~ A discharge in bankruptcy shall not relieve a person from the penalties and disabilities provided in this section.

Subd. 14. ~~If, at any time, the money deposited in the real estate education, research and recovery fund and allocated for purposes other than real estate education and research is insufficient to satisfy any duly authorized claim or portion thereof, the commissioner shall, when sufficient money has been deposited in the real estate education, research and recovery fund, satisfy such unpaid claims or portions thereof, in the order that such claims or portions thereof were originally filed, plus accumulated interest at the rate of four percent a year. The commissioner shall satisfy all claims against licensees for which an order pursuant to subdivision 11 directing payment from the recovery portion of the fund has become final during the calendar year. Each claim shall be satisfied by the commissioner in not less than 30 and not more than 90 days following the end of the calendar year in which the order directing payment of the claim becomes final, commencing with calendar year 1981. If, at the end of any calendar year, the commissioner determines that the courts have issued orders that have become final during the year directing payment out of the recovery portion of the fund in a total amount in excess of \$400,000, the commissioner shall allocate the \$400,000 available for recovery purposes among all claimants in the ratio that the amount ordered paid to each claimant bears to the aggregate of all amounts ordered paid. The commissioner shall mail notice of the allocation to all claimants not less than 45 days following the end of the calendar year. Any claimant who objects to the plan of allocation shall file a petition in the district court of Ramsey or Hennepin County within 20 days of the mailing of notice setting forth the grounds for objection. Upon motion of the commissioner the court shall summarily dismiss the petition and order distribution in accordance with the proposed plan of allocation unless it finds substantial reason to believe that the distribution would be in violation of the provisions of this section. If a petition is filed, no distribution shall be made except in accordance with a final order of the court. In the event no petition is filed within 20 days of the mailing of notice, the commissioner shall make a distribution in accordance with the plan of allocation. Any distribution made by the commissioner in accordance with this subdivision shall be deemed to satisfy and extinguish the claims of any claimant receiving a distribution against the recovery portion of the fund.~~

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Subd. 15. Any sums received by the commissioner pursuant to any provisions of this section shall be deposited in the state treasury, and credited to the real estate education, research and recovery fund, and said sums shall be allocated exclusively for the purposes provided in this section. All moneys in the fund are appropriated annually to the commissioner for the purposes of this section.

Subd. 16. It shall be unlawful for any person or the agent of any person to knowingly file with the commissioner any notice, statement, or other document required under the provisions of this section which is false or untrue or contains any material misstatement of fact. Such conduct shall constitute a gross misdemeanor.

Subd. 17. When, upon the order of the court, the commissioner has paid from the ~~real estate education, research and~~ recovery portion of the fund any sum to the judgment creditor, the commissioner shall be subrogated to all of the rights of the judgment creditor to the extent of the amount so paid and the judgment creditor shall assign all his right, title and interest in the judgment to the extent of the amount so paid to the commissioner and any amount and interest so recovered by the commissioner on the judgment shall be deposited to the fund.

Subd. 18. Nothing contained in this section shall limit the authority of the commissioner to take disciplinary action against any licensee under other provisions of this chapter; nor shall the repayment in full of all obligations to the ~~real estate education, research and~~ recovery portion of the fund by any licensee nullify or modify the effect of any other disciplinary proceeding brought pursuant to the provisions of this chapter.

Subd. 19. The commissioner shall include in the annual report of the commerce commission pursuant to section 45.033, a report on the activities of the real estate education, research and recovery fund; noting the amount of money received by the fund, the amount of money expended and the purposes therefor.

Subd. 20. Claims for which orders for payment have become final prior to January 1, 1981 shall be paid in accordance with Minnesota Statutes 1978, Section 82.34, but shall be subject to the limitations set forth in subdivisions 7 and 12. If at any time the amount deposited in the recovery portion of the fund is insufficient to satisfy any duly authorized claim or portion thereof for which an order directing payment has become final prior to January 1, 1981, the commissioner shall treat the unpaid claims or portions thereof as if entered pursuant to orders which become final in the calendar year 1981. Those claims shall be paid in accordance with the procedure set forth in subdivision 14 and shall be subject to the limitations set forth in subdivisions 4 and 14.

Sec. 77. APPROPRIATION. Subdivision 1. The sum of \$158,900 is appropriated from the real estate education, research, and recovery fund to the commissioner of securities for the purpose of section 82.34, subdivision 6, as amended by this act. This appropriation is available until June 30, 1981.

The approved complement for the department of commerce - securities division is increased by three positions upon termination of the university of Minnesota contract for real estate education activities.

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Subd. 2. If the position of St. Cloud State University chair of real estate has not been filled by August 1, 1980, all further contractual obligations of the state are void and \$25,000 of this appropriation shall cancel and revert to the real estate education research and recovery fund. In this event, an additional \$25,000 within this appropriation is earmarked for repayment of any bona fide contractual expenses incurred by St. Cloud State University during the life of the contract.

Sec. 78. Minnesota Statutes 1978, Section 90.195, is amended to read:

90.195 **SPECIAL USE PERMIT.** The commissioner, ~~for a \$5 fee,~~ may issue a permit to salvage or cut not to exceed 25 cords of fuelwood per year for personal use from either or both of the following sources: (1) Dead, down, and diseased trees; (2) other trees that are of negative value under good forest management practices. ~~Such~~ The permits may be issued for a period not to exceed one year. The commissioner shall charge a fee, not less than \$5, in an amount up to the stumpage current market value of fuelwood of similar species, grade, and volume that is being sold in the area where the salvage or cutting is authorized under the permit.

Sec. 79. Minnesota Statutes 1978, Section 94.10, Subdivision 1, is amended to read:

94.10 **SURVEYS, APPRAISALS AND SALE.** Subdivision 1. Before offering any surplus state owned lands for sale, the commissioner of administration may survey such lands, and if the value thereof is estimated to be ~~\$5,000~~ \$20,000 or less, may have such lands appraised. He shall have the lands appraised if the estimated value is in excess of ~~\$5,000~~ \$20,000. The appraisal shall be made by not less than three appraisers, at least two of whom shall be residents of the county in which the lands are situated. Each appraiser shall before entering upon the duties of his office take and subscribe an oath that he will faithfully and impartially discharge his duties as appraiser according to the best of his ability and that he is not interested directly or indirectly in any of the lands to be appraised or the timber or improvements thereon or in the purchase thereof and has entered into no agreement or combination to purchase the same or any part thereof, which oath shall be attached to the report of such appraisal. Before offering such surplus state owned lands for public sale, such lands shall first be offered to the city, county, town, school district, or other public body corporate or politic in which the lands are situated for public purposes and they may be sold for such public purposes for not less than the appraised value thereof. To determine whether a public body desires to purchase the surplus land, the commissioner of administration shall publish notice describing the land on the same day of at least two successive weeks in a newspaper of general circulation in the county in which the land is located; however, the commissioner shall give a written notice to the governing body of each political subdivision whose jurisdictional boundaries include or are adjacent to the surplus land. If a public body desires to purchase the surplus land it shall submit a written offer to the commissioner not later than two weeks after the last published notice setting forth in detail its reasons for desiring to acquire and its intended use of the land. In the event that more than one public body tenders an offer, the commissioner shall

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determine which party shall receive the property, and he shall submit written findings regarding his decision. If lands are offered for sale for such public purposes, and if a public body notifies the commissioner of administration of its desire to acquire such lands, the public body may have not to exceed two years from the date of the accepted offer to commence payment for the lands in the manner provided by law.

Sec. 80. Minnesota Statutes 1978, Section 94.16, is amended to read:

94.16 **FUNDS, HOW DISPOSED OF.** All moneys received from the sale of such lands or lots shall be credited to the general fund of the state, except that 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.

Sec. 81. Minnesota Statutes 1978, Section 97.431, Subdivision 4, is amended to read:

Subd. 4. **COMMISSIONER'S POWERS AND DUTIES.** Notwithstanding the provisions of any other law to the contrary, the commissioner of natural resources, on behalf of the state of Minnesota, shall take all actions, by order or otherwise, which are necessary to carry out the duties and obligations of the state of Minnesota arising from the agreement entered into by the parties to the settlement agreement. These actions include but are not limited to the following:

(a) The implementation of the exemption of members of the band and other members of the Minnesota Chippewa tribe from state laws relating to hunting, fishing, trapping, the taking of minnows and other bait, and the gathering of wild rice while within the reservation, together with exemption from related possession and transportation laws, to the extent necessary to effectuate the terms of the settlement agreement;

(b) The establishment of a system of special licenses and related license fees for persons who are not members of the Minnesota Chippewa tribe for the privilege of hunting, fishing, trapping, or taking minnows and other bait, within the reservation. All money collected by the commissioner for special licenses shall be deposited in the state treasury and credited to the Leech Lake Band and White Earth Band special license account, which is hereby created. All money in the state treasury credited to the Leech Lake Band and White Earth Band special license account, less any deductions for administrative costs authorized by the terms of the settlement agreement, is appropriated to the commissioner who shall remit the money to the committee pursuant to the terms of the settlement agreement;

(c) To the extent necessary to effectuate the terms of the settlement agreement, the promulgation of regulations for the harvesting of wild rice within the reservation by non-Indians:

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(d) To the extent necessary to effectuate the terms of the settlement agreement, the establishment of policies and procedures for the enforcement by conservation officers of the conservation code adopted by the band; and

(e) The arbitration of disputes arising under the terms of the settlement agreement.

Sec. 82, Minnesota Statutes 1978, Section 97.432, is amended to read:

97.432 AMENDMENT TO LEECH LAKE SETTLEMENT AGREEMENT. The commissioner may enter into an agreement with the reservation business committee of the Leech Lake Indian Reservation to amend the settlement agreement adopted in section 97.431 by providing that in lieu of collecting any additional fee in connection with the state waterfowl stamp for the privilege of hunting waterfowl on the Leech Lake Indian Reservation an amount equal to five percent of the proceeds from the sale of said stamp shall be credited to the Leech Lake Band and White Earth Band special license account established by section 97.431 and shall be remitted to the Leech Lake reservation business committee in the manner and subject to the terms and conditions provided in section 97.431.

Sec. 83, Minnesota Statutes 1978, Chapter 97, is amended by adding a section to read:

[97.433] AGREEMENTS WITH THE LEECH LAKE AND WHITE EARTH BANDS OF CHIPPEWA INDIANS RELATING TO HUNTING AND FISHING LICENSES AND FEES. **Subdivision 1. AGREEMENT WITH THE WHITE EARTH BAND OF CHIPPEWA INDIANS.** The commissioner may enter into an agreement with authorized representatives of the White Earth Band of Chippewa Indians on substantially the same terms as the agreement adopted by section 97.431 and amended pursuant to section 97.432; except that in lieu of the system described in section 97.431, subdivision 4, clause (b), of special licenses and related license fees for persons who are not members of the Minnesota Chippewa tribe, for the privilege of hunting, fishing, trapping, or taking minnows and other bait within the reservation, the agreement shall provide that an amount equal to 2-1/2 percent of the proceeds from the sale of all licenses sold in the state of Minnesota for hunting, fishing, trapping, or taking of minnows or other bait shall be credited to the special license account established by section 97.431, and shall be remitted to the White Earth Band in the manner and subject to the terms and conditions that may be mutually agreed upon. An agreement negotiated pursuant to this subdivision shall be for a term of at least four years following the date of its execution.

Subd. 2. AMENDMENT TO THE LEECH LAKE SETTLEMENT AGREEMENT. The commissioner may enter into an agreement with authorized representatives of the Leech Lake Band of Chippewa Indians to amend the settlement agreement adopted by section 97.431 and previously amended pursuant to section 97.432 by providing that in lieu of the system of special licenses and license fees for persons who are not members of the Minnesota Chippewa tribe for the privilege of hunting, fishing, trapping, or taking minnows and other bait within the reservation, an amount equal to five percent of the proceeds from the

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sale of all licenses sold in the state of Minnesota for hunting, fishing, trapping, or taking minnows and other bait shall be credited to the special license account established by section 97.431 and shall be remitted to the Leech Lake Band in the manner and subject to the terms and conditions that may be mutually agreed upon.

Subd. 3. SOURCE OF PAYMENTS. Money to make payments to the Leech Lake Band and White Earth Band special license account pursuant to sections 80 and 81 is annually appropriated for that purpose in a ratio of 60 percent from the game and fish fund and 40 percent from the general fund.

Sec. 84. Minnesota Statutes 1978, Section 106.471, is amended by adding a subdivision to read:

Subd. 9. COST OF REPAIR EXCEEDING BENEFITS. Where the cost of the repair of a ditch system exceeds the benefits determined in the original proceedings for the establishment of the ditch, the requirements of section 106.501 for improvements of ditch systems shall apply when the following conditions are present:

(a) The repair will result in the drainage of 100 or more acres of public waters in Anoka County;

(b) The public waters have existed for 15 or more years;

(c) The ditch system has not been substantially repaired for more than 25 years; and

(d) The physical repair has not commenced prior to the effective date of this subdivision.

Sec. 85. Minnesota Statutes 1978, Chapter 112, is amended by adding a section to read:

[112.431] DRAINAGE IMPROVEMENTS. Subdivision 1. FINDINGS. The legislature finds that because of urban growth and development in the metropolitan area problems arise for the improvement and repair of drainage systems which were originally established for the benefit of land used for agricultural purposes and that the procedure for the improvement and repair of drainage systems now in the metropolitan area should be simplified to more adequately and economically improve and repair drainage systems.

Subd. 2. DEFINITIONS. (a) For the purpose of this section the terms defined in this subdivision have the meanings ascribed to them.

(b) "Drainage system" means a ditch as defined by Minnesota Statutes, Section 106.011, Subdivision 17.

(c) "Watershed district" means any watershed district established pursuant to the provisions of Minnesota Statutes, Chapter 112, wholly or partially in a metropolitan county.

(d) "Metropolitan county" means any one of the following counties: Anoka, Carver, Dakota, Hennepin, Ramsey, Scott or Washington.

(e) "Metropolitan area" means the combined area of the metropolitan counties.

Subd. 3. DRAINAGE IMPROVEMENTS. With the concurrence of the governing bodies of the home rule charter or statutory cities and the town board of the towns where the drainage system is located, the board of managers of a watershed district in which there exists a drainage system shall have the power to improve and repair any drainage system transferred to the watershed district pursuant to Minnesota Statutes, Section 112.65, by conforming to Minnesota Statutes, Sections 429.031; 429.041, Subdivisions 1 and 2; 429.051; 429.061 and 429.071.

Subd. 4. ALTERNATIVE POWER. With the concurrence of the governing bodies of the home rule charter or statutory cities and the town boards of the towns where the drainage system is located, the managers in their discretion may improve and repair a drainage system under the power granted to them elsewhere in Minnesota Statutes, Chapter 112.

Subd. 5. APPEAL. Any person aggrieved by an order for improvement or repair by the managers or by an assessment may appeal as provided in Minnesota Statutes, Sections 112.801 and 112.82.

Sec. 86. NINE MILE CREEK, RILEY-PURGATORY CREEK AND RED LAKE WATERSHED DISTRICTS; TAX LEVY; ANNUAL ADMINISTRATIVE FUND LEVY. Notwithstanding any other law to the contrary, the Nine Mile Creek Watershed District in Hennepin County, the Riley-Purgatory Creek Watershed District in Hennepin and Carver counties and the Red Lake Watershed District in Polk, Beltrami, Marshall, Clearwater, Pennington, Red Lake, Koochiching, Mahnomon and Roseau counties are each authorized, in addition to all powers each now possesses, to establish an administrative fund. This fund shall be maintained by an annual ad valorem tax levy on each dollar of assessed valuation of all taxable property within the respective districts sufficient to raise an amount each year of up to, but not to exceed, an amount of \$125,000 in each district. This levy is in lieu of, not in addition to, the administrative levy contained in Minnesota Statutes 1978, Section 112.61, Subdivision 3. The funds shall be used for general administrative expenses and for the construction and maintenance of projects of benefit to the district. The managers may make an annual levy for this fund as provided in Minnesota Statutes, Section 112.611.

Sec. 87. Minnesota Statutes 1978, Section 116C.63, Subdivision 4, is amended to read:

Subd. 4. When private real property defined as class 3, 3b, 3c, 3cc, 3d, or 3f pursuant to section 273.13 is proposed to be acquired for the construction of a site or route by eminent domain proceedings, the property fee owner, or when applicable, the fee owner with the written consent of the contract for deed vendee, or the contract for deed vendee with the written consent of the fee

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owner, shall have the option to require the utility to condemn a fee interest in any amount of contiguous, commercially viable land which he wholly owns or has contracted to own in undivided fee and elects in writing to transfer to the utility within 60 days after his receipt of the notice of the objects of the petition filed pursuant to section 117.055. Commercial viability shall be determined without regard to the presence of the utility route or site. The owner or, when applicable, the contract vendee shall have only one such option and may not expand or otherwise modify his election without the consent of the utility. The required acquisition of land contiguous to, but outside the designated right-of-way of a route or the boundary of a site, pursuant to this subdivision shall be considered an acquisition for a public purpose and for use in the utility's business, for purposes of chapter 117 and section 500.24, respectively; provided that a utility shall divest itself completely of all such lands used for farming or capable of being used for farming within five years after the date of acquisition; or such land shall be sold at a public sale in the manner prescribed by law for the foreclosure of a mortgage by action not later than the time it can receive the market value paid at the time of acquisition of lands less any diminution in value by reason of the presence of the utility route or site. Upon the owner's election made under this subdivision, the easement interest over and adjacent to the lands designated by the owner to be acquired in fee, sought in the condemnation petition for a high voltage transmission line right-of-way shall automatically be converted into a fee taking.

Sec. 88. Minnesota Statutes 1978, Section 116D.04, is amended by adding a subdivision to read:

Subd. 12. No attempt need be made to tabulate, analyze or otherwise evaluate the potential impact of elections made pursuant to section 116C.63, subdivision 4, in environmental impact statements done for large electric power facilities. It is sufficient for purposes of this chapter that such statements note the existence of section 116C.63, subdivision 4.

Sec. 89. Minnesota Statutes 1978, Section 136.81, Subdivision 1, is amended to read:

136.81 SALARY DEDUCTIONS, MATCHING FUNDS. Subdivision 1. Beginning July 1, 1967, there shall be deducted from the salary of each person described in section 136.80, subdivision 1, a sum equal to five percent of the portion of such person's annual salary paid between \$6,000 and \$15,000. Such deduction is to be made in the same manner as other retirement deductions are made from the salary of such a person only after the first \$6,000 has been paid in a fiscal year. The moneys so deducted, together with an equal sum contributed by the state, shall be deposited to the credit of the supplemental retirement account of the teachers retirement fund, which account is hereby established as an account separate and distinct from other funds, accounts, or assets of the teachers retirement fund. The moneys required from time to time to match the person's salary deductions as provided in this subdivision ~~are appropriated~~ shall be contributed to the board of trustees of the teachers retirement fund from the general fund by the state.

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Any deductions taken from the salary of a person for the supplemental retirement fund in error shall upon discovery and verification be refunded to the employee. The retirement board shall establish an account which will reflect any gains or losses due to the purchasing and redemption of shares made in error. The balance of such account shall be disposed of annually to the account established for the purpose of prorating among employees share accounts the cancellations of the previous 12 months.

If any payroll deductions are not made from an employee's salary as provided in this section, such deductions shall be remitted to the supplemental retirement account of the teachers retirement association within one year from the end of the fiscal year in which the deductions were due, and at the time of the receipt of such amount an equal amount shall be ~~appropriated~~ contributed to the board of trustees of the teachers retirement fund ~~from the general fund by the state.~~

Sec. 90. Minnesota Statutes 1978, Chapter 138, is amended by adding a section to read:

[138.93] GRANT-IN-AID ASSISTANCE; NON-STATE OWNED HISTORICAL INTERPRETIVE CENTERS. Subdivision 1. STATE ASSISTANCE. The state may pay part of the cost of construction of non-state owned historical interpretive center projects. The state's share may not exceed 50 percent of the cost of any project. In regions 3, 4, 9, 10, and 11, expenditures from appropriations by the 1977, 1978, and 1979 legislature shall be considered part of the state share of the project cost for the purposes of this section. No more than ten percent of the state's share of future appropriations pursuant to this section may be used for professional services. Development regions are the regions designated pursuant to section 462.385. There shall not be more than one state assisted project in each region.

Subd. 2. SELECTION PROCESS. Each regional planning commission, except in regions 3, 4, 9, 10 and 11, may request designation of a non-state owned historical interpretive center. Applications shall be received by the commission for 180 days thereafter. Applications shall be in the form prescribed by the Minnesota historical society and include a master plan in accordance with the Minnesota outdoor recreation act of 1975. The regional planning commission may establish an advisory committee of 20 members from the region to make recommendations.

Subd. 3. DESIGNATION. After receipt of the regional planning commission's recommendation and review of the master plan in accordance with subdivision 5, the Minnesota historical society shall designate the center and notify the owner applicant and the regional planning commission of the designation; however, in region 4, the Red River Valley Center at Moorhead is designated; in region 10, the Mississippi Interpretive Center at Winona is designated; in region 9, the Agricultural Interpretive Center at Waseca is designated; in region 3, the Lake Superior Museum of Transportation and Industry is designated; in region 11, the historic Washington County Courthouse at Stillwater is designated.

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Subd. 4. MASTER PLANS. The owner shall prepare and submit to the regional planning commission a master plan for the development and management of the center, in a format and detail appropriate for the project. The regional planning commission shall choose a project and report its choice to the Minnesota historical society. The Minnesota historical society shall make the master plan available for review and comment by the public and other state agencies for at least 30 days. Copies of the master plan shall be submitted to the state planning agency for review and comment.

Subd. 5. MASTER PLAN REVIEW AND APPROVAL. The Minnesota historical society shall review the master plan to determine whether it:

(a) Provides for development of the center in a manner consistent with the purposes of this section;

(b) Recognizes historical values and resources that relate to the area involved;

(c) Provides an historical program based on sound historical research; and,

(d) Meets the requirement of section 138.92.

Within 60 days after receipt of a master plan, the Minnesota historical society shall notify the owner that the plan has been reviewed, and forward its recommendations for any changes it might suggest. The owner shall review the recommendations and notify the Minnesota historical society of the disposition made of them. The plan may be approved by the society only after all conditions of this section have been met. The society shall forward all approved master plans to the appropriate regional planning commission and the owner. If the society rejects a project chosen by a regional planning commission the commission may again request applications in accordance with subdivision 2 in the subsequent fiscal year.

Subd. 6. APPROPRIATION REQUESTS. The Minnesota historical society may seek appropriations for grant-in-aid assistance pursuant to this section and sections 16A.10 and 16A.11.

Sec. 91. [145.95] SPECIAL GRANTS FOR HOME BASED SERVICES FOR ELDERLY AND ADULT PHYSICALLY IMPAIRED PERSONS. Subdivision 1. The commissioner of health may make special grants to local boards of health and to the county board of any county that has not organized a local board of health to provide pre-institutional or post-institutional community based health programs designed to assist elderly and adult physically impaired persons in maintaining an optimal level of functioning and in remaining capable of residing in a family setting or home community. The commissioners of health and public welfare shall collaborate to maximize state and federal money for nursing home pre-admission screening programs. Applicants shall submit for approval an application and budget for the use of the funds in the form specified by the commissioner of health.

As used in this section, "elderly" means persons aged 60 or over.

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Subd. 2. The range of services and programs established by these special grants shall be designed to:

(a) Support families and individuals to avoid premature or inappropriate admission to an institutional care setting;

(b) Provide respite for families and responsible caretakers from continuous care and supervision of elderly and adult physically impaired persons, and to assist caretakers in providing appropriate services;

(c) Maintain or restore elderly and adult physically impaired persons to optimal functional potential and to retard physical and emotional deterioration;

(d) Provide for support and follow up services to persons residing in their own or a family member's home; and

(e) Facilitate appropriate release of elderly and adult physically impaired persons from acute and long term care facilities to family care or to other community based programs.

Subd. 3. Local boards of health and county boards shall not use special grants to replace or substitute for services or programs otherwise funded from other local, state, or federal sources, but shall use special grants only to expand health and health-related supportive social service programs existing on the effective date of this section, or to add programs.

Subd. 4. The commissioner of health shall report and make recommendations to the legislature by January 15, 1981 concerning the implementation of these special grants and the advisability of the integration of the special grant program into the community services subsidy program.

Subd. 5. This section expires July 1, 1981.

Sec. 92. Minnesota Statutes 1978, Section 145.913, Subdivision 3, is amended to read:

Subd. 3. ADVISORY COMMITTEE. In each case where a board of health has been assigned the responsibilities of sections 145.911 to 145.922 a single local community health services advisory committee shall be established by the participating county boards or city councils to advise, consult with, or make recommendations to the board of health on matters relating to the development, maintenance, funding, and evaluation of community health services. The committee shall consist of not less than nine members and no more than 21 members. The membership of the advisory committee shall be as follows: at least one-third providers of health services, including at least three licensed health professionals; and at least one-third consumers selected to represent consumers organizations or constituencies within the community, provided, however, that the advisory committee to a county board of health for a county with 300,000 or more persons shall be as follows: at least 51 percent local government officials and the remainder divided equally between providers of health services and consumers. Continuity of membership of each advisory committee shall be assured by having an approximately equal number of terms expire each year. First appointments

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may be for less than two years, thereafter all terms shall be two years and no member shall serve more than three consecutive terms. Notwithstanding any law to the contrary, members may receive a per diem and be reimbursed for travel and other necessary expenses while engaged in their official duties, as determined by the appointing authority. The committee shall elect officers including a chairman and vice-chairman with terms of one year. The committee shall meet at least ~~six~~ three times a year and at the call of the chairman or a majority of the members.

Sec. 93, Minnesota Statutes 1978, Chapter 152, is amended by adding a section to read:

[152.21] THC THERAPEUTIC RESEARCH ACT. Subdivision 1. FINDINGS AND PURPOSE. The legislature finds that scientific literature indicates promise for delta-9-tetrahydro-cannabinol (THC), the active component of marijuana, in alleviating certain side effects of cancer chemotherapy under strictly controlled medical circumstances.

The legislature also finds that further research and strictly controlled experimentation regarding the therapeutic use of THC is necessary and desirable. The intent of this section is to establish an extensive research program to investigate and report on the therapeutic effects of THC under strictly controlled circumstances in compliance with all federal laws and regulations promulgated by the federal food and drug administration, the national institute on drug abuse and the drug enforcement administration. The intent of the legislature is to allow this research program the greatest possible access to qualified cancer patients residing in Minnesota who meet protocol requirements. The establishment of this research program is not intended in any manner whatsoever to condone or promote the illicit recreational use of marijuana.

Subd. 2. DEFINITIONS. For purposes of this section, the following terms shall have the meanings given.

(a) "Commissioner" means the commissioner of health.

(b) "Marijuana" means marijuana as defined in Minnesota Statutes, Section 152.01, Subdivision 9, and delta-9-tetrahydro-cannabinol (THC), tetrahydro-cannabinols or a chemical derivative of tetrahydro-cannabinols, and all species of the genus Cannabis.

(c) "Principal investigator" means the individual responsible for the medical and scientific aspects of the research, development of protocol, and contacting and qualifying the clinical investigators in the state.

(d) "Clinical investigators" means those individuals who conduct the clinical trials.

(e) "Sponsor" means that individual or organization who, acting on behalf of the state, has the total responsibility for the state program.

Subd. 3. RESEARCH GRANT. The commissioner of health shall grant funds to the principal investigator selected by the commissioner pursuant to

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subdivision 4 for the purpose of conducting a research program under a protocol approved by the FDA regarding the therapeutic use of oral THC and other dosage forms, if available, according to the guidelines and requirements of the federal food and drug administration, the drug enforcement administration and the national institute on drug abuse. The commissioner shall ensure that the research principal investigator complies with the requirements of subdivision 5. The commissioner may designate the principal investigator as the sponsor.

The commissioner shall report to the legislature on January 1 of each odd-numbered year on the number of oncologists and patients involved in the program and the results available at that date regarding the effects of therapeutic use of THC on patients involved in the program. The commissioner shall also report on the current status of THC under the federal Food, Drug and Cosmetic Act and the federal Controlled Substances Act.

Subd. 4. PRINCIPAL INVESTIGATOR. Within three months of the effective date of this section, the commissioner shall, in consultation with a representative chosen by the state board of pharmacy and a representative chosen by the state board of medical examiners, select a person or research organization to be the principal investigator of the research program.

Subd. 5. DUTIES. The principal investigator shall:

(1) Apply to the Food and Drug Administration for a notice of "Claimed Investigational Exemption for a New Drug (IND)" pursuant to the Federal Food, Drug and Cosmetic Act, 21 U.S.C., Section 301, et seq., and shall comply with all applicable laws and regulations of the federal food and drug administration, the drug enforcement administration, and the national institute on drug abuse in establishing the program;

(2) Notify every oncologist in the state of the program, explain the purposes and requirements of the program to them, provide on request each of them with a copy of the approved protocol which shall include summaries of current papers in medical journals reporting on research concerning the safety, efficacy and appropriate use of THC in alleviating the nausea and emetic effects of cancer chemotherapy, and provide on request each of them with a bibliography of other articles published in medical journals;

(3) Allow each oncologist (clinical investigator) in the state who meets or agrees to meet all applicable federal requirements for investigational new drug research and who so requests to be included in the research program as a clinical investigator to conduct the clinical trials;

(4) Provide explanatory information and assistance to each clinical investigator in understanding the nature of therapeutic use of THC within program requirements, including the Informed Consent Document contained in the protocol, informing and counseling patients involved in the program regarding the appropriate use and the effects of therapeutic use of THC;

(5) Apply to contract with the national institute on drug abuse for receipt of dosage forms of THC, fully characterized as to contents and delivery to the

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human system, pursuant to regulations promulgated by the national institute on drug abuse, and the federal food and drug administration. The principal investigator shall ensure delivery of the THC dosages to clinical investigators as needed for participation in the program:

(6) Conduct the research program in compliance with federal laws and regulations promulgated by the federal food and drug administration, the drug enforcement administration, the national institute on drug abuse, and the purposes and provisions of this section:

(7) Submit periodic reports as determined by the commissioner on the numbers of oncologists and patients involved in the program and the results of the program:

(8) Submit reports on intermediate or final research results, as appropriate, to the major scientific journals in the United States; and

(9) Otherwise comply with the provisions of this section.

Subd. 6. EXEMPTION FROM CRIMINAL SANCTIONS. For the purposes of this section, the following are not violations listed in sections 152.09 or 152.15:

(1) Use or possession of THC, or both, by a patient in the research program:

(2) Possession, prescribing use of, administering, or dispensing THC, or any combination of these actions, by the principal investigator or by any clinical investigator:

(3) Possession or distribution of THC, or both, by a pharmacy registered to handle Schedule I substances which stores THC on behalf of the principal investigator or a clinical investigator.

THC obtained and distributed pursuant to this section is not subject to forfeiture under Minnesota Statutes, Section 152.19.

For the purposes of this section, THC is removed from Schedule I contained in Minnesota Statutes, Section 152.02, Subdivision 2, and inserted in Schedule II contained in Minnesota Statutes, Section 152.02, Subdivision 3.

Subd. 7. CITATION. This section may be cited as the "THC Therapeutic Research Act."

Sec. 94. Minnesota Statutes 1978, Section 155.14, is amended to read:

155.14 PRACTITIONERS FROM OTHER STATES. Subdivision 1. The board may dispense with and waive the examination for license upon the application of any person who is able to furnish documentary evidence and proof of having lawfully practiced in another state, territory, District of Columbia or foreign country for a period of at least two years prior to the time of such application for license in Minnesota, upon the payment of the fee as set by the board for license as provided in this chapter.

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Subd. 2. The board may waive the requirement related to practical experience in this state as specified in section 155.09, subdivision 4, for manager-operators. No waiver shall be allowed, however, unless the following conditions are met:

(a) The applicant has a current valid cosmetology related license from a state, territory, the District of Columbia, or a foreign country that has licensing requirements substantially similar to this state's requirements; and,

(b) The applicant is able to furnish documentary evidence of having lawfully performed as a manager-operator or its equivalent in a state, territory, the District of Columbia, or foreign country for a period of at least two years, one year of which was within the two years immediately preceding the date of application.

Nothing in this subdivision prohibits the board from requiring an examination for license of a manager-operator even if the board waives the requirement of practical experience in this state.

Sec. 95. Minnesota Statutes 1978, Section 168.66, Subdivision 4, is amended to read:

Subd. 4. "Retail installment contract" means any agreement, entered into in this state, evidencing a retail installment sale of a motor vehicle, other than for the purpose of re-sale, when purchased primarily for personal, family or household use, pursuant to which title to, or a lien upon the motor vehicle is retained by the retail seller as security for the retail buyer's obligation. This term includes a mortgage, conditional sale contract, or any contract for the bailment or leasing of a motor vehicle by which the bailee or lessee contracts to pay as compensation for its use a sum substantially equivalent to the time sale price of the motor vehicle and by which it is agreed that the bailee or lessee is bound to become, or has the option of becoming, the owner of such motor vehicle. "Retail installment contract" does not include any agreement, entered into in this state, evidencing an installment sale of a motor vehicle purchased primarily for use in business. For purposes of this subdivision, "business" means a commercial or industrial enterprise which is carried on for the purpose of active or passive investment or profit.

Sec. 96. Minnesota Statutes 1978, Section 174.03, is amended by adding a subdivision to read:

Subd. 5a. BIENNIAL REQUEST. The metropolitan transit commission shall submit all biennial legislative funding requests to the commissioner of transportation for informal review. The commissioner shall determine whether the funding request is consistent with the statewide transportation plan and whether further review of the request by the metropolitan transit commission is necessary. The metropolitan transit commission shall be informed of the commissioner's comments and recommendations in writing, and shall have the opportunity to amend the request. The funding request, as amended, shall then be presented by the commissioner to the legislature along with the commissioner's final comments and recommendations.

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Sec. 97. Minnesota Statutes, 1979 Supplement, Section 174.28, Subdivision 2, is amended to read:

Subd. 2. **BASIS AND FORM OF CONTRACT.** Pursuant to the public transit subsidy program the commissioner shall enter one or more contracts with the commission to pay amounts sufficient to provide the commission with a subsidy per passenger of 46.04 cents in the last half of calendar year 1979, 46.74 cents in calendar year 1980, and 48.34 cents in the first half of calendar year 1981 and thereafter. The commissioner of transportation shall investigate to determine if the metropolitan transit commission has experienced extraordinary increases in fuel, labor, or other operational costs which necessitate an adjustment in the subsidy per passenger. If the commissioner determines that an additional subsidy is required, the subsidy per passenger may be adjusted to pay the increased costs.

Sec. 98. Minnesota Statutes, 1979 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 ~~two~~ three 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. 99. Minnesota Statutes 1978, Section 197.75, Subdivision 1, is amended to read:

197.75 **EXPENDITURES, LIMITATION.** Subdivision 1. The commissioner of veterans affairs shall spend a biennial appropriation for tuition of soldiers, and for tuition, fees, board, room, books and supplies of the children of soldiers who have died as a result of their service in the military or naval forces of the United States as determined by the United States Veterans Administration or other instrumentality of the United States, in the University of Minnesota, a state

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university, a community college, or any other university of higher learning within the state accredited by the North Central Association of Colleges and Secondary Schools, a law college approved by the supreme court, a nursing school approved by the state nurses examining board, or in a trade school in the state which may be approved by the state department of education, or in a theological seminary, for any course which such soldier or child may elect. Not more than ~~\$250~~ \$350 shall be expended for the benefit of any individual soldier, and not more than ~~\$250~~ \$350 in any calendar year shall be expended for the benefit of any child under this section, and that need therefor shall be established and determined by the commissioner of veterans affairs. No child of any soldier shall make application for the benefits provided herein unless such child shall have resided in Minnesota for at least two years immediately prior to the date of said application. Children of soldiers eligible for benefits hereunder shall be admitted to state institutions of university grade free of tuition. Payments of tuition as provided for herein shall be made by the commissioner of veterans affairs directly to the institution in which the course of instruction is given upon such conditions as shall be imposed by the commissioner of veterans affairs.

Sec. 100. Minnesota Statutes 1978, Section 214.06, Subdivision 1, is amended to read:

214.06 FEES; LICENSE RENEWALS. Subdivision 1. Notwithstanding any law to the contrary, the commissioner of health as authorized by section 214.13, all health related licensing boards and all non-health related licensing boards may by rule, with the approval of the commissioner of finance, adjust any fee which the board is empowered to assess a sufficient amount so that the total fees collected by each board will as closely as possible equal anticipated expenditures during the fiscal biennium. Examination fees, if any, shall be set by rule so that the total amount of annual examination fee income approximately meets the anticipated cost of administering the examinations during the fiscal biennium. Fee adjustments authorized under this subdivision may be made without a public hearing when the total fees will not exceed the amount of the direct appropriation. All fees received shall be deposited with the state treasurer and credited to the general fund.

Sec. 101. NAME CHANGE; TRANSFER OF FUNCTIONS. The name of the public service commission is changed to the public utilities commission. Subject to the provisions of this act and other applicable laws, the public utilities commission and the department of public service shall continue to exercise all the powers and duties vested in, or imposed upon them, as existing and constituted immediately prior to the effective date of this act.

Sec. 102. Minnesota Statutes 1978, Section 216.16, is amended to read:

216.16 HEARINGS BEFORE PUBLIC UTILITIES COMMISSION. If the matter be not adjusted to the satisfaction of the ~~department~~ commission, it shall set a time and place of hearing, and give at least ten days notice thereof to each party. The parties may appear either in person or by attorney. The ~~department~~ commission shall hear evidence and otherwise investigate the matter, make findings of fact upon all matters involved, and such order or recommendation in the

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premises as may be just. A copy of such findings and order or recommendation shall forthwith be served upon each party. No proceedings shall be dismissed on account of want of pecuniary interest in the complaint. ~~The department is authorized to designate by resolution any of its employees to receive and report evidence. Employees so designated shall have power to administer oaths to witnesses, examine witnesses, and receive evidence. In any proceedings in which the evidence is received by one commissioner or by an employee so designated, such commissioner or employee shall make a full and complete report thereof to the department and the department shall proceed to a determination of the facts and issue its order or recommendation as hereinabove provided.~~

Sec. 103. Minnesota Statutes 1978, Section 216A.01, is amended to read:

216A.01 ESTABLISHMENT OF DEPARTMENT AND COMMISSION. There is ~~are~~ hereby created and established the department of public service to consist of ~~two branches, and the public service utilities commission and the administrative division.~~ The department of public service shall have and possess all of the rights and powers and perform all of the duties vested in it by this chapter, ~~and, immediately prior to enactment of said chapter, .~~ The public utilities commission shall have and possess all of the rights and powers and perform all of the duties vested in it by this chapter, and those formerly vested by law in the railroad and warehouse commission.

Sec. 104. Minnesota Statutes 1978, Section 216A.03, Subdivision 3, is amended to read:

Subd. 3. **CHAIRMAN.** The commission shall elect one of their number chairman at the meeting of the commission in the second week in January of each year for a term of one year.

If a vacancy occurs in the position of chairman, the commission shall elect a new chairman to complete the unexpired term.

Sec. 105. Minnesota Statutes 1978, Section 216A.03, is amended by adding a subdivision to read:

Subd. 3a. POWERS AND DUTIES OF THE CHAIRMAN. The chairman shall be the principal executive officer of the commission. He shall preside at meetings of the commission. The chairman shall organize the work of the commission and may make assignments to commission members, appoint committees and give direction to the commission staff through the executive secretary subject to the approval of the commission.

Sec. 106. Minnesota Statutes 1978, Section 216A.04, Subdivision 1, is amended to read:

216A.04 EXECUTIVE SECRETARY; EMPLOYEES. Subdivision 1. **SELECTION OF EXECUTIVE SECRETARY.** The commission shall appoint ~~a~~ an executive secretary, not a member, who shall be in the unclassified service of the state and shall serve at the pleasure of the commission, ~~except that the secretary now serving the railroad and warehouse commission shall continue as secretary in~~

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~~the classified service. He~~ The executive secretary shall take, subscribe and file an oath similar to that required of the commissioners. ~~He shall be charged with keeping full and correct records of all transactions and proceedings of the commission, have the power to administer oaths, and perform such other duties as may be prescribed by the commission. He shall be the official custodian of the records and seal of the commission, and shall be subject to the same disqualifications as commissioners.~~

Sec. 107. Minnesota Statutes 1978, Section 216A.04, is amended by adding a subdivision to read:

Subd. 1a. POWERS AND DUTIES OF THE EXECUTIVE SECRETARY. The executive secretary shall:

(1) Cause to be kept full and correct records of all transactions and proceedings of the commission;

(2) Appoint, subject to chapter 43 and the approval of the commission, all other classified employees of the commission and supervise and direct their activities;

(3) Have custody of the seal of the commission;

(4) Serve as the administrative officer of the commission with responsibility for personnel, budget and other administrative details related to the work of the commission or as required by state law;

(5) Prepare orders, reports, and other materials as assigned by the commission and recommend to the commission such measures as may be appropriate to achieve the objectives of the commission;

(6) Advise the commission of its financial position and recommend a budget for its approval; and

(7) Perform other duties as the commission directs.

Sec. 108. Minnesota Statutes 1978, Section 216A.04, Subdivision 3, is amended to read:

Subd. 3. OFFICERS AND EMPLOYEES. The commission may employ one unclassified employee in addition to the executive secretary to serve at the pleasure of the commission. The commission may employ such other assistants persons as may be necessary to carry out its functions, including hearing officers and reporters, within the funds provided therefor from time to time. The commissioners individually may act as hearing officers.

Hearing reporters may provide transcripts of proceedings before the commission to persons requesting transcripts who pay a reasonable charge therefor to the reporter. The amount of the charge shall be fixed by the commission and retained by the reporter, any other law to the contrary notwithstanding.

Sec. 109. Minnesota Statutes 1978, Section 216A.05, Subdivision 4, is amended to read:

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Subd. 4. **PERFORMANCE OF FUNCTIONS OF PUBLIC UTILITIES COMMISSION.** The commission shall exercise each and every legislative function imposed by law on ~~the department of public service~~ it.

Sec. 110. Minnesota Statutes 1978, Section 216A.05, Subdivision 5, is amended to read:

Subd. 5. **HEARINGS UPON PETITIONS.** With respect to those matters within its jurisdiction the commission shall receive, hear and determine ~~within six months~~ all petitions filed with it in accordance with the ~~procedures established by law~~ rules of practice and procedure promulgated by the commission, and may investigate, hold hearings and make determinations upon its own motion to the same extent, and in every instance, in which it may do so upon petition. Upon receiving petitions filed pursuant to sections 221.061, 221.081, 221.121, subdivision 1, 221.151, 221.296, and 221.55, the commission shall give notice of the filing of the petition to representatives of associations or other interested groups or persons who have registered their names with the ~~director of the department~~ executive secretary for that purpose and to whomever he deems to be interested ~~in the petition~~. The commission may grant or deny the request of the petition 30 days after notice of the filing has been fully given. If the commission receives a written objection and a notice of intent to appear at a hearing to object to the petition from any person within 20 days of the notice having been fully given, the request of the petition shall be granted or denied only after a contested case hearing has been conducted on the petition, unless the objection is withdrawn prior to the hearing. The commission may elect to hold a contested case hearing if no objections to the petition are received. If a timely objection is not received, or if received and withdrawn, and the request of the petition is denied without hearing, the petitioner may request within 30 days of receiving the notice of denial, and shall be granted, a contested case hearing on the petition.

Sec. 111. Minnesota Statutes 1978, Section 216A.07, is amended to read:

216A.07 **DIRECTOR; POWERS AND DUTIES.** Subdivision 1. The director shall be the executive and administrative head of the public service department. He shall have and possess all the rights and powers and perform all the duties relating to the administrative function of the department as set forth in this chapter. The director may:

(1) Prepare all forms or blanks for the purpose of obtaining information which he may deem necessary or useful in the proper exercise of his authority and duties in connection with regulated businesses;

(2) Prescribe the time and manner within which forms or blanks shall be filed with the department;

(3) Inspect at all reasonable times, and copy the books, records, memoranda and correspondence or other documents and records of any person relating to any regulated business; and

(4) Cause the deposition to be taken of any person concerning the business and affairs of any business regulated by the department. Information sought

through said deposition shall be for a lawfully authorized purpose and shall be relevant and material to the investigation or hearing before the commission. Information obtained from said deposition shall be used by the department only for a lawfully authorized purpose and pursuant to powers and responsibilities conferred upon the department. Said deposition is to be taken in the manner prescribed by law for taking depositions in civil actions in the district court.

Subd. 2. ENFORCEMENT. The director is responsible for the enforcement of chapters 216A, 216B and 237 and the orders of the commission issued pursuant to those chapters.

Subd. 3. INTERVENTION IN PROCEEDINGS. The director may intervene as a party in all proceedings before the commission. The attorney general shall act as counsel in the proceedings.

Subd. 4. INVESTIGATIONS. The director may, on his own initiative, investigate any matter subject to the jurisdiction of the department or commission.

Subd. 5. RULEMAKING. The director shall make substantive and procedural rules to implement the provisions of chapters 216A, 216B and 237. Rules adopted under this authority shall be promulgated pursuant to the administrative procedure act and shall have the force and effect of law.

Sec. 112. Minnesota Statutes 1978, Chapter 216A, is amended by adding a section to read:

[216A.095] COOPERATION BETWEEN DEPARTMENT AND COMMISSION. Nothing in chapter 216A prevents the department or the commission from entering into agreements with each other or with other agencies to coordinate and share services, to conduct joint projects or investigations on matters within the authority and jurisdiction of the parties thereto, or to temporarily assign staff to projects requested by each other or by other agencies. The cooperative agreements may provide for the sharing of costs between the parties thereto or the reimbursement of the department or commission operating budget for expenditures made on behalf of the department or commission or agency. No cooperative effort shall interfere with the independence and integrity of either the commission or the department or any other agency that is a party.

Sec. 113. Minnesota Statutes 1978, Section 216B.17, Subdivision 1, is amended to read:

216B.17 COMPLAINTS, Subdivision 1. On its own motion or upon a complaint made against any public utility, by the governing body of any political subdivision, by another public utility, by the department, or by any 50 consumers of the particular utility that any of the rates, tolls, tariffs, charges, or schedules or any joint rate or any regulation, measurement, practice, act or omission affecting or relating to the production, transmission, delivery or furnishing of natural gas or electricity or any service in connection therewith is in any respect unreasonable, insufficient or unjustly discriminatory, or that any service is inadequate or cannot be obtained, the commission shall proceed, with notice, to make such invest-

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igation as it may deem necessary. The commission may dismiss any complaint without a hearing if in its opinion a hearing is not in the public interest.

Sec. 114. Minnesota Statutes 1978, Section 216B.19, is amended to read:

216B.19 JOINT HEARINGS AND INVESTIGATIONS. In the discharge of its duties under Laws 1974, Chapter 429, the commission or the department may cooperate with similar commissions of other states and any federal agency and may hold joint hearings and make joint investigations with other commissions.

Sec. 115. Minnesota Statutes 1978, Section 216B.54, is amended to read:

216B.54 ACTIONS BY COMMISSION OR DEPARTMENT; ATTORNEY GENERAL TO INSTITUTE. Whenever the commission or department shall be of the opinion that any person or public utility is failing or omitting or is about to fail or omit to do anything required of it by Laws 1974, Chapter 429 or by any order of the commission, or is doing anything or about to do anything, or permitting anything or about to permit anything to be done, contrary to or in violation of Laws 1974, Chapter 429 or of any order of the commission, it shall refer the matter to the attorney general who shall take appropriate legal action.

Sec. 116. Minnesota Statutes 1978, Section 216B.62, is amended to read:

216B.62 COST OF EXAMINATION; ASSESSMENT OF EXPENSES; LIMITATIONS; OBJECTIONS. Subdivision 1. Immediately after the passage and adoption of Laws 1974, Chapter 429, the commission shall assess to all public utilities subject to the provisions of Laws 1974, Chapter 429 in proportion to their respective gross operating revenues, as hereinafter defined, during the preceding calendar year, the sum of \$300,000. The assessment shall be paid into the state treasury within 30 days after the bill has been mailed, by certified mail, to the several public utilities, which shall constitute notice of said assessment and demand of payment thereof.

Subd. 2. Whenever the commission or department, in a proceeding upon its own motion, on complaint, or upon an application to it, shall deem it necessary, in order to carry out the duties imposed by Laws 1974, Chapter 429, to investigate the books, accounts, practices, and activities of, or make appraisals of the property of any public utility, or to render any engineering or accounting services to any public utility, the public utility shall pay the expenses reasonably attributable to the investigation, appraisal, or service. The commission and department shall ascertain the expenses, and the department shall render a bill therefor to the public utility, either at the conclusion of the investigation, appraisal, or services, or from time to time during its progress, which bill shall constitute notice of the assessment and a demand for payment. The amount of the bills so rendered by the department shall be paid by the public utility into the state treasury within 30 days from the date of rendition. The total amount, in any one calendar year, for which any public utility shall become liable, by reason of costs incurred by the commission within that calendar year, shall not exceed two-fifths of one percent of the gross operating revenue from retail sales of gas, or electric service by the public utility within the state in the last preceding calendar

year. Where, pursuant to this subdivision, costs are incurred within any calendar year which are in excess of two-fifths of one percent of the gross operating revenues, the excess costs shall not be chargeable as part of the remainder under subdivision 3, but shall be paid out of the general appropriation to the department and commission. In the case of public utilities offering more than one public utility service only the gross operating revenues from the public utility service in connection with which the investigation is being conducted shall be considered when determining this limitation.

Subd. 3. The department and commission shall annually, within 90 days after the close of each fiscal year, ascertain the total of ~~its~~ their expenditures to the performance of ~~its~~ their duties relating to public utilities under Laws 1974, Chapter 429, and shall deduct therefrom all amounts chargeable to public utilities under subdivision 2. The remainder shall be assessed by the commission and department to the several public utilities in proportion to their respective gross operating revenues from retail sales of gas or electric service within the state during the last calendar year. The assessment shall be paid into the state treasury within 30 days after the bill has been mailed to the several public utilities, which shall constitute notice of the assessment and demand of payment thereof. The total amount which may be assessed to the public utilities, under authority of this subdivision, shall not exceed one-eighth of one percent of the total gross operating revenues of the public utilities during such calendar year from retail sales of gas or electric service within the state.

Subd. 4. Within 30 days after the date of the mailing of any bill as provided by subdivisions 2 and 3, the public utility against which the bill has been rendered may file with the commission objections setting out the grounds upon which it is claimed the bill is excessive, erroneous, unlawful or invalid. The commission shall within 60 days hold a hearing and issue an order in accordance with its findings. The order shall be appealable in the same manner as other final orders of the commission.

Subd. 5. The commission and department shall be authorized to charge cooperative electric associations their proportionate share of the expenses incurred in the adjudication of service area disputes and all of the costs incurred in the adjudication of complaints over service standards and practices. Cooperative electric associations electing to become subject to rate regulation by the commission pursuant to section 216B.02, subdivision 4, shall be subject to this section.

Sec. 117. Minnesota Statutes 1978, Section 216B.64, is amended to read:

216B.64 ATTORNEY GENERAL TO REPRESENT COMMISSION AND DEPARTMENT. The attorney general of the state shall, upon request of the commission or department, represent and appear for the commission or department in all actions and proceedings involving any question under Laws 1974, Chapter 429, and shall aid in any investigation or hearing had under the provisions of Laws 1974, Chapter 429. The attorney general shall perform all duties and services in connection with Laws 1974, Chapter 429 and the enforcement thereof as the commission or department may require. He shall also bring all actions to collect penalties herein provided.

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Sec. 118. Minnesota Statutes 1978, Section 237.02, is amended to read:

237.02 UNDER DEPARTMENT OF PUBLIC SERVICE AND PUBLIC UTILITIES COMMISSION. The department of public service and the public utilities commission, now existing under the laws of this state, is are hereby vested with the same jurisdiction and supervisory power over telephone companies doing business in this state as it now has over railroad and express companies; ~~and, wherever the term "department" is used in this chapter, it shall mean the department of public service.~~ The definitions set forth in section 216A.02 shall apply also to chapter 237.

Sec. 119. Minnesota Statutes 1978, Section 237.12, is amended to read:

237.12 CONNECTIONS BETWEEN TELEPHONE COMPANIES DISCONTINUED ONLY ON ORDER. When public convenience requires the same, every telephone company shall, for a reasonable compensation, permit a physical connection or connections to be made, and telephone service to be furnished between any telephone exchange system operated by it, and the telephone toll line or lines operated by another company, or between its telephone toll line or lines and the telephone exchange system of another telephone company, or between its toll line and the toll line of another company, whenever such physical connection or connections are practicable and will not result in irreparable injury to the telephone system so compelled to be connected. The term "physical connection," as used in this section, means such number of trunk lines or complete wire circuits and connections as may be required to furnish reasonable and adequate service between such telephone lines and exchanges and shall not be deemed to provide for any connection whereby one line or circuit is to be bridged upon another line or circuit. In case of failure of the telephone companies concerned to allow or agree upon such physical connection or connections, or the terms and conditions upon which the same shall be made, application may be made to the department for an order requiring such connection and fixing the compensation, terms and conditions thereof, and if after investigation and hearing the department shall find that such physical connections will not result in irreparable injury to such telephone properties, it shall by order direct that such connections be made, and prescribe reasonable conditions and compensation therefor and for the joint use thereof, and by whom the expense of making and maintaining such connection or connections shall be paid. When application is made to the department requesting physical connection it shall be presumed that such connection is necessary, and that the public convenience will be promoted thereby, and the burden of overcoming such presumption shall be upon the party resisting such application. The telephone companies so connecting shall give service over the connecting line or lines without preference to or discrimination against any service or telephone company whatever.

Wherever a physical connection or connections exist between any telephone exchange system operated by a telephone company and the toll line or lines operated by another telephone company or between its toll line or lines and the telephone exchange system of another telephone company, or between its toll line and the toll line of another telephone company, neither of the companies

shall cause such connection to be severed or the service between the companies to be discontinued without first obtaining an order from the department upon an application for permission to discontinue such physical connection. Upon the filing of an application for discontinuance of such a connection, the department shall investigate and ascertain whether public convenience requires the continuance of such physical connection, and if the department so finds, the commission shall fix the compensation, terms and conditions of the continuance of the physical connection and service between the telephone companies.

Sec. 120. Minnesota Statutes 1978, Section 237.295, Subdivision 1, is amended to read:

237.295 COST OF EXAMINATION; ASSESSMENT OF EXPENSES; LIMITATION; OBJECTIONS. Subdivision 1. Whenever the department or commission , in a proceeding upon its own motion, on complaint, or upon an application to it, shall deem it necessary in order to carry out the duties imposed on it to investigate the books, accounts, practices, and activities of, or make appraisals of the property of any telephone company, or to render any engineering or accounting services to any telephone company, the telephone company shall pay the expenses reasonably attributable to the investigation, appraisal, or service. The department and commission shall ascertain the expenses, and the department shall render a bill therefor to the telephone company; either at the conclusion of the investigation, appraisal, or services, or from time to time during its progress, which bill shall constitute notice of the assessment and a demand for payment. The amount of the bills so assessed by the department shall be paid by the telephone company into the state treasury within 30 days from the date of assessment. The total amount, in any one calendar year, for which any telephone company shall become liable, by reason of costs incurred by the department and commission within that calendar year, shall not exceed two-fifths of one percent of the gross jurisdictional operating revenue of the telephone company in the last preceding calendar year. Where, pursuant to this subdivision, costs are incurred *within any calendar year which are in excess of two-fifths of one percent of the gross jurisdictional operating revenues*, the excess costs shall not be chargeable as part of the remainder under subdivision 2, but shall be paid out of the general appropriation of the department.

Sec. 121. Minnesota Statutes 1978, Section 237.295, Subdivision 2, is amended to read:

Subd. 2. The department and commission shall annually, within 90 days after the close of each fiscal year, ascertain the total of its expenditures to the performance of its duties relating to telephone companies, and shall deduct therefrom all amounts chargeable to telephone companies under subdivision 1. The remainder shall be assessed by the department to the several telephone companies in proportion to their respective gross jurisdictional operating revenues during the last calendar year. The assessment shall be paid into the state treasury within 30 days after the bill has been mailed to the several telephone companies, which shall constitute notice of the assessment and demand of payment thereof. The total amount which may be assessed to the telephone companies, under authority

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of this subdivision, shall not exceed one-eighth of one percent of the total gross jurisdictional operating revenues during such calendar year.

Sec. 122. TRANSFER OF COMPLEMENT, FUNDS, EQUIPMENT. The unencumbered balances of appropriations made to the department of public service for the commission support division by Laws 1979, Chapter 333, Section 37, are transferred to the public utilities commission. The commissioner of finance shall determine the amounts to be transferred.

Twenty-four positions in the public service department used to staff the commission support division are transferred to the public utilities commission and the complement of the department of public service is reduced by that number.

Nothing herein shall be construed as abrogating or modifying any rights now enjoyed by affected employees under the terms of an agreement between an exclusive representative of public employees and the state or of its appointing authorities.

The commissioner of finance and commissioner of personnel shall transfer the budget, position, and employees referenced above and any accrued benefits pertaining thereto to the public utilities commission.

All equipment, furnishings, and supplies presently used by the commission support division and any contractual arrangements for telephone service, office space or other matters related to the operation of the division are transferred to the public utilities commission.

Sec. 123. INSTRUCTION TO REVISOR. Inssofar as possible, the revisor of statutes shall substitute the term "public utilities commission" for the term "public service commission" in the next and subsequent editions of Minnesota Statutes consistently with the provisions of this act. The revisor may make related changes in grammar and punctuation, but shall not change the meaning of any provision except consistently with this act.

Inssofar as possible, the revisor of statutes shall substitute the term "commission" for the term "department" wherever it appears in sections 216.10, 216.13, 216.14, 216.16, 216.161, 216.17, 216.18, 216.24, 216.25, 216.26, 216.27, 216.271, 237.10, 237.16, 237.18, 237.20, 237.21, 237.22, 237.23, 237.24, 237.25, 237.26, 237.27 and 237.28 of the next and subsequent editions of Minnesota Statutes consistently with the provisions of this act. The revisor may make related changes in grammar and punctuation, but shall not change the meaning of any provision except consistently with this act.

Sec. 124. Minnesota Statutes 1978, Section 238.08, is amended by adding a subdivision to read:

Subd. 5. Municipalities may by ordinance or resolution create a joint cable communications commission under section 471.59, to which each member municipality may delegate authority vested in the municipality by statute or charter to prepare, adopt, grant, administer, and enforce a cable communications franchise, and establish rates thereunder. The adoption, granting, administration and

enforcement of a cable communications franchise, and the establishment of rates thereunder by a joint cable communications commission, pursuant to this subdivision is deemed to comply with procedural requirements of a statute or charter for the adoption, granting, administration and enforcement of a franchise, and establishment of rates. The members and governing body of the joint commission shall consist of two representatives appointed by each municipality, at least one of whom shall be a member of the council of that municipality and the other a qualified voter residing within that municipality.

Sec. 125. Minnesota Statutes 1978, Section 245.814, is amended to read:

245.814 **LIABILITY INSURANCE FOR FOSTER PARENTS.** The commissioner of public welfare shall within the appropriation provided purchase and provide insurance to foster parents to cover their liability for:

(1) injuries or property damage caused or sustained by foster children in their home; and

(2) actions arising out of alienation of affections sustained by the natural parents of a foster child.

Coverage shall apply to all foster boarding homes licensed by the department of public welfare, licensed by a federally recognized tribal government, or established by the juvenile court and certified by the commissioner of corrections pursuant to section 260.185, subdivision 1, clause (c) (5), to the extent that the liability is not covered by the provisions of the standard homeowner's or automobile insurance policy. The insurance shall not cover property owned by the foster parents, damage caused intentionally by a child over 12 years of age, or property damage arising out of business pursuits or the operation of any vehicle, machinery, or equipment.

Sec. 126. Minnesota Statutes 1978, Section 246.014, is amended to read:

246.014 **SERVICES.** The measure of services established and prescribed by section 246.012, are:

(1) There shall be served in state hospitals a single standard of food for patients and employees alike, which is nutritious and palatable together with special diets as prescribed by the medical staff thereof. There shall be a chief dietitian in the department of public welfare and at least one dietitian at each state hospital. There shall be adequate staff and equipment for processing, preparation, distribution and serving of food.

(2) There shall be a staff of persons, professional and lay, sufficient in number, trained in the diagnosis, care and treatment of the mentally ill, physical illness, and including religious and spiritual counsel through qualified chaplains (who shall be in the unclassified service) adequate to take advantage of and put into practice modern methods of psychiatry, medicine and related field.

(3) There shall be a staff and facilities to provide occupational and recreational therapy, entertainment and other creative activities as are consistent with modern methods of treatment and well being.

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(4) There shall be in each state hospital for the care and treatment of the mentally ill facilities for the segregation and treatment of patients who have communicable disease.

(5) The commissioner of public welfare shall provide modern and adequate psychiatric social case work service.

(6) The commissioner of public welfare shall make every effort to improve the accommodations for patients so that the same shall be comfortable and attractive with adequate furnishings, clothing, and supplies.

(7) The commissioner of public welfare shall establish training programs for the training of personnel and may require the participation of personnel in such programs. Within the limits of the appropriations available he may establish professional training programs in the forms of educational stipends for positions for which there is a scarcity of applicants.

(8) There shall be a separate hospital for the diagnosis, care and treatment of the mentally ill who have tuberculosis which shall conform to the standards established for the diagnosis, care and treatment of physical disease. Pending construction of such separate hospital, one of the present state hospitals, or so much thereof as may be necessary, shall be set apart for the diagnosis, care and treatment of the mentally ill who have tuberculosis and shall be staffed and equipped to meet the accepted requirements of modern medicine for the care and treatment of persons afflicted with tuberculosis.

(9) The standards herein established shall be adapted and applied to the diagnosis, care and treatment of inebriate persons and mentally deficient persons who come within those terms as defined in the laws relating to the hospitalization and commitment of such persons, and of persons who are psychopathic personalities within the definition thereof in Minnesota Statutes 1945, Section 526.09.

(10) The commissioner of public welfare shall establish a program of detection, diagnosis and treatment of mentally or nervously ill persons and persons described in paragraph (9), and within the limits of appropriations may establish clinics and staff the same with persons specially trained in psychiatry and related fields.

(11) The commissioner of personnel ~~and the personnel board~~ may reclassify employees of the mental institutions from time to time, and assign classifications to such salary brackets as will adequately compensate personnel and reasonably assure a continuity of adequate staff.

(12) In addition to the chaplaincy services, provided in (2), the commissioner of public welfare shall open said institutions to ministers of the Gospel to the end that religious and spiritual counsel and services are made available to the patients therein, and shall cooperate with all ministers of the Gospel in making said patients available for religious and spiritual counsel, and shall provide such ministers of the Gospel with meals and accommodations.

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(13) Within the limits of the appropriations therefor, the commissioner of public welfare shall establish and provide facilities and equipment for research and study in the field of modern hospital management, the causes of mental and related illness and the treatment, diagnosis and care of the mentally ill and funds provided therefor may be used to make available services, abilities and advice of leaders in these and related field, and may provide them with meals and accommodations and compensate them for traveling expenses and services.

Sec. 127. Minnesota Statutes 1978, Chapter 246, is amended by adding a section to read:

[246.022] STATE HOSPITAL PLANNING COMMITTEES. Subdivision 1. APPOINTMENT. The commissioner may appoint for each state hospital a hospital planning committee that includes, but is not limited to, the chief executive officer of each state institution appointed pursuant to section 246.02, representatives of the professional staff and human services technicians and of other staff as the chief executive officer deems appropriate, representatives of the patients served in the institution, and representatives of the counties served by the institution.

Subd. 2. DUTIES OF COMMITTEE. The hospital planning committee of each state institution may present recommendations on such matters as:

(a) Setting measurable goals and objectives for the management and service programs of the institution;

(b) Identifying the capital, staff and financial resources needed to attain the goals and objectives established; and

(c) Adopting a method, approved by the commissioner, whereby the degree of attainment of the established goals and objectives may be evaluated.

Subd. 3. COMMISSIONER'S RESPONSIBILITY. Within the appropriations available, the commissioner of public welfare shall provide technical assistance to each hospital planning committee in the performance of its duties.

Subd. 4. BIENNIAL PLAN. Each hospital planning committee shall submit to the commissioner a biennial report to be included in the report to the governor and legislature prepared pursuant to section 246.06. The commissioner shall establish schedules for submission of hospital planning committee plans so that each plan is substantially reflected in the biennial estimates prepared pursuant to section 246.12.

Sec. 128. Minnesota Statutes 1978, Chapter 253A, is amended by adding a section to read:

[253A.23] MENTAL EVALUATIONS OF DEFENDANTS; DESIGNATION OF HOSPITAL BY COMMISSIONER OF PUBLIC WELFARE. Subdivision 1. In any of the following specified stages of the criminal process involving a court ordered mental evaluation, the court shall order confinement or continuing confinement to the state mental hospital the commissioner of public welfare designates as appropriate, or to another suitable hospital or facility.

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(a) Under Rule 20.01 of the Minnesota rules of criminal procedure relating to a defendant's competency to understand the proceedings and participate in his own defense:

(1) During the initial mental evaluation confinement period ordered by the criminal court to determine competency to proceed:

(2) If the defendant is found not competent to proceed by the criminal court, during the interim confinement period prior to commencement of civil commitment proceedings in the civil commitment court: and

(3) If the defendant is found to be mentally ill or mentally ill and dangerous and in need of further hospitalization by the civil commitment court, during the confinement period in which the defendant is under civil commitment subject to supervision by the court.

(b) Under Rule 20.02 of the Minnesota rules of criminal procedure relating to an assertion of the defense of mental illness:

(1) During the initial mental evaluation confinement period ordered by the court to determine the defendant's mental condition:

(2) If the defendant is found not guilty by reason of mental illness, during the interim confinement period prior to commencement of civil commitment proceedings in the

civil commitment court: and

(3) If the defendant is found to be mentally ill or mentally ill and dangerous by the civil commitment court, during the confinement period during which the defendant is under civil commitment subject to supervision by the criminal court.

(c) Under Rule 27 of the Minnesota rules of criminal procedure relating to presentence investigations of defendants convicted of crimes when the court orders the defendant to submit to a mental evaluation, during any confinement period necessary for the evaluation.

Subd. 2. When in accordance with section 246.43 or other law a court orders a defendant to submit to a mental evaluation, the court may order confinement or continuing confinement to the state mental hospital the commissioner designates as appropriate, or to another suitable hospital or facility.

Sec. 129. Minnesota Statutes 1978, Chapter 256, is amended by adding a section to read:

[256.012] MINNESOTA MERIT SYSTEM. The commissioner of public welfare shall promulgate by rule personnel standards on a merit basis in accordance with federal standards for a merit system of personnel administration for all employees of county boards engaged in the administration of community social services or income maintenance programs, all employees of human services boards that have adopted the rules of the Minnesota Merit System, and all employees of county welfare boards.

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Excluded from the rules are employees of institutions and hospitals under the jurisdiction of the aforementioned boards; employees of county personnel systems otherwise provided for by law that meet federal merit system requirements; duly appointed or elected members of the aforementioned boards; and the director of community social services and employees in positions that, upon the request of the appointing authority, the commissioner in his discretion exempts, provided the exemption accords with the federal standards for a merit system of personnel administration.

Sec. 130. Minnesota Statutes 1978, Section 256.73, Subdivision 2, is amended to read:

Subd. 2. ALLOWANCE BARRED BY OWNERSHIP OF PROPERTY. Except as provided in clause (3), the ownership by father, mother, child, children, or any combination thereof, of property as follows shall be a bar to any allowance under sections 256.72 to 256.87:

(1) Net equity in real estate used as a home which exceeds \$15,000; provided that real estate used as a home in excess of this amount will not be a bar to eligibility where the county welfare board determines that such real estate is not available for support of the family or the sale of such real estate would cause undue hardship. Real property other than the homestead, except as described in clause (3); or

(2) Personal property of a reasonable market value in excess of ~~\$300~~ \$600 for a one child recipient or ~~\$500~~ \$1,000 for more than one child recipient, exclusive of personal property used as the home, one automobile the market value of which does not exceed \$1,650, insurance carried by a parent which does not exceed a cash surrender value of \$500, clothing and necessary household furniture and equipment, the earnings of a dependent child which are placed in a savings account to be used for a future purpose approved by the county agency in accordance with the rules and regulations of the commissioner of public welfare, and such property that produces a net income applicable to the family's needs; or,

(3) Real estate not used as a home which produces net income applicable to the family's needs or which the family is making a continuing effort to sell at a fair and reasonable price shall not be a bar to an allowance under sections 256.72 to 256.87. Net income shall be the residue after payment from gross income of taxes, insurance, maintenance, and interest on encumbrances, if any, on the property, provided that in computing net income the gross income shall not be charged with any expenses toward betterment of the property as improvements or by payment on the principal of a mortgage; provided, that the net income thus derived shall be applied on the family budget.

Sec. 131. Minnesota Statutes 1978, Section 256D.06, is amended by adding a subdivision 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, the allowance for clothing and personal needs shall not be less than that authorized for a medical assistance recipient pursuant to section 256B.35.

Changes or additions indicated by underline deletions by ~~strikeout~~.

Sec. 132. Minnesota Statutes 1978, Chapter, 259, is amended by adding a section to read:

[259.45] STATE ADOPTION EXCHANGE. Subdivision 1. The commissioner of public welfare shall establish an adoption exchange, which shall include but not be limited to a book, updated monthly, that contains a photograph and description of each child who has been legally freed for adoption. The exchange service shall be available to all authorized child placing agencies whose purpose is to assist in the adoptive placement of children, and the exchange book shall be distributed to all such agencies.

Subd. 2. All authorized child placing agencies shall send to the state adoption exchange, within 60 days of the time a child becomes free for adoption, a recent photograph and description of each child in its care who has been legally freed for adoption by the termination of parental rights, and for whom no adoptive home has been found.

Subd. 3. Changes in the status of a child listed in the state adoption exchange shall be reported by the authorized child placing agency to the exchange within ten working days after the change occurs.

Subd. 4. Children remaining registered for 12 months shall have their photographs and written descriptions updated by the authorized child placing agency within ten working days of the expiration of the 12 months, and every 12 months thereafter.

Subd. 5. A child's registration shall be withdrawn when the exchange service has been notified in writing by the authorized child placing agency that the child has been adopted, has reached his or her 14th birthday and will not consent to an adoption plan, or has died.

Subd. 6. The exchange service shall semiannually check the status of listed children for whom inquiries have been received. Periodic checks shall be made by the service to determine the progress toward adoption of those children and the status of children registered but never listed in the exchange book because of placement in an adoptive home prior to or at the time of registration.

Subd. 7. An authorized child placing agency may voluntarily refer any child legally freed for adoption to the exchange service; or the exchange service may determine that the recruitment of an adoptive family through the exchange book is appropriate for a child not registered with the service and require the child to be registered with the exchange service within ten working days.

Subd. 8. Deferral of the listing of a child with the state adoption exchange shall be only for one or more of the following reasons: (a) the child is in an adoptive placement but is not legally adopted; (b) the child's foster parents or other individuals are now considering adoption; (c) diagnostic study or testing is required to clarify the child's problem and provide an adequate description; (d) the child is currently in a hospital and continuing need for daily professional care will not permit placement in a family setting; or (e) the child is 14 years of age or older and will not consent to an adoption plan. Approval of a request to defer

listing for any of the reasons specified in clauses (b) or (c) shall be valid for a period not to exceed 90 days, with no subsequent deferrals for those reasons.

Subd. 9. The commissioner of public welfare shall make rules as necessary to administer this section and shall employ necessary staff to carry out the purposes of this section.

Sec. 133. Minnesota Statutes, 1979 Supplement. Section 299D.03. Subdivision 2, is amended to read:

Subd. 2. **SALARIES.** (1) Each employee other than the chief supervisor, lieutenant colonel, majors, captains, corporals and sergeants hereinafter designated shall be known as patrol troopers.

(2) There may be appointed one lieutenant colonel; and such majors, captains, corporals, sergeants and troopers as the commissioner deems necessary to carry out the duties and functions of the highway patrol. Persons in above named positions shall be appointed by law and have such duties as the commissioner may direct and, except for troopers, shall be selected from the patrol troopers, corporals, sergeants, captains, and majors who shall have had at least five years' experience as either patrol troopers, corporals, sergeants; or supervisors.

(3) Commencing July 4, 1979, the salaries for all members of the highway patrol, except for the chief supervisor and the lieutenant colonel shall be as shown in the following table:

	TOTAL YEARS OF SERVICE					
	Base Salary	6 Months	1 Year	2 Years	3 Years	
Trooper	\$1186	1229	1327	1377	1439	
		4 thru 6 Years	7 thru 11 Years	12 thru 20 Years	After 20 Years	
Trooper		\$1511	1566	1625	1687	
			5 thru 11 Years	12 thru 20 Years	After 20 Years	
Trooper I			\$1566	1625	1687	
				10 thru 20 Years	After 20 Years	
Corporal				\$1650	1712	
Staff Sergeant						
		7	8	9	10	11
	\$1656	1687	1719	1753	1786	1817
					12 thru 20 Years	After 20 Years
					After 12 Years total Service	After 20 Years total Service
Captain	\$1959	2020	2083	2143	2202	
Major	2239	2301		2363	2425	

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Commencing July 2, 1980, the salaries for all members of the highway patrol, except for the chief supervisor and the lieutenant colonel shall be as shown in the following table:

	TOTAL YEARS OF SERVICE					
	Base Salary	6 Months	1 Year	2 Years	3 Years	
Trooper	\$1257	1303	1407	1460	1525	
		4 thru 6 Years	7 thru 11 Years	12 thru 20 Years	After 20 Years	
Trooper		\$1602	1660	1723	1788	
			5 thru 11 Years	12 thru 20 Years	After 20 Years	
Trooper I			\$1660	1723	1788	
				10 thru 20 Years	After 20 Years	
Corporal				\$1747	<u>\$1749</u>	1815
Staff Sergeant			Years			
	7	8	9	10	11	12 thru 20
	\$1755	1788	1822	1858	1893	1926
						After 20
						Years Total
						Years Total
						Service
Captain						Service
Major						Service

Employees designated as station sergeants shall receive an additional three percent above the current rate rounded to the nearest dollar for the duration of the appointment. Employees permanently assigned exclusively to Twin City metropolitan freeway duty shall be designated freeway troopers and shall be compensated \$25 per month above their current salary when so assigned. Salary increases in accordance with the above schedule shall become effective for the payroll period nearest the employee's anniversary date of employment.

(4) Upon promotion, the person will be paid at the base salary rate of pay in effect for that rank, and shall subsequently be eligible for the time in rank increases calculated from the effective date of promotion.

(5) Any time in rank increases in salary provided for in the tables in clause (3), shall be effective for the payroll period nearest the employee's anniversary date of employment.

The salary rates for all highway patrol troopers, corporals and sergeants as cited in clause (3) shall be deemed to include reimbursement for shift differential, meal and business expenses incurred by highway patrol troopers, corporals and sergeants in the performance of their assigned duties in their patrol areas; business expenses include, but are not limited to: uniform costs, home garaging of squad cars and maintenance of home office.

Changes or additions indicated by underline deletions by ~~strikeout~~

Sec. 134. Minnesota Statutes 1978, Chapter 326, is amended by adding a section to read:

[326.601] ALTERNATIVE STATE BONDING AND INSURANCE REGULATION. Subdivision 1. BONDS. An applicant for a water conditioning contractor or installer license or renewal thereof who is required by any political subdivision to give a bond to obtain or maintain the license, may comply with any political subdivision bonding requirement by giving a bond to the state in the total penal sum of \$3,000 conditioned upon the faithful and lawful performance of all water conditioning contracting or installing work done by him within the state. The bond shall be for the benefit of persons suffering injuries or damages due to the work. The bond shall be filed with the commissioner of health and shall be written by a corporate surety licensed to do business in this state. No applicant for a water conditioning contractor or installer license who maintains the bond under this subdivision shall be otherwise required to meet the bond requirements of any political subdivision.

Subd. 2. INSURANCE. Each applicant for a water conditioning contractor or installer license or renewal thereof may, in lieu of all other insurance requirements of any political subdivision for said licensing purposes, maintain the insurance specified by this subdivision. The insurance shall provide coverage, including products liability coverage, for all damages in connection with licensed work for which the licensee is liable, with personal damage limits of at least \$50,000 per person and \$100,000 per occurrence and property damage insurance with limits of at least \$10,000. The insurance shall be written by an insurer licensed to do business in this state and each licensed water conditioning contractor or installer shall maintain on file with the commissioner of health a certificate evidencing the insurance. The insurance shall not be cancelled without the insurer first giving 15 days written notice to the commissioner.

Subd. 3. BOND AND INSURANCE EXEMPTION. A water conditioning contractor or installer who is an employee of a water conditioning contractor or installer, including an employee engaged in the maintenance and repair of water conditioning equipment, apparatus, or facilities owned, leased and operated, or maintained by the employer, is not required to meet the bond and insurance requirements of subdivisions 1 and 2 or of any political subdivision.

Subd. 4. FEE. The commissioner of health may establish by rule an additional fee commensurate with the cost of administering the bond and insurance requirements of subdivisions 1 and 2, which may be charged each applicant for issuance or renewal of a water conditioning contractor or installer license who elects to proceed under subdivisions 1 and 2.

Sec. 135. Minnesota Statutes 1978, Section 352.01, Subdivision 2B, is amended to read:

Subd. 2B. EXCLUDED EMPLOYEES. The following persons are excluded from the meaning of state employee:

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- (1) Elective state officers;
- (2) Students employed by the university of Minnesota, the state universities, and community colleges unless approved for coverage by the board of regents, the state university board or the state board for community colleges, as the case may be;
- (3) Employees who are eligible to membership in the state teachers retirement association except employees of the department of education who have elected or may elect to be covered by the Minnesota state retirement system instead of the teachers retirement association;
- (4) Employees of the university of Minnesota who are excluded from coverage by action of the board of regents;
- (5) Officers and enlisted men in the national guard and the naval militia and such as are assigned to permanent peacetime duty who pursuant to federal law are or are required to be members of a federal retirement system;
- (6) Election officers;
- (7) Persons engaged in public work for the state but employed by contractors when the performance of such contract is authorized by the legislature or other competent authority;
- (8) Officers and employees of the senate and house of representatives or a legislative committee or commission who are temporarily employed;
- (9) All courts and all employees thereof, referees, receivers, jurors, and notaries public, except employees of the supreme court and referees and adjusters employed by the department of labor and industry;
- (10) Patient and inmate help in state charitable, penal and correctional institutions including the Minnesota veterans home;
- (11) Persons employed for professional services where such service is incidental to regular professional duties and whose compensation is paid on a per diem basis;
- (12) Employees of the Sibley House Association;
- (13) Employees of the Grand Army of the Republic and employees of the ladies of the G.A.R.;
- (14) Operators and drivers employed pursuant to section 16.07, subdivision 4;
- (15) ~~Members of the personnel board; and~~ The members of any other state board or commission who serve the state intermittently and are paid on a per diem basis; the secretary, secretary-treasurer, and treasurer of such boards if their compensation is \$500 or less per year, or, if they are legally prohibited from serving more than two consecutive terms and their total service therefor is required by law to be less than ten years; and the board of managers of the state agricultural society and its treasurer unless he is also its full time secretary;

(16) State highway patrolmen:

(17) Temporary employees of the Minnesota state fair employed on or after July 1 for a period not to extend beyond October 15 of the same year; also persons employed at any time or times by the state fair administration for special events held on the fairgrounds;

(18) Emergency employees in the classified service except emergency employees who within the same pay period become provisional or probationary employees on other than a temporary basis, shall be deemed "state employees" retroactively to the beginning of the pay period;

(19) Persons described in section 352B.01, subdivision 2, clauses (b) and (c) formerly defined as state police officers:

(20) All temporary employees in the classified service, all temporary employees in the unclassified service appointed for a definite period of not more than six months and employed less than six months in any one year period and all seasonal help in the unclassified service employed by the department of revenue:

(21) Trainees paid under budget classification number 41, and other trainee employees, except those listed in subdivision 2A(10):

(22) Persons whose compensation is paid on a fee basis:

(23) State employees who in any year have credit for 12 months service as teachers in the public schools of the state and as such teachers are members of the teachers retirement association or a retirement system in St. Paul, Minneapolis, or Duluth;

(24) Employees of the adjutant general employed on an unlimited intermittent or temporary basis in the classified and unclassified service for the support of army and air national guard training facilities;

(25) Chaplains and nuns who have taken a vow of poverty as members of a religious order;

(26) Labor service employees employed as a laborer 1 on an hourly basis;

(27) Examination monitors employed by departments, agencies, commissions, and boards for the purpose of conducting examinations required by law;

(28) Members of appeal tribunals, exclusive of the chairman to which reference is made in section 268.10, subdivision 4;

(29) Persons appointed to serve as members of fact finding commissions, adjustment panels, arbitrators, or labor referees under the provisions of chapter 179;

(30) Temporary employees employed for limited periods of time under any state or federal program for the purpose of training or rehabilitation including persons employed thereunder for limited periods of time from areas of economic distress except skilled and supervisory personnel and persons having civil service status covered by the system;

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(31) Full time students employed by the Minnesota historical society who are employed intermittently during part of the year and full time during the summer months:

(32) Temporary employees, appointed for not more than six months, of the Metropolitan council and of any of its statutory boards, the members of which board are appointed by the metropolitan council:

(33) Persons employed in positions designated by the department of personnel as student workers:

(34) Any person who is 65 years of age or older when appointed and who does not have allowable service credit for previous employment, unless such employee gives notice to the director within 60 days following his appointment that he desires coverage:

(35) Tradesmen employed by the metropolitan waste control commission with trade union pension plan coverage pursuant to a collective bargaining agreement first employed after June 1, 1977: and

(36) Persons employed in subsidized on-the-job training, work experience or public service employment as enrollees under the federal comprehensive employment and training act from and after March 30, 1978, unless the person has as of the later of March 30, 1978 or the date of employment sufficient service credit in the retirement system to meet the minimum vesting requirements for a deferred annuity, or the employer agrees in writing on forms prescribed by the director to make the required employer contributions, including any employer additional contributions, on account of that person from revenue sources other than funds provided under the federal comprehensive employment and training act, or the person agrees in writing on forms prescribed by the director to make the required employer contribution in addition to the required employee contribution.

Sec. 136, Minnesota Statutes 1978, Section 352.04, Subdivision 5, is amended to read:

Subd. 5. **PAYMENT OF EMPLOYER CONTRIBUTIONS.** ~~(a)~~ The head of each department or agency shall cause employer contributions to be made to the fund on each payroll abstract at the time each employee is paid his salary in the amounts required by subdivision 3. These contributions shall be charged as administrative costs. Each department shall pay these amounts from such accounts and funds from which each department or agency receives its revenue, including appropriations from the general fund and from any other fund, now or hereafter existing, for the payment of salaries and in the same proportion as it pays therefrom the amounts of such salaries. ~~The moneys necessary to provide for the administrative cost as herein provided are hereby appropriated out of such revenue sources to each department and agency in such sums as are required to make the payments herein directed.~~

~~(b) If there are insufficient moneys in any such accounts or fund or source of revenue to make the payments to the state employees retirement fund required~~

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by this section to be made by such department or agency, there is hereby appropriated to such department or agency from any moneys in the state treasury not otherwise appropriated; such moneys as are required to meet such deficiencies. The amount of such appropriation made by these provisions shall be certified by the commissioner of administration to the commissioner of finance at such times as the commissioner of finance shall require:

Sec. 137. Minnesota Statutes 1978, Section 352.73, Subdivision 3, is amended to read:

Subd. 3. The supplemental benefit herein provided is for the purpose of relief in the present inflationary period and is not an increase in the amount of the annuity or retirement allowance such retired state employee receives from the state employees retirement fund. This supplemental benefit is not a vested right and the legislature reserves the power to withdraw, abolish, or modify it in any way. The benefits herein provided for shall be administered by the director of the Minnesota state employees retirement system. These supplemental benefits shall be paid in the same manner and at the same time annuities and retirement allowances are paid and, for the purpose of economy, such benefits may be included in the warrants on which the annuities are paid. Money certified by the director to the commissioner of finance as needed to meet the state's obligations to the state employees retirement fund shall be transferred to the fund at least once a month.

Sec. 138. Minnesota Statutes 1978, Section 352B.25, is amended to read:

352B.25 CONTINUING APPROPRIATION; PAYMENT OF PENSION FUNDS BY INDIVIDUALS. ~~All moneys provided for in this chapter required to be paid, deducted, transferred or contributed to any person, agency, fund or association from any account in the state treasury or from any fund or association are hereby annually and from time to time appropriated. The highway patrolmen's retirement fund and the participation in the Minnesota adjustable fixed benefit fund shall be disbursed only for the purposes herein provided. The expenses of the system and any benefits or annuities herein provided, other than benefits payable from the Minnesota adjustable fixed benefit fund, shall be paid from the highway patrolmen's retirement fund. The amounts necessary to make the payments from the highway patrolmen's retirement fund and the participation in the Minnesota adjustable fixed benefit fund are annually appropriated from those funds for those purposes.~~

Sec. 139. Minnesota Statutes 1978, Section 352C.04, Subdivision 3, is amended to read:

Subd. 3. **APPROPRIATION.** ~~Spouse's and dependent children's survivor benefits, payable under this section, are appropriated annually to the executive director of the Minnesota state retirement system from the general fund of the state treasury, and shall be paid by him monthly by the executive director of the Minnesota state retirement system.~~

Sec. 140. Minnesota Statutes 1978, Section 352C.09, Subdivision 2, is amended to read:

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Subd. 2. (1) Any person who has made contributions pursuant to subdivision 1 who is no longer a constitutional officer or commissioner and is not receiving and has not received, or is not entitled to receive any allowance or benefit under the provisions of this chapter is entitled to receive upon application to the director a refund of all contributions credited to his account without interest thereon. ~~The moneys required for the refunds are appropriated annually to the director from the general fund in the state treasury.~~

(2) The refund of contributions as provided in clause (1) above terminates all rights of a former constitutional officer or commissioner or his 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 shall be considered a new member for all purposes and such refund may not be repaid for any credit or benefit whatever.

(3) No person shall be required to apply for or accept a refund.

Sec. 141. Minnesota Statutes 1978, Section 353.83, is amended to read:

353.83 ADDITIONAL PAYMENTS TO CERTAIN ANNUITANTS. Payments of retirement annuities pursuant to this chapter, to annuitants who (a) retired prior to July 1, 1962, (b) had at least 20 years of allowable service credit in the public employees retirement association upon their termination of public employment, and (c) receive annuities of less than \$200 per month shall, retroactive to July 1, 1967, be supplemented by additional payments by the public employees retirement association from moneys in the general fund of the state of Minnesota in the amount of \$15 per month, provided that such annuitants have not previously qualified for the additional payments pursuant to this section, and provided further that in no case shall the annuities plus the additional payments exceed \$200 per month. ~~Moneys necessary to pay the supplemental benefit provided by this section are hereby annually appropriated from the said general fund.~~ These additional payments shall be made in the same manner and at the same time retirement annuities are paid and shall be included in the warrants on which the annuities are so paid. The supplemental payment herein provided shall be excluded from the computation of any monthly survivor benefit or optional annuity which may become due and payable to any person following the death of an annuitant who, during his lifetime, received a benefit pursuant to this section. If an annuitant entitled to receive additional payment under this section should die before such retroactive payment is received, payment shall be made upon demand to his designated beneficiary in an amount equal to his accumulated benefit from July 1, 1967, to the date of his death, without interest.

Sec. 142. Minnesota Statutes 1978, Section 354.55, Subdivision 5, is amended to read:

Subd. 5. Each annuitant who as a member of the fund commenced drawing an annuity pursuant to Laws 1915, Chapter 199, as amended, shall be paid \$20 per month in addition to the amount such annuitant is otherwise entitled to receive under the provisions of Minnesota Statutes 1961, Sections 135.01 to 135.56. ~~The supplemental pension provided for in this subdivision shall be paid~~

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from the general fund and such moneys as are required for its payment are hereby annually appropriated to the teachers retirement fund.

Sec. 143. Minnesota Statutes, 1979 Supplement, Section 354A.12, Subdivision 2. is amended to read:

Subd. 2. **EMPLOYER CONTRIBUTIONS.** Notwithstanding any law to the contrary, levies for teachers retirement fund associations in cities of the first class, including levies for any employer social security taxes for teachers covered by the Duluth teachers retirement fund association or the Minneapolis teachers retirement fund association or the St. Paul teachers retirement fund association, are disallowed and the state shall assume the total employer obligation.

The state shall make the following employer contributions to teachers retirement fund associations:

(a) For any coordinated member of a teachers retirement fund association in a city of the first class, the state shall pay the employer social security taxes in accordance with section 355.46, subdivision 3, clause (b);

(b) For any coordinated member of one of the following teachers retirement fund associations in a city of the first class, the state shall make a contribution to the respective retirement fund association in an amount equal to the designated percentage of the salary of the coordinated member as provided below:

Duluth teachers retirement fund association	5.79 percent
Minneapolis teachers retirement fund association	4.50 percent
St. Paul teachers retirement fund association	4.50 percent

(c) For any basic member of one of the following teachers retirement fund associations in a city of the first class, the state shall make a contribution to the respective retirement fund in an amount equal to the designated percentage of the salary of the basic member as provided below:

Minneapolis teachers retirement fund association	13.35 percent
St. Paul teachers retirement fund association	12.63 percent

The state employer contributions shall be ~~appropriated and~~ remitted directly to each teachers retirement fund association each month in accordance with the procedures described in section 354.43, subdivisions 1, ~~2~~, and 5.

Once each month the executive secretary of each teachers retirement fund association shall determine the amount of money necessary and presently needed to meet the state obligation as provided in this subdivision by applying the percentage of payroll figure to the estimated payroll amounts for the current month and shall certify the amount to the commissioner of finance. The moneys required to meet the amounts certified by each executive secretary of a teachers retirement fund association shall be ~~appropriated and~~ remitted directly to the

applicable teachers retirement fund association from the general fund each month. If subsequent actual experience deviates from the anticipated experience upon which the amount certified was determined, the allocation to the first class city teachers retirement fund association involved next following the discovery of the deviation shall be adjusted. If the state makes an excess employer contribution to a teachers retirement fund association as the result of a false or wrongful certification, the state shall be entitled to recover the excess employer contribution by any appropriate means, including recovery from future state allocations, state aid or other funds payable to the school district in which the association is located. If an employee of that school district is responsible for the false or wrongful certification, any excess employer contribution recovered by the state shall be the obligation of the school district.

Sec. 144. Minnesota Statutes 1978, Section 355.46, Subdivision 3, is amended to read:

Subd. 3. The employer taxes due with respect to employment by educational employees who have made their selection pursuant to section 218(d) (6) (C) of the social security act, shall be paid in the following manner:

(a) Contributions required for retroactive coverage shall be made in the manner provided in subdivision 2.

(b) Contributions required to be made for current service by political subdivisions employing such educational employees and payments required by section 355.49 shall be paid by the state. Beginning July 1, 1971 the state's obligation for services performed subsequent to the date of the agreement or modification shall be paid by the commissioner of finance at such times and in such amounts as may be determined by the state agency to be necessary. ~~The amounts herein required are hereby appropriated to the commissioner of finance from the general fund in the state treasury and the commissioner of finance is hereby authorized to make the necessary disbursements and transfers therefor except that the first such amount so required shall be reduced by an amount of \$3,000,000 which shall be appropriated from the teachers retirement fund. The trustees are hereby authorized to make this request of transfer to the commissioner of finance.~~

(c) Contributions required to be made with respect to such educational employees of state departments and institutions and payments required by section 355.49 shall be paid by such departments and institutions in accordance with the provisions of sections 355.49 and 355.50.

Sec. 145. Minnesota Statutes 1978, Section 355.50, is amended to read:

355.50 STATE EMPLOYEES, APPROPRIATION. With respect to state employees, each department and agency shall pay the amounts required by sections 355.41 to 355.60 from such accounts and funds from which each department or agency receives its revenue, including appropriations from the general fund and from any other fund, now or hereafter existing, for the payment of salaries and in the same proportion as it pays therefrom the amounts of such salaries. ~~The moneys necessary for the payments into the contribution fund and the state~~

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~~agency revolving fund, as provided herein, are hereby appropriated out of such revenue sources, including from the general fund and from any other fund now or hereafter existing, to each department and agency in such sums as are required to make the payments herein directed, and Such payments shall be charged as an administrative cost by such units of state government.~~

If the federal government increases the required contributions for social security, and as a result of the increase there are insufficient moneys in any such accounts or fund or source of revenue to make the payments to the contribution fund required by sections 355.41 to 355.60 by such departments or agencies, there is hereby appropriated to such department or agency from any moneys in the state treasury not otherwise appropriated such moneys as are required to meet such deficiencies. The amount of each appropriation payment made by pursuant to these provisions shall be certified by the commissioner of personnel to the commissioner of finance at such times as the commissioner of finance shall require. The amount certified as necessary to meet a deficiency caused by an increase in federal contribution requirements shall be reported to the senate committee on finance and the house committee on appropriations before the commissioner of finance transfers any money to meet the deficiency.

For those employees of the state or its instrumentalities who as eligible members in the state employees retirement association are employed by the state horticultural society, the disabled American veterans, department of Minnesota, veterans of foreign wars, department of Minnesota, the Minnesota crop improvement association, the Minnesota historical society, the armory building commission and the Minnesota-Wisconsin-Minneapolis-St. Paul survival plan project, these units of government shall also pay into the contribution fund contributions with respect to wages equal to the sum of taxes which would be imposed by the federal insurance contributions act if the services covered by such agreement or modification constituted employment within the meaning of that act.

Sec. 146. Minnesota Statutes 1978, Section 401.02, Subdivision 3, is amended to read:

Subd. 3. **ESTABLISHMENT AND REORGANIZATION OF ADMINISTRATIVE STRUCTURE.** Any county or group of counties which have qualified for participation in the community corrections subsidy program provided by this chapter may, after consultation with the judges of the district court, county court, municipal court, probate court and juvenile court having jurisdiction in the county or group of counties establish, organize, and reorganize its an administrative structure, including but not limited to and provide for the budgeting, staffing and operation of court services and probation, juvenile detention and juvenile correctional facilities, and other activities required to conform with to the requirements purposes of subdivision 4 notwithstanding any inconsistent special law chapter 401. No contrary general or special statute divests any county or group of counties of the authority granted by this subdivision. This subdivision does not apply to Ramsey county or to the counties in the Arrowhead region. In Hennepin county the county board and the judges of the district court, county court, municipal court, probate court and juvenile court shall, before January 15, 1981, prepare

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and implement, subject to the approval of the commissioner of corrections, a joint plan for reorganization of correctional services in the county providing for the administrative structure and providing for the budgeting, staffing and operation of court services and probation, juvenile detention and juvenile correctional facilities, and other activities required to conform to the purposes of chapter 401.

Sec. 147. Minnesota Statutes 1978, Section 403.11, Subdivision 3, is amended to read:

Subd. 3. **METHOD OF PAYMENT; CERTIFICATION.** A public utility incurring reimbursable costs under subdivision 1 or 2 ~~for a year ending June 30, 1978, or any June 30 thereafter,~~ shall certify those costs to the commissioner of administration ~~no later than the following August 31.~~ The certification shall be in a form as prescribed by the commissioner after consultation with the public service commission. If the commissioner and the commission approve the certified costs as appropriate and accurate, the commissioner shall ~~so advise the commissioner of finance no later than the following October 31.~~ If the costs are certified and approved in an even numbered year, the governor and the commissioner of finance shall include the certified costs in the regular budget submitted to the legislature. If the costs are certified and approved in an odd numbered year, they shall be submitted in a special message to the appropriations committees of the legislature ~~no later than November 30 of each odd numbered year~~ pay the certified costs from money appropriated for that purpose within 90 days following receipt by the commissioner of the certified costs. The commissioner of administration shall estimate the amount required to reimburse public utilities for the state's obligations under subdivisions 1 and 2 of this section and the governor shall include the estimated amount in the biennial budget request.

Sec. 148. Minnesota Statutes, 1979 Supplement, Section 422A.101, Subdivision 3, is amended to read:

Subd. 3. **STATE CONTRIBUTIONS.** ~~There is appropriated from the general fund of~~ The state shall pay to the Minneapolis municipal employees retirement fund annually an amount equal to the financial requirements of the basic program of the Minneapolis municipal employees retirement fund reported by the actuary in the actuarial valuation of the fund prepared pursuant to section 356.215 for the most recent year but based on a target date for full amortization of the unfunded liabilities by the year 2017 less the amount of employee contributions made pursuant to section 422A.10, and the amount of employer contributions made pursuant to subdivision 1, clauses (a), (b) and (c), and subdivision 2, clauses (a), (b) and (c). Payments made pursuant to this subdivision shall be made at the same time and in the same manner as for payments made pursuant to section 477A.01, subdivision 4b.

Sec. 149. Minnesota Statutes 1978, Section 462A.05, is amended by adding a subdivision 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 to low and moderate income persons and families having an immediate

need for temporary shelter 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. 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. 150. Minnesota Statutes 1978, Section 462A.21, is amended by adding a subdivision to read:

Subd. 12. It may make grants for the purpose of section 149, and may pay the costs and expenses necessary and incidental to the grant program authorized therein. Grants pursuant to section 149 may be made only with specific appropriations by the legislature.

Sec. 151. Minnesota Statutes, 1979 Supplement, Section 465.72, is amended to read:

465.72 SEVERANCE PAY. Except as may otherwise be provided in Laws 1959, Chapter 690, as amended, ~~all counties, cities, townships and school districts are hereby authorized and empowered to~~ any county, city, township and school district may pay severance pay to ~~all~~ of its employees and to ~~establish, prescribe and promulgate provisions, rules and regulations for the payment of such severance pay upon leaving to an employee who leaves employment prior to before the normal retirement date. Such~~ The severance pay shall be excluded from retirement deductions and from any calculations in retirement benefits ~~and~~. It shall be paid in a manner mutually agreeable to the employee and employer over a period not to exceed five years from termination of employment. ~~In the event that~~ If a terminated employee dies before all or a portion of the severance pay has been disbursed, that balance due shall be paid to a named beneficiary or, lacking same, to the deceased's estate. In no event shall severance pay provided for an employee ~~except a teacher as defined in section 479.63, subdivision 13, leaving employment exceed an amount equivalent to 400 days pay. Severance pay for a teacher as defined in section 479.63, subdivision 13, shall not exceed an amount equivalent to one year of pay.~~

Sec. 152. Minnesota Statutes 1978, Section 473.408, Subdivision 3, is amended to read:

Subd. 3. SOCIAL FARES. In off-peak hours the commission and other operators shall charge the following reduced fares for transit service:

(a) not more than 20 cents plus any zone charges for all persons under the age of 18 holding an identification card issued by the commission;

(b) not more than ten cents for all persons 65 years of age and over holding a medicare card or other identification card authorized or approved by the commission; and

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(c) not more than one-half of the full fare for all handicapped persons, as defined by the commission.

Any person qualifying for a reduced fare pursuant to clause (b) whose income is below 150 percent of poverty guidelines established by the federal community services administration may qualify for exemption from the fare otherwise required to be paid under clause (b). The person may qualify for exemption by certifying income level on a form provided by the commission. The commission shall issue an annual pass to persons who qualify for exemption and shall require the persons to requalify annually. The commission shall make appropriate certification forms available by mail and at the offices and information centers maintained by the commission.

Sec. 153. Minnesota Statutes 1978, Section 473.435, is amended to read:

473.435 BUDGET PREPARATION; SUBMISSION. The commission shall prepare, submit and adopt a budget in the manner provided in, and otherwise comply with, the provisions of section 473.163 and section 174.03.

Sec. 154. Minnesota Statutes 1978, Section 473.641, is amended by adding a subdivision to read:

Subd. 4. Notwithstanding any other law, the metropolitan airports commission shall not use revenue from any source, as described by section 473.608, for construction of air facilities to expand or upgrade the use of an existing metropolitan airport from minor use to intermediate use status as defined by the metropolitan development guide, aviation chapter, adopted pursuant to section 473.145.

Sec. 155. Minnesota Statutes 1978, Section 490.123, Subdivision 1, is amended to read:

490.123 JUDGES' RETIREMENT FUND. Subdivision 1. **CREATION; CONTRIBUTIONS.** There is hereby created a special fund known as the "judges' retirement fund". The fund shall be credited with all contributions, all interest and all other income authorized by law. From this fund there are appropriated the payments authorized by sections 490.121 to 490.132 in the amounts and at times provided herein, including the expenses of administering the fund. Except as provided in section 490.128, subdivision 2, each judge shall contribute to the fund from each salary payment a sum equal to the salary multiplied by the rate of employee tax under the Federal Insurance Contributions Act as defined in section 355.01, subdivision 9. The balance of all money necessary for administering sections 490.121 to 490.132 and the judges' retirement fund, including payment of retirement compensation and other benefits under sections 490.121 to 490.132, shall be contributed to the fund by the state. ~~The amount required therefor is hereby annually appropriated from the general fund to the judges' retirement fund.~~

Money certified by the executive director of the Minnesota state retirement system to the commissioner of finance as needed to meet the state's obligations to the judges' retirement fund shall be transferred to the fund at least once a month.

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Sec. 156. Minnesota Statutes 1978, Chapter 544, is amended by adding a section to read:

[544.41] PRODUCT LIABILITY: LIMIT ON LIABILITY OF NON-MANUFACTURERS. Subdivision 1. In any product liability action based in whole or in part on strict liability in tort commenced or maintained against a defendant other than the manufacturer, that party shall upon answering or otherwise pleading file an affidavit certifying the correct identity of the manufacturer of the product allegedly causing injury, death or damage. The commencement of a product liability action based in whole or part on strict liability in tort against a certifying defendant shall toll the applicable statute of limitation relative to the defendant for purposes of asserting a strict liability in tort cause of action.

Subd. 2. Once the plaintiff has filed a complaint against a manufacturer and the manufacturer has or is required to have answered or otherwise pleaded, the court shall order the dismissal of a strict liability in tort claim against the certifying defendant, provided the certifying defendant is not within the categories set forth in subdivision 3. Due diligence shall be exercised by the certifying defendant in providing the plaintiff with the correct identity of the manufacturer and due diligence shall be exercised by the plaintiff in filing a law suit and obtaining jurisdiction over the manufacturer.

The plaintiff may at any time subsequent to dismissal move to vacate the order of dismissal and reinstate the certifying defendant, provided plaintiff can show one of the following:

(a) That the applicable statute of limitation bars the assertion of a strict liability in tort cause of action against the manufacturer of the product allegedly causing the injury, death or damage;

(b) That the identity of the manufacturer given to the plaintiff by the certifying defendant was incorrect. Once the correct identity of the manufacturer has been given by the certifying defendant the court shall again dismiss the certifying defendant;

(c) That the manufacturer no longer exists, cannot be subject to the jurisdiction of the courts of this state, or, despite due diligence, the manufacturer is not amenable to service of process;

(d) That the manufacturer is unable to satisfy any judgment as determined by the court; or

(e) That the court determines that the manufacturer would be unable to satisfy a reasonable settlement or other agreement with plaintiff.

Subd. 3. A court shall not enter a dismissal order relative to any certifying defendant even though full compliance with subdivision 1 has been made where the plaintiff can show one of the following:

(a) That the defendant has exercised some significant control over the design or manufacture of the product, or has provided instructions or warnings to the manufacturer relative to the alleged defect in the product which caused the injury, death or damage;

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(b) That the defendant had actual knowledge of the defect in the product which caused the injury, death or damage; or

(c) That the defendant created the defect in the product which caused the injury, death or damage.

Subd. 4. Nothing contained in subdivisions 1 to 3 shall be construed to create a cause of action in strict liability in tort or based on other legal theory, or to affect the right of any person to seek and obtain indemnity or contribution.

Sec. 157. Laws 1959, Chapter 690, Section 2, as amended by Laws 1963, Chapter 729, Section 1, Laws 1971, Chapter 599, Section 1, and Laws 1975, Chapter 261, Section 1, is amended to read:

Sec. 2. **ST. PAUL, CITY OF; EMPLOYEES SEVERANCE PAY.** The provisions, rules and regulations under any such ordinance for such payment of severance pay by said city, authorized under the foregoing provisions of section 1 hereof, shall be applicable to all employees of said city other than its elected city officials. Such severance pay shall be excluded from retirement deductions and from any calculations in retirement benefits, and shall be paid over a period not to exceed five years from termination of employment. The amount of such severance pay allowable or to become payable in respect of any such employment or to any such employee ~~after December 31, 1973,~~ shall not exceed ~~\$4,000~~ the amount permitted by Minnesota Statutes, Section 465.72.

Sec. 158. Laws 1979, Chapter 332, Article 1, Section 115, Subdivision 3, is amended to read:

Subd. 3. **OPEN APPROPRIATIONS; COMPENSATION INCREASES.** (a) The compensation and economic benefit increases covered by this clause are those paid to classified and unclassified employees in the executive, legislative, and judicial branches of state government, and to employees of the Minnesota historical society and nonacademic employees of the University of Minnesota who are paid from state appropriations, if the increases are authorized by law during the 1979 session of the legislature or by appropriate resolutions for employees of the legislature. The amounts necessary to pay compensation and economic benefit increases covered by this clause are appropriated from the various funds in the state treasury from which salaries are paid to the commissioner of finance for the fiscal years ending June 30, 1980, and June 30, 1981.

(b) The cost of living increases covered by this clause are those paid to classified employees pursuant to sections 43.12, subdivision 10 and 43.127, those paid to unclassified employees who are paid salaries comparable to employees in the classified service, and those paid to unclassified employees in the executive, legislative, and judicial branches of state government, and to employees of the Minnesota historical society and nonacademic employees of the University of Minnesota who are paid from state appropriations, if the increases are authorized by law during the 1979 session of the legislature or by appropriate resolutions for employees of the legislature. The amounts necessary to pay cost of living increases covered by this clause are appropriated from the various funds in the

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state treasury from which their salaries are paid to the commissioner of finance for the fiscal years ending June 30, 1980, and June 30, 1981, except that the amount provided by the general fund shall not exceed \$17,535,800.

(c) The amounts necessary to pay increased premium rates for basic life insurance and basic health benefit coverage authorized for eligible state employees and their dependents, in the event that these rates are increased over the rates in existence at the time of the passage of this act, are appropriated from the various funds in the state treasury from which these premiums are paid, to the commissioner of finance for the fiscal years ending June 30, 1980 and June 30, 1981.

(d) The commissioner shall transfer the necessary amounts to the proper accounts and shall promptly notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount transferred to each appropriation account.

(e) Money certified as needed by the University of Minnesota and transferred to it under this subdivision shall be used only for the purpose certified. Any amount transferred that exceeds the actual amount of cost of living increases or insurance premium increases paid to or for university employees until June 30, 1981 shall be returned to the general fund.

Sec. 159. EMPLOYEE STATUS. Persons employed by a state agency and paid from an appropriation in Laws 1979, Chapter 301, Section 3, Clause (10) are in the unclassified service and their continued employment is contingent upon the availability of money from that appropriation.

Sec. 160. AGREEMENTS APPROVED. Notwithstanding the provisions of Laws 1979, Chapter 332, Section 109, employees of the department of economic security who are represented by the Minnesota administrative hearing officers association shall be entitled to receive the benefits provided by Laws 1979, Chapter 332, Section 109, provided they meet the applicable eligibility requirements.

Notwithstanding the provisions of Minnesota Statutes, Section 179.74, Subdivision 5, the commissioner of personnel is authorized to implement those provisions of the agreements negotiated with the Minnesota nurses association covering employees of the department of health which establish wages and economic fringe benefits. In lieu of the salaries provided by Minnesota Statutes, Section 43.12, Subdivisions 2 and 3, covered employees shall receive the salary increases provided by Laws 1979, Chapter 332, Section 103.

The provisions of section 179.63, Subdivision 11, shall not apply to the employees of the University of Minnesota hospitals.

Sec. 161. PAY INCREASE. The salary range of the state chief pilot is increased from range 14 to range 16.

Sec. 162. DISTRICT JUDGE COMMUTING EXPENSES. Notwithstanding the provisions of Minnesota Statutes 1978, Section 484.54, Subdivision 2, a district

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court judge in Benton, Douglas, Mille Lacs, Morrison, Otter Tail, Stearns, Todd, Clay, Becker or Wadena counties shall be paid travel expenses for travel from his place of residence to and from his permanent chambers for a period of two years after July 1, 1979 or the date he initially assumes office, whichever is later.

Sec. 163. LUCE LINE TRAIL; SALE OF EXCESS LAND. Land acquired by the commissioner of natural resources from the Chicago Northwestern Railroad for the Luce Line Trail from the south right of way line of the public road intersecting the trail, the intersection being in the northwest quarter of the northwest quarter of section 17 and the northeast quarter of the northeast quarter of section 18, township 118 north, range 37 west, Chippewa County, Minnesota, to Gluek may be sold at public auction in the same manner as provided by law for trust fund lands or may be exchanged with adjacent landowners notwithstanding any contrary provisions of Minnesota Statutes, Section 94.342, Subdivision 3. The commissioner may subdivide the lands and interests in lands into smaller parcels for the purpose of the sale or exchange.

Sec. 164. ABANDONED RIGHT OF WAY. Subdivision 1. LEGISLATIVE FINDINGS AND CONCLUSIONS. The legislature finds, for the reasons stated below, that it is in the best interest of the state to acquire the portions of the abandoned Chicago, Milwaukee, St. Paul and Pacific Railroad right-of-way between the Red Cedar River and the high voltage transmission line from Prairie Island to Adams which crosses the right-of-way east of Dexter in Mower County and between Isinour Junction in Fillmore County and Money Creek Woods in Houston County. The reasons are: (1) An approximately 33 mile portion of the right-of-way, east of Isinour Junction, as more specifically described and recommended for acquisition in the report of the hearing examiner on the Root River Trail dated March 5, 1980, satisfies the criteria stated in Minnesota Statutes, Section 86A.05, Subdivision 4, Clause (b), for the establishment of a state trail pursuant to Minnesota Statutes, Sections 84.029, Subdivision 2, and 85.015, Subdivision 7; (2) Other portions of the right-of-way west of Dexter, satisfy the criteria stated in Minnesota Statutes, Section 86A.05, Subdivision 5, Clause (b), for the establishment of a state scientific and natural area; (3) Development of these units of the outdoor recreation system can be accomplished in such a way as to minimize adverse effects on adjoining agricultural lands; (4) The right-of-way from the high voltage transmission line east of Dexter to the Red Cedar River has been proposed for, and has high potential for use by the Austin Utilities Board as a high voltage transmission line; and (5) the right-of-way from the Red Cedar River to Dexter has potential for trail development.

Subd. 2. ACQUISITION AUTHORITY. The commissioner of natural resources, having completed the study and hearing process specified in Laws 1979, Chapter 301, Section 7, shall acquire, for development of a state recreational trail and to hold for a potential utility use, the portions of the abandoned Chicago, Milwaukee, St. Paul and Pacific Railroad right-of-way described in subdivision 1, including trestles, bridges and culverts from the railroad or from any person to whom the right-of-way may revert or be sold upon abandonment. The commissioner shall have the first rights of purchase and may acquire by gift, purchase, or condemnation pursuant to Minnesota Statutes, Chapter 117.

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Subd. 3. MITIGATION OF ADVERSE IMPACTS. To the maximum extent the commissioner shall develop and maintain the portion of right-of-way used for trail purposes so as to minimize adverse effects on adjoining agricultural land and property owners. To this end the commissioner shall:

(a) Notwithstanding the provisions of Minnesota Statutes, Section 94.342, Subdivision 3, offer to exchange land with landowners whose land is crossed or adjacent to the trail right-of-way where the exchange will minimize or mitigate impact on farming use, privacy or other beneficial use of the lands of the adjacent owner and is consistent with the trail use;

(b) Allow easements for drainage culverts and tile lines to cross the trail right-of-way without cost to adjacent landowners, provided that the commissioner may restrict the location and construction method of the culverts and tile lines to protect the resource;

(c) Provide and maintain fencing on both sides of the line at the expense of the state where requested by the adjoining landowner;

(d) Allow easements for crossing livestock and farm equipment of adjoining owners where necessary and convenient; and

(e) Assign, prior to the opening of the trail, a full time trail manager to this trail.

Subd. 4. FURTHER STUDY. The commissioner shall study, and hold a hearing, in the manner provided in Laws 1979, Chapter 301, Section 7, on the appropriateness of developing a trail on the portion of the right-of-way from the Red Cedar River to the western edge of Dexter. If the commissioner determines such a trail use is appropriate, it shall conform to all requirements of subdivision 3, except the requirement for land exchanges under clause (a). Notwithstanding the provisions of Minnesota Statutes, Chapter 86A or other laws to the contrary, this portion of the right-of-way if used for a trail may be used for high voltage transmission line purposes.

Subd. 5. SCIENTIFIC AND NATURAL AREAS. The commissioner shall designate and manage as scientific and natural areas those portions of the right-of-way from the Red Cedar River to the western edge of Dexter recommended by the Scientific and Natural Area Advisory Committee totaling approximately 7.75 miles. Notwithstanding the provisions of Minnesota Statutes, Chapter 86A, the commissioner may operate a trail on the land described in subdivision 1 that is designated as a scientific and natural area, provided that trail uses shall be limited and controlled in a manner to assure the protection of the scientific and natural area resource values. Further, notwithstanding the provisions of Minnesota Statutes, Chapter 86A, or any other laws to the contrary, the scientific and natural areas may be used for a high voltage power line, provided towers are located and constructed and the line maintained in a manner to insure protection of the resource.

Subd. 6. ACQUISITION; SALE. If necessary in order to effectuate the purposes of this section, the commissioner may acquire by gift or purchase from a

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willing seller those portions of the entire abandoned railroad right-of-way between Ramsey in Mower County and LaCrescent in Houston County not described in subdivision 1, but may not retain in state ownership any portion thereof other than those portions described in subdivision 1, and shall dispose of those lands not retained in state ownership in the manner provided in sections 94.09 to 94.16, within one year after their acquisition.

Sec. 165. **RAMSEY COUNTY WETLANDS.** The following described lands are wetlands within the meaning of Minnesota Statutes, Section 105.37, Subdivision 15: lot 101 of Gardena addition, which is located in the northeast quarter of the southeast quarter of section 4, township 29 north, range 22 west, Ramsey County, Minnesota.

Sec. 166. **CONVEYANCE OF LAND; WILLMAR SEWER LIFT SYSTEM.** The governor, upon the recommendation of the commissioner of administration, may convey by quitclaim deed in a form the attorney general approves to the city of Willmar the land on which the sewer lift system which serves the Willmar state hospital and the Willmar department of transportation district headquarters is located. The consideration for the property shall be the maintenance and operation of the sewer lift system by the city of Willmar without charge for the services to the state facilities.

The land to be transferred is described as follows:

That part of Government Lot 2, Section 1, Township 119 North, Range 35 West, located within the city of Willmar, Minnesota, described as follows:

Commencing at the southwest corner of Section 1, Township 119 North, Range 35 West; thence North 0 degrees 24 minutes 00 seconds West 480.08 feet to the centerline of Trunk Highway 71-4 right-of-way; thence North 33 degrees 02 minutes 00 seconds East along said centerline 407.44 feet; thence northeasterly along a tangential curve concave to the northwest, radius 5729.58 feet, central angle 10 degrees 07 minutes 08 seconds a distance of 1011.90 feet; thence South 67 degrees 05 minutes 08 seconds East along a radial line to said curve 80.00 feet to the point on the easterly right-of-way line of said Trunk Highway 71-4, said point being where said easterly right-of-way line changes from 50 feet to 80 feet; thence northeasterly along said right-of-way line on a nontangential curve concave to the northwest, radius 5809.58 feet, central angle 0 degrees 07 minutes 00 seconds, chord bearing North 22 degrees 51 minutes 32 seconds East 11.82 feet to the point of beginning;

thence North 87 degrees 23 minutes 38 seconds East 128.98 feet; thence North 2 degrees 36 minutes 22 seconds West 60.00 feet; thence South 87 degrees 23 minutes 38 seconds West 99.97 feet to said easterly right-of-way of Trunk Highway 71-4; thence southeasterly along said easterly right-of-way line on a nontangential curve concave to the northwest, radius 5809.58 feet central angle 0 degrees 39 minutes 26 seconds, chord bearing South 23 degrees 11 minutes 52 seconds West 66.65 feet to the point of beginning containing 0.158 acres, more or less.

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Sec. 167. COOK COUNTY; INDEPENDENT SCHOOL DISTRICT NO. 166; STEAM LINE CONSTRUCTION AGREEMENTS. Subdivision 1. Notwithstanding the provisions of Minnesota Statutes, Chapters 373, 375, 471, 475 or any other law to the contrary, Independent School District No. 166 and the board of commissioners of Cook County may exercise the powers granted by this section.

Subd. 2. The school board of Independent School District No. 166 may sell excess steam from its existing wood fueled steam generating plant to any customer on the terms and conditions it deems reasonable.

Subd. 3. The school board and the board of commissioners of Cook County may make an agreement for the school district to furnish the excess steam from its existing wood fueled steam generating plant to Cook County for its public buildings on any terms and conditions and for any time agreed to by the parties. The agreement may provide for separate or joint ownership and construction of a steam line and other necessary facilities to accomplish the purpose of the agreement. The parties may acquire the easements necessary to accomplish the purpose of the agreement by gift, lease, or purchase. They may finance the acquisition of the easements and construction projects by use of grants from outside sources or the unrestricted available funds of either party. The parties may agree that all or part of an expenditure made by one party for purposes of this section shall be reimbursed by the other party on the terms and conditions agreed to by the parties.

Sec. 168. [458B.01] CITATION. Sections 168 to 180 may be cited as the "St. Paul People Mover Act."

Sec. 169. [458B.02] DEFINITIONS. Subdivision 1. The definitions in this section apply to the St. Paul People Mover Act.

Subd. 2. "Acquisition" and "betterment" have the meanings given in Minnesota Statutes, Section 475.51.

Subd. 3. "Capitol area" has the meaning given in Minnesota Statutes, Section 15.50.

Subd. 4. "City" means the city of St. Paul in Ramsey County acting through the city council or any agency, authority or corporation established by or with the approval of the city, acting through its governing body, to implement any of the provisions of the St. Paul People Mover Act.

Subd. 5. "Commission" means the metropolitan transit commission created by Minnesota Statutes, Section 473.404, having jurisdiction over the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington.

Subd. 6. "Contracting agency" means the city or an agency authorized by the city to contract for the acquisition and betterment of the people mover system or any part thereof.

Subd. 7. "Operating agency" means the city or an agency authorized by the city by lease or other agreement to manage and operate the people mover system.

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Subd. 8. "Operating deficit" means the amount by which the expenses of operating, maintaining and promoting the people mover system during revenue service exceeds the amount received from revenues of the system, reimbursement for reduced or social fares, federal operating assistance and other sources exclusive of operating deficit payments by the city and by the owners of benefited properties.

Subd. 9. "Revenue service" means service during periods in which the people mover system is operating and available for use by the general public.

Subd. 10. "People mover system" means a transit system with an automated fixed guideway and related facilities, including but not limited to, parking, access, pedestrian malls, bus facilities, and skyways, designed to serve the main commercial area of the city of St. Paul and the area of the city surrounding it as determined by the city, and all property, real and personal, and all contract rights, determined to be necessary or desirable for the acquisition, betterment, operation, access to, and maintenance of the system.

Subd. 11. "Transit system" has the meaning given in Minnesota Statutes, Section 473.121.

Subd. 12. "Vehicle system" means the transit cars, the guideway, the guideway columns, the guideway electrification, the control and communication mechanisms, the platform doors, the maintenance and control center equipment, and other similar necessary components of the people mover system.

Sec. 170. **[458B.03] PEOPLE MOVER SYSTEM; AUTHORITY.** The city may undertake the acquisition, betterment, operation, maintenance, and promotion of a people mover system. For such purposes the city may exercise all powers conferred upon it by law or charter and, notwithstanding any other law or charter provision, may negotiate an agreement with a contracting agency. The terms of the agreement with the contracting agency shall comply with the St. Paul People Mover Act.

Sec. 171. **[458B.04] SYSTEM PROCUREMENT. Subdivision 1. SPECIFICATIONS; EVALUATION CRITERIA.** Before final solicitation of bids from suppliers, the city shall approve the functional, physical, and performance specifications to be prescribed for the people mover system and the criteria to be used to evaluate alternative systems and bids. At a minimum, the system specifications shall require the system to provide access for handicapped to connect the major downtown activity centers with fringe parking and radial bus routes and to have been proven in operation. The specifications shall be developed so as not to limit future adaptability of the system to provide origin to destination service without stops, to eliminate transfers, and to allow a capacity of 5,000 passengers per hour. The system evaluation criteria shall give particular emphasis to the environmental, visual, and aesthetic effects of the system, especially the size of the guideways and guideway columns energy consumption and reliability during winter operation and adaptability to extension and development over time and increased capacity requirements. The specifications and evaluation criteria shall also address the cost of the vehicle system; the effect of the vehicle system on the cost of other

elements of the people mover system; construction, operating, and maintenance costs; winter operation; the ability of the supplier to perform design, furnishing, installing, and testing services for all vehicle system elements and to coordinate construction; ability of the supplier to meet requirements imposed as contract conditions in any grant contract entered into with the federal government; and such other matters as the city deems necessary. During the development of system evaluation criteria and specifications, all prospective system suppliers shall be provided an opportunity to present the unique capabilities of their system, to comment on the draft evaluation criteria and specifications, and to propose changes in the specifications to allow the unique capabilities of their system to improve the system performance.

Subd. 2. BIDS; SYSTEM EXTENSION. The cost of preparing and submitting bids shall be paid by bidders. Bidders may propose beneficial alternatives for the people mover system which are unique to their system or which would improve the system performance. The alternatives shall be reviewed and evaluated against the evaluation criteria. If the capital cost of the accepted bid is sufficiently less than the available capital funds to allow extensions of the people mover system, the urban mass transportation administration shall be requested to approve an extension. The city shall select the extension based on community acceptance and ridership potential.

Subd. 3. SELECTION OF SUPPLIER; CONTRACT REQUIREMENTS. Notwithstanding the provisions of Minnesota Statutes, Sections 471.345 and 471.35, or any other provision of law or charter, contracts for the acquisition and betterment of the people mover system shall be awarded to the bidder whose proposal is determined pursuant to subdivisions 1 and 2 to best meet the system specifications and evaluation criteria. The city shall review and evaluate submitted bids on the basis of the system specifications and evaluation criteria developed pursuant to subdivision 1. The purchase contract for the vehicle system shall require the supplier to assure that the vehicle system operates within the specifications of the contract and to maintain the vehicle system for a five year period of revenue service at a fixed base price with escalation clauses. The contract shall contain a provision permitting termination by the contracting agency of the operation and maintenance portion of the contract at the end of any year of revenue service. The supplier of the vehicle system and all contractors for the people mover system, at the time of execution of a contract shall furnish a payment or performance bond as security for the faithful payment and performance of all obligations under the contract. All contracts for the people mover system shall include disincentives in an appropriate amount for failure to comply with the contract and may include incentives as appropriate. All contracts shall contain provisions for a maximum contract amount not to be exceeded without the approval of the city.

Subd. 4. CERTIFICATION. No revenue service of the people mover system shall begin until written notice is received by the city, signed by the administrator of the urban mass transportation administration, stating that the vehicle system or the part proposed to be operated has been fully tested, that it meets the criteria for acceptance established by the contracting agency with the

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concurrence of the administrator, and that it is ready for year-around revenue service. The purchase contract for the vehicle system shall so provide. The written notice from the administrator shall not imply any legal liability of the federal government for construction or operation of the people mover system.

Sec. 172. [458B.05] SPECIAL ASSESSMENT. The people mover system and related facilities are determined to be local improvements within the meaning of the Minnesota Constitution, Article X, the city's charter, and Minnesota Statutes, Chapters 429 and 430. Accordingly, the costs of acquisition, construction, reconstruction, extension, operation, maintenance and promotion of the people mover system and such facilities, whether paid or to be paid by the city may be specially assessed against property determined to be specially benefited thereby, to the extent of and in proportion to the benefits, except that special assessments shall be forgiven against property owned by the state of Minnesota or any instrumentality of the state. Special assessments which are pledged to the payment of improvement warrants or other obligations shall be levied separately and the proceeds segregated from any other special assessments authorized by this section. The special assessment shall be levied by the city pursuant to its charter, Minnesota Statutes, Chapter 429 or 430, and the collections thereof may be pledged to the payment of the costs.

Sec. 173. [458B.06] OPERATING DEFICIT; PAYMENT. The city and the owners of benefited properties shall share in the payment of the operating deficit in such proportion as determined by the city. Payment by owners of benefited properties may be levied as special assessments pursuant to the St. Paul People Mover Act. The city share shall not be included in any ad valorem tax levy of the city. The commission shall not participate in any deficit funding of the people mover system.

Sec. 174. [458B.07] CAPITOL AREA FACILITIES; STATE OWNED PROPERTY. Subdivision 1. Construction of the people mover system within the capitol area shall be exempt from the provision of Minnesota Statutes 1978, Section 15.50, Subdivision 2, Clause (e), requiring design competition, except that capitol station west shall be subject to an invited competition, as defined in part II, 6, c(2) of the American Institute of Architecture document number 6-J332, issued November, 1976, sponsored and conducted by the capitol area architectural and planning board upon guidelines and criteria as determined by agreement between that board and the city. People mover system improvements within the capitol area shall be in conformity with the comprehensive use plan for the capitol area and subject to the approval of the capitol area architectural and planning board.

Subd. 2. The commissioner of administration on behalf of the state may grant to the city, without compensation, easements for the construction, location and operation of the people mover system upon state owned property. The commissioner of administration and the urban mass transportation administration shall establish the value of easements and related access facilities in the capitol area which will be required for the people mover and which are eligible in lieu of cash as local contributions to the capital cost of the people mover project.

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Sec. 175. **[458B.08] METROPOLITAN COUNCIL REVIEW AND RECOMMENDATION.** The metropolitan council established by Minnesota Statutes, Section 473.123, in making its review under Minnesota Statutes, Section 473.171, of the application for a federal grant in connection with the people mover system as a matter of metropolitan significance, shall conduct a public hearing upon the application and the program proposed thereby within 30 days of submission of the application to the council. Not less than 14 days before the hearing the council shall publish notice thereof in a newspaper having general circulation in the metropolitan area, stating the date, time and place of hearing, and the place where the application may be examined by any interested person. Within 14 days after the hearing the council shall make its recommendation upon the application and cause notice of the same to be published in the same manner as the hearing notice.

Sec. 176. **[458B.09] JUDICIAL PROCEEDINGS; TIME TO COMMENCE.** No action shall be commenced or maintained, nor defense interposed in an eminent domain proceeding, questioning the public purpose, propriety of expenditure of public funds, or validity of any law authorizing the acquisition, betterment, operation, maintenance or financing of the people mover system, except by lawsuit commenced in the district court of Ramsey County within 90 days of the date of publication of the metropolitan council recommendation given pursuant to the St. Paul People Mover Act, or within 90 days of the date of written notice mailed to persons whose property may be taken by subsequent proceedings in eminent domain for the people mover system or right of way. Such action timely commenced by any taxpayer, any person whose property is or may be taken or interfered with by reason of the proposed implementation of the people mover system, or other person with standing, shall be maintained in the manner provided by law, including Minnesota Statutes, Chapter 562. Nothing in this section nor notice given pursuant thereto shall be construed as a taking of private property, nor as limiting a property owner's right to just compensation for the taking of private property to be litigated in proceedings in eminent domain subsequently instituted under charter or Minnesota Statutes, Chapter 117, for the taking and assessment and award of damages.

Sec. 177. **[458B.10] CAPITAL EXPENDITURES; SALES TAX. Subdivision 1. COMMISSION EXPENDITURES PROHIBITED.** The commission shall expend no money for the acquisition or betterment of the people mover system.

Subd. 2. SALES TAX. The sale of equipment, material, and tangible personal property to any person under contract with the city or a contracting agency to be used for the acquisition and betterment of the vehicle system and people mover system shall be subject to taxation by the state or its political subdivisions. The value of such tax shall be applied to the local contribution for federal grant purposes to the extent permitted by federal rule and regulation.

Sec. 178. **[458B.11] IMPROVEMENT WARRANTS; BONDS. Subdivision 1. IMPROVEMENT WARRANTS.** The city may issue and sell improvement warrants to finance the acquisition and betterment of the people mover system in accordance with the provisions of Minnesota Statutes, Chapter 429 for which the

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full faith and credit of the city is not pledged and which shall be payable solely from special assessments levied against benefited property.

Subd. 2. BONDS. The city may issue and sell bonds for the acquisition and betterment of the people mover system in an amount not to exceed the total estimated costs of such acquisition and betterment. The city may loan the proceeds of such bonds to a nonprofit corporation to be used for such purpose in which event the city and nonprofit corporation shall enter into an agreement which shall provide for payment to the city by the nonprofit corporation of sums sufficient to pay the principal and interest on such bonds. The agreement may contain such other provisions relating to security for the bonds, the use of a trustee, remedies of bondholders, investment of bond proceeds, issuance of temporary bonds or notes, or any other matter, without limitation, as may be necessary or desirable for implementing the provisions of the St. Paul People Mover Act and financing the people mover system. The bonds shall be issued in accordance with the provisions of Minnesota Statutes, Chapter 475, except section 475.61 and except that neither public sale nor election is required, the bonds may mature at any time or times, in such amount or amounts, within 30 years from date of issue, and may be sold at a price equal to such percentage of the par value thereof, plus accrued interest, and bear interest at such rate or rates, as may be agreed by the purchaser and the city, notwithstanding any limitation of interest rate or cost or of the amounts of annual maturities contained in any other law or charter. Bonds issued under this subdivision shall not constitute a debt within the meaning of any debt limitation established by law or charter, and no holder or holders of the bonds shall have the right to compel any exercise of the taxing power of the city to pay any such bonds or interest thereon, or to enforce payment thereof against any property of the city. The city or other owner of the people mover system is authorized to pledge, mortgage, and give a security interest therein to secure the bonds, except that no ad valorem tax levy of the city shall be used to secure the bonds. Any earnings on such bonds which are not used for payment of the bonds and interest thereon may be used to pay capital and operating costs of the people mover system or may be applied to reduce the total amount of special assessments levied or to be levied pursuant to the St. Paul People Mover Act, or both.

Subd. 3. TAX EXEMPT BONDS. Interest paid on bonds issued under authority of this section shall not be included in gross income for the purpose of computing any tax imposed by or under the provisions of Minnesota Statutes, Chapter 290 or any act amendatory thereof or supplemental thereto.

Sec. 179. [458B.12] ADDITIONAL AND SUPPLEMENTAL POWERS; CHARTER PROVISIONS. The powers conferred by the St. Paul People Mover Act shall be in addition and supplemental to the powers conferred by any other law or charter. The city may exercise the powers conferred notwithstanding any law or charter provision and without election, except a charter provision for initiative or referendum.

Sec. 180. [458B.13] STATE NOT OBLIGATED. The authorization for the acquisition of a people mover system in the city of St. Paul is made on the basis that the system will be locally and federally financed and produce revenues that,

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with local and federal sources, will be sufficient to meet all operating costs and debt retirement. This authorization does not constitute a direct or indirect obligation of the state. The notes and bonds issued to finance the people mover system shall contain on their face a statement that the notes or bonds are not a debt of the state and that the state of Minnesota is not liable on them. This section is intended to forestall any unwarranted attempt by any person to cause damage to the credit rating of the state in order to force the state to assume an obligation for which it is neither legally nor morally responsible.

Sec. 181. COPPER NICKEL STUDY REVIEW. The Minnesota state planning agency, the Minnesota pollution control agency, the Minnesota department of natural resources, and the Minnesota department of health shall by January 1, 1981, review the Minnesota Regional Copper Nickel Study, authorized by Laws 1975, Chapter 204, and shall report to the legislature, the house committee on environment and natural resources, and the senate committee on agriculture and natural resources concerning any changes in statutory authority, administrative rules and current policies and procedures that are necessary or desirable to respond to the development of the copper and nickel resource in Minnesota, and shall propose alternative legislative policies pertaining to the development of that resource.

Sec. 182. TRANSPORTATION FINANCE STUDY COMMISSION.
Subdivision 1. An interim transportation finance study commission is created to examine the total state transportation system, present and future needs of the system, and the sources of transportation revenue of this state. In examining the programs of the state transportation system, the commission shall review and make recommendations regarding the need and advisability of maintenance, upgrading, and new construction after analyzing the system to determine where reductions in design would minimize economic and social costs and adverse impacts.

Subd. 2. In addition to the examination of the management and program system and its sources of revenue, the commission shall:

(a) Study and make recommendations regarding present and future finance methods and improved use of resources for the construction and maintenance of the state transportation system;

(b) Conduct a survey of communities within the state in order to determine:

(1) Which communities are not adequately being served by either rail access or nine ton roads;

(2) The costs of upgrading roads to either nine or ten ton capacity in those communities that are not adequately serviced; and

(3) Any other information concerning the possible improvement and revitalization of transportation services to those communities that the commission deems relevant; and

(c) File a report by January 1, 1981, with the legislature.

Subd. 3. The commission shall consist of two public members and five members of the senate to be appointed by the subcommittee on committees of the committee on rules and administration of the senate, and two public members and five members of the house of representatives to be appointed by the speaker. The governor shall appoint five additional members representing a broad cross-section of the public interest. The compensation of non-legislator members, their removal, and the filling of vacancies shall be as provided in Minnesota Statutes, Section 15.059. The members of the commission shall be reimbursed for all expenses actually and necessarily incurred in the performance of their duties. For legislative members, reimbursement shall be made pursuant to the rules governing legislators and legislative employees. Expenses of the commission shall be approved by the chairman and the expenses shall be paid in the same manner as other state expenses are paid.

Subd. 4. The commission shall exist and act from the date its members are appointed. The commission is terminated on January 1, 1981.

Subd. 5. The commission shall hold meetings at the times and places it may designate. It shall select a chairman and other officers from its membership.

Subd. 6. The commission may request information and staff assistance from any state officer or agency to assist it in carrying out the duties specified in subdivision 2. The officer or agency shall promptly furnish any data and staff assistance requested to the extent permitted by law.

Sec. 183. CORRECTIONAL SERVICES FINANCING; STUDY COMMITTEE EXTENSION. Notwithstanding the provisions of Laws 1979, Chapter 336, Section 4, Subdivision 4, the committee created to study the financing of correctional services and the Community Corrections Act in Minnesota may continue to meet until it has completed its report to the legislature, but not after January 1, 1981.

Sec. 184. NURSING HOME REIMBURSEMENT RATES. The commissioner of public welfare shall promulgate temporary rules no later than July 1, 1980 to amend the current rules governing nursing home reimbursement to allow those nursing homes that incurred in calendar year 1979 nursing hours in excess of 2.8 hours per day for skilled nursing care or 2.2 hours per day for intermediate care to receive reimbursement for actual nursing hours up to a maximum number of 3.2 hours per day for skilled nursing care and 2.45 hours per day for intermediate care for only those cost reports submitted on or after July 1, 1980 and before July 1, 1981.

Sec. 185. [116F.30] CONSERVATION OF BIOMASS FUEL, FIREWOOD. In any instance where trees or portions of trees usable as firewood are removed from property under the control of a public utility, pipeline company, railroad, state agency or department, or a political subdivision, that portion of the tree material that is six inches or larger in diameter shall not be destroyed by open burning or deposited in a landfill without first having been offered for use to the

public, subject to the approval of the landowner or landowners involved. This section shall not apply to tree material removed in a program of sanitation or disease control, as defined in Minnesota Statutes, 1979 Supplement, Section 18.023.

Sec. 186. [15.0598] APPOINTMENTS. The open appointments program shall not apply to any appointments made jointly by the governor, attorney general, and chief justice.

Sec. 187. [3.9225] COUNCIL ON BLACK MINNESOTANS. Subdivision 1. CREATION. There is created a state council on Black Minnesotans to consist of seven members appointed by the governor. The members of the council shall be broadly representative of the Black community of the state and shall include at least three males and at least three females. Membership terms, compensation, removal of members and filling of vacancies for non-legislative members shall be as provided in Minnesota Statutes, Section 15.059. In addition, two members of the house of representatives appointed by the speaker and two members of the senate appointed by the subcommittee on committees of the committee on rules and administration shall serve as ex-officio, non-voting members of the council. The council shall annually elect from its membership a chairperson and other officers it deems necessary.

Subd. 2. DEFINITIONS. For the purpose of this section, the term "Black" means a person who considers himself or herself as having origin in any of the black racial groups of Africa.

Subd. 3. DUTIES. The council shall:

(a) Advise the governor and the legislature on the nature of the issues confronting Black people in this state;

(b) Advise the governor and the legislature on statutes or rules necessary to insure Black people access to benefits and services provided to people in this state;

(c) Recommend to the governor and the legislature any revisions in the state's affirmative action program and any other steps that are necessary to eliminate underutilization of Blacks in the state's work force;

(d) Recommend to the governor and the legislature legislation designed to improve the economic and social condition of Black people in this state;

(e) Serve as a conduit to state government for organizations of Black people in the state;

(f) Serve as a referral agency to assist Black people in securing access to state agencies and programs;

(g) Serve as a liaison with the federal government, local government units and private organizations on matters relating to the Black people of this state;

(h) Perform or contract for the performance of studies designed to suggest solutions to problems of Black people in the areas of education, employment, human rights, health, housing, social welfare and other related areas;

(i) Implement programs designed to solve problems of Black people when so authorized by other statute, rule or order; and

(j) Publicize the accomplishments of Black people and the contributions made by them to this state.

Subd. 4. REVIEW OF GRANT APPLICATIONS. All applications by a state department or agency for the receipt of federal funds which will have their primary effect on Black Minnesotans shall be submitted to the council for review and recommendation at least 30 days prior to submission to a federal agency.

Subd. 5. POWERS. The council shall have power to contract in its own name, provided that no money shall be accepted or received as a loan nor shall any indebtedness be incurred except as otherwise provided by law. Contracts shall be approved by a majority of the members of the council and executed by the chairperson and the executive director. The council may apply for, receive, and expend in its own name grants and gifts of money consistent with the power and duties specified in subdivisions 1 to 7.

The council shall appoint an executive director who shall be experienced in administrative activities and familiar with the problems and needs of Black people. The council may delegate to the executive director any powers and duties under subdivisions 1 to 7 which do not require council approval. The executive director shall serve in the unclassified service and may be removed at any time by the council. The executive director shall recommend to the council the appropriate staffing necessary to carry out its duties. The commissioner of administration shall provide the council with necessary additional staff and administrative services, and the council shall reimburse the commissioner for the cost of these services.

Subd. 6. STATE AGENCY ASSISTANCE. Other state agencies shall supply the council upon request with advisory staff services on matters relating to the jurisdiction of the council and the council shall cooperate and coordinate its activities with other state agencies to the highest possible degree.

Subd. 7. REPORT. The council shall prepare and distribute a report to the governor and legislature by November 15 of each even numbered year. The report shall summarize the activities of the council since its prior report, list receipts and expenditures, identify the major problems and issues confronting Black people, and list the specific objectives which the council seeks to attain during the next biennium.

Sec. 188. REPORT; COORDINATION. On or before December 15, 1981, the commissioner of administration shall submit to the chairman of the house appropriations committee and the chairman of the senate finance committee a report describing the process whereby the efforts of the council for black Minnesotans, the council on spanish-speaking people, the council on the economic

status of women, the council on the handicapped, and the Indian affairs inter-tribal board may be coordinated and may share facilities and staff.

Sec. 189. ADVANCE INFLATION ADJUSTMENT. Subdivision 1. (a) Any employee not represented by an exclusive bargaining representative and compensated pursuant to Minnesota Statutes, Section 43.12, or under a salary schedule established pursuant to section 43.121, subdivision 3, except an emergency, project, or temporary employee or an employee compensated pursuant to section 43.12 and excluded from a bargaining unit by section 179.74, subdivision 4; and (b) any employee compensated pursuant to Minnesota Statutes, Section 138.01, Subdivision 2; shall be paid a lump sum bonus of \$225 payable no later than July 31, 1980, provided he was employed prior to January 1, 1980, and was still employed on July 1, 1980. However, intermittent employees and nontenured laborers who otherwise meet the employment requirements of this section shall only be eligible to receive the bonus after completion of 100 working days in any 12-month period. Part-time employees who meet the employment requirements of this section shall receive a bonus of \$137.50 on the date specified in this section.

Subd. 2. An employee shall be considered to be employed on July 1, 1980, if he is in payroll status, on approved leave of absence, or on seasonal layoff on that date.

Subd. 3. The bonus provided by this section shall not be considered as salary for the purpose of section 352.01, subdivision 13.

Subd. 4. Anyone receiving a bonus payment pursuant to Laws 1979, Chapter 332, Sections 108 and 109, is not eligible for a bonus payment under this section.

Sec. 190. TRANSIT TAX INCREASE VOIDED. A law enacted at the 1980 regular session styled as H. F. No. 1121, Article XIII, Section I, is repealed, and Minnesota Statutes, 1979 Supplement, Section 473.446, Subdivision 1, is reenacted as it read without the amendment by H. F. No. 1121, Article XIII, Section 1, notwithstanding that H. F. No. 1121 may be approved or effective at a later time than this section.

Sec. 191. REPEALER. Subdivision 1. Minnesota Statutes 1978, Sections 3A.11, Subdivision 3; 43.03; 43.06; 216B.62, Subdivision 1; 352.73, Subdivision 4; 354.43, Subdivision 2; 490.025, Subdivision 8; and Laws 1979, Chapter 217, Section 11, are repealed.

Subd. 2. Minnesota Statutes, 1979 Supplement, Section 16.965 is repealed.

Subd. 3. Minnesota Statutes, 1979 Supplement, Section 43.067, Subdivision 4, is repealed.

Subd. 4. Laws 1977, Chapter 454, Section 45, is repealed.

Sec. 192. EFFECTIVE DATE. Except as otherwise provided in this act, this act is effective the day following final enactment. Section 55 is effective retroactive to April 1, 1980. Sections 87 and 88 are effective for any notice of the objects of the petition served after the day following final enactment. Sections 85

Changes or additions indicated by underline deletions by ~~strikeout~~

and 86 are effective for each district named in section 86 upon approval by a majority of the board of managers of the respective districts, and upon compliance with the provisions of Minnesota Statutes, Section 645.021. Sections 168 to 180 are effective upon approval by resolution of the St. Paul city council. The resolution shall be adopted after published notice to the public and public hearing. Sections 37 to 39, 49, 51, 57, 60 to 68, 70 to 74, 79, 81 to 83, 89, 101 to 123, 126, 128, 135 to 145, 148, 152, and 155, are effective July 1, 1980. Section 187 is effective July 1, 1980 and expires June 30, 1983. Pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (b), section 155 is effective without local approval July 1, 1980. Section 157 is effective March 1, 1981 and applies to causes of action accruing on or after that date. Section 191, subdivision 2 is effective July 1, 1981.

Approved April 24, 1980

CHAPTER 615—H.F.No. 874

An act relating to state government; changing certain administrative procedures; providing for the compilation of agency rules and their publication by the revisor of statutes; amending Minnesota Statutes 1978, Sections 3.965; 15.0412, Subdivisions 1, 2, 3, 4, 5, and by adding subdivisions; 15.0413, Subdivisions 1 and 2; 15.0418; 15.0419, Subdivisions 1, 2 and 4; 15.0422; 15.0424, Subdivisions 1, 2 and 6; 15.0425; 15.0426; 15.047, Subdivision 2; 15.05; 15.051, Subdivisions 1, 2 and 3; 15.052, Subdivisions 1, 2, 3, 4, 5, 7, 8 and 9; 15.1691, Subdivision 3; 179.71, Subdivision 5; 179.72, Subdivision 3; 268.12, Subdivision 3; 299A.03, Subdivision 8; 648.31, by adding a subdivision; 648.43; and Minnesota Statutes, 1979 Supplement, Section 15.0411, Subdivision 2; and Chapter 648, by adding a section; repealing Minnesota Statutes 1978, Sections 5.21; 15.0423; and 15.047.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1978, Section 3.965, is amended to read:

3.965 LEGISLATIVE COMMISSION TO REVIEW ADMINISTRATIVE RULES. Subdivision 1. **COMPOSITION; MEETINGS.** A legislative commission for review of administrative rules defined pursuant to sections 15.0411 to 15.0422, consisting of five senators appointed by the committee on committees of the senate and five representatives appointed by the speaker of the house of representatives shall be appointed. The commission shall meet at the call of its chairman or upon a call signed by two of its members or signed by five members of the legislature. The legislative commission chairmanship shall alternate between the two houses of the legislature every two years.

Subd. 2. **REVIEW OF RULES BY COMMISSION.** The commission shall promote adequate and proper rules by agencies and an understanding upon the part of the public respecting them. The jurisdiction of the commission shall include all rules as defined in section 15.0411, subdivision 3 and all rules promul-

Changes or additions indicated by underline deletions by ~~strikeout~~