## STATE OF MINNESOTA

# EIGHTY-FIRST SESSION — 2000

## ONE HUNDRED FIRST DAY

SAINT PAUL, MINNESOTA, TUESDAY, APRIL 4, 2000

The House of Representatives convened at 9:00 a.m. and was called to order by Steve Sviggum, Speaker of the House.

Prayer was offered by the Reverend Lonnie E. Titus, House Chaplain.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abeler	Dorn	Howes	Mahoney	Paymar	Sykora
Abrams	Entenza	Huntley	Mares	Pelowski	Tingelstad
Anderson, B.	Erhardt	Jaros	Mariani	Peterson	Tomassoni
Anderson, I.	Erickson	Jennings	Marko	Pugh	Trimble
Bakk	Finseth	Johnson	McCollum	Rest	Tuma
Biernat	Folliard	Juhnke	McElroy	Reuter	Tunheim
Bishop	Fuller	Kahn	McGuire	Rhodes	Van Dellen
Boudreau	Gerlach	Kalis	Milbert	Rifenberg	Vandeveer
Bradley	Gleason	Kelliher	Molnau	Rostberg	Wagenius
Broecker	Goodno	Kielkucki	Mulder	Rukavina	Wejcman
Buesgens	Gray	Knoblach	Mullery	Schumacher	Wenzel
Carlson	Greenfield	Koskinen	Murphy	Seagren	Westerberg
Carruthers	Greiling	Krinkie	Ness	Seifert, J.	Westfall
Cassell	Gunther	Kubly	Nornes	Seifert, M.	Westrom
Chaudhary	Haake	Kuisle	Olson	Skoe	Wilkin
Clark, J.	Haas	Larsen, P.	Opatz	Skoglund	Winter
Clark, K.	Hackbarth	Larson, D.	Orfield	Smith	Wolf
Daggett	Harder	Leighton	Osskopp	Solberg	Workman
Davids	Hasskamp	Lenczewski	Osthoff	Stanek	Spk. Sviggum
Dawkins	Hausman	Leppik	Otremba	Stang	
Dehler	Hilty	Lieder	Ozment	Storm	
Dempsey	Holberg	Lindner	Paulsen	Swapinski	
Dorman	Holsten	Luther	Pawlenty	Swenson	

A quorum was present.

The Chief Clerk proceeded to read the Journal of the preceding day. Hasskamp moved that further reading of the Journal be suspended and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

S. F. No. 2456 and H. F. No. 3786, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Anderson, B., moved that the rules be so far suspended that S. F. No. 2456 be substituted for H. F. No. 3786 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2484 and H. F. No. 3091, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Tomassoni moved that the rules be so far suspended that S. F. No. 2484 be substituted for H. F. No. 3091 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2655 and H. F. No. 3075, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Paulsen moved that the rules be so far suspended that S. F. No. 2655 be substituted for H. F. No. 3075 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2877 and H. F. No. 3328, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Hackbarth moved that S. F. No. 2877 be substituted for H. F. No. 3328 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3107 and H. F. No. 3301, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Goodno moved that the rules be so far suspended that S. F. No. 3107 be substituted for H. F. No. 3301 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3178 and H. F. No. 3550, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

# SUSPENSION OF RULES

Hilty moved that the rules be so far suspended that S. F. No. 3178 be substituted for H. F. No. 3550 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3346 and H. F. No. 3424, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Pawlenty moved that the rules be so far suspended that S. F. No. 3346 be substituted for H. F. No. 3424 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 3387 and H. F. No. 3652, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Goodno moved that the rules be so far suspended that S. F. No. 3387 be substituted for H. F. No. 3652 and that the House File be indefinitely postponed. The motion prevailed.

## PETITIONS AND COMMUNICATIONS

The following communication was received:

## STATE OF MINNESOTA OFFICE OF THE SECRETARY OF STATE ST. PAUL 55155

The Honorable Steve Sviggum Speaker of the House of Representatives

The Honorable Allan H. Spear President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2000 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

		Time and				
S.F.	H.F.	Session Laws	Date Approved	Date Filed		
No.	No.	Chapter No.	2000	2000		
2903		300	2:40 p.m. March 31	March 31		
2193		301	2:40 p.m. March 31	March 31		
2821		302	2:42 p.m. March 31	March 31		
2579		303	2:43 p.m. March 31	March 31		
2569		304	2:44 p.m. March 31	March 31		
3145		305	2:45 p.m. March 31	March 31		
2326		306	2:45 p.m. March 31	March 31		

Sincerely,

MARY KIFFMEYER Secretary of State

#### REPORTS OF STANDING COMMITTEES

Abrams from the Committee on Taxes to which was referred:

H. F. No. 2352, A bill for an act relating to taxation; reenacting certain provisions of Laws 1997, chapter 231, relating to tax classification provisions for certain housing facilities, tax increment financing, and tax abatement and providing for retroactive application.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Abrams from the Committee on Taxes to which was referred:

H. F. No. 2673, A bill for an act relating to local government; establishing standards for the creation of corporations by political subdivisions; providing for the continuation of existing corporations created by political subdivisions; amending Minnesota Statutes 1998, section 238.08, subdivision 3; proposing coding for new law in Minnesota Statutes 1998, chapter 465; repealing Minnesota Statutes 1998, section 465.715, subdivisions 1, 2, and 3; Minnesota Statutes 1999 Supplement, section 465.715, subdivision 1a.

Reported the same back with the following amendments:

Page 2, line 16, after "for" insert "appointed officials of the political subdivision or"

Page 2, line 17, after "subdivision" insert "or both"

With the recommendation that when so amended the bill pass.

The report was adopted.

Abrams from the Committee on Taxes to which was referred:

H. F. No. 3345, A bill for an act relating to family law; changing certain child support enforcement provisions; amending Minnesota Statutes 1998, sections 256.979, by adding a subdivision; 270A.10; 518.64, subdivision 5; 518.68, subdivision 2; 552.01, subdivision 3, and by adding a subdivision; 552.03; and 552.04, subdivisions 4, 6, 11, and 16; Minnesota Statutes 1999 Supplement, section 13B.06, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 552; repealing Minnesota Statutes 1998, section 552.05, subdivisions 1, 2, 3, 6, 7, 8, and 9; Minnesota Statutes 1999 Supplement, section 552.05, subdivisions 4, 5, and 10; Minnesota Rules, parts 9500.1800; 9500.1805; 9500.1810; 9500.1811; 9500.1812; 9500.1815; 9500.1817; 9500.1820; and 9500.1821.

Reported the same back with the following amendments:

Page 3, delete section 3

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 5, delete "270A.10;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Abrams from the Committee on Taxes to which was referred:

H. F. No. 3668, A bill for an act relating to education finance; dampening the annual changes in the sales ratio study; amending Minnesota Statutes 1998, section 127A.48, subdivision 1.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Abrams from the Committee on Taxes to which was referred:

H. F. No. 3758, A bill for an act relating to taxation; economic development abatements; allowing abatement agreements for parcels in tax increment financing districts; allowing extended time periods under certain circumstances; amending Minnesota Statutes 1998, section 469.1813, subdivision 4; Minnesota Statutes 1999 Supplement, section 469.1813, subdivision 6.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Abrams from the Committee on Taxes to which was referred:

H. F. No. 3896, A bill for an act relating to taxes; sales and use tax; expanding the exemption for materials consumed in production; amending Minnesota Statutes 1999 Supplement, section 297A.25, subdivision 9.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Abrams from the Committee on Taxes to which was referred:

H. F. No. 4102, A bill for an act relating to taxation; authorizing the commissioner of revenue to enter into agreements with other states to develop a multistate system for sales and use tax collection.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Abrams from the Committee on Taxes to which was referred:

S. F. No. 2968, A bill for an act relating to lake improvement districts; modifying provisions relating to lake improvement districts; amending Minnesota Statutes 1998, sections 103B.535; 103B.545, subdivision 1; 103B.551, subdivision 1; 103B.555, subdivision 1; and 103B.571, subdivision 3.

Reported the same back with the following amendments:

- Page 3, after line 23, insert:
- "Sec. 6. Minnesota Statutes 1999 Supplement, section 275.70, subdivision 5, is amended to read:
- Subd. 5. [SPECIAL LEVIES.] "Special levies" means those portions of ad valorem taxes levied by a local governmental unit for the following purposes or in the following manner:
- (1) to pay the costs of the principal and interest on bonded indebtedness or to reimburse for the amount of liquor store revenues used to pay the principal and interest due on municipal liquor store bonds in the year preceding the year for which the levy limit is calculated;
- (2) to pay the costs of principal and interest on certificates of indebtedness issued for any corporate purpose except for the following:
  - (i) tax anticipation or aid anticipation certificates of indebtedness;
  - (ii) certificates of indebtedness issued under sections 298.28 and 298.282;
- (iii) certificates of indebtedness used to fund current expenses or to pay the costs of extraordinary expenditures that result from a public emergency; or
- (iv) certificates of indebtedness used to fund an insufficiency in tax receipts or an insufficiency in other revenue sources;
- (3) to provide for the bonded indebtedness portion of payments made to another political subdivision of the state of Minnesota;
- (4) to fund payments made to the Minnesota state armory building commission under section 193.145, subdivision 2, to retire the principal and interest on armory construction bonds;
- (5) for unreimbursed expenses related to flooding that occurred during the first half of calendar year 1997, as allowed by the commissioner of revenue under section 275.74, paragraph (b);
- (6) for local units of government located in an area designated by the Federal Emergency Management Agency pursuant to a major disaster declaration issued for Minnesota by President Clinton after April 1, 1997, and before June 11, 1997, for the amount of tax dollars lost due to abatements authorized under section 273.123, subdivision 7, and Laws 1997, chapter 231, article 2, section 64, to the extent that they are related to the major disaster and to the extent that neither the state or federal government reimburses the local government for the amount lost;
- (7) property taxes approved by voters which are levied against the referendum market value as provided under section 275.61;
- (8) to fund matching requirements needed to qualify for federal or state grants or programs to the extent that either (i) the matching requirement exceeds the matching requirement in calendar year 1997, or (ii) it is a new matching requirement that didn't exist prior to 1998;

- (9) to pay the expenses reasonably and necessarily incurred in preparing for or repairing the effects of natural disaster including the occurrence or threat of widespread or severe damage, injury, or loss of life or property resulting from natural causes, in accordance with standards formulated by the emergency services division of the state department of public safety, as allowed by the commissioner of revenue under section 275.74, paragraph (b);
- (10) for the amount of tax revenue lost due to abatements authorized under section 273.123, subdivision 7, for damage related to the tornadoes of March 29, 1998, to the extent that neither the state or federal government provides reimbursement for the amount lost;
- (11) pay amounts required to correct an error in the levy certified to the county auditor by a city or county in a levy year, but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.70 to 275.74 in the preceding levy year;
  - (12) to pay an abatement under section 469.1815;
- (13) to pay the employer contribution to the local government correctional service retirement plan under section 353E.03, subdivision 2, to the extent that the employer contribution exceeds 5.49 percent of total salary; and
- (14) to pay the operating or maintenance costs of a county jail as authorized in section 641.01 or 641.262, or of a correctional facility as defined in section 241.021, subdivision 1, paragraph (5), to the extent that the county can demonstrate to the commissioner of revenue that the amount has been included in the county budget as a direct result of a rule, minimum requirement, minimum standard, or directive of the department of corrections. If the county utilizes this special levy, any amount levied by the county in the previous levy year for the purposes specified under this clause and included in the county's previous year's levy limitation computed under section 275.71, shall be deducted from the levy limit base under section 275.71, subdivision 2, when determining the county's current year levy limitation. The county shall provide the necessary information to the commissioner of revenue for making this determination; and
- (15) to pay for operation of a lake improvement district, as authorized under section 103B.555. If the county utilizes this special levy, any amount levied by the county in the previous levy year for the purposes specified under this clause and included in the county's previous year's levy limitation computed under section 275.71 shall be deducted from the levy limit base under section 275.71, subdivision 2, when determining the county's current year levy limitation. The county shall provide the necessary information to the commissioner of revenue for making this determination.

## Sec. 7. [EFFECTIVE DATE.]

Section 6 is effective beginning with taxes levied in 2000, payable in 2001 and thereafter, providing that the levy limits provisions in Minnesota Statutes, sections 275.70 to 275.74 are extended to taxes levied in 2000."

Amend the title as follows:

Page 1, line 6, before the period, insert ": Minnesota Statutes 1999 Supplement, section 275.70, subdivision 5"

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 2352, 2673, 3345, 3668, 3758, 3896 and 4102 were read for the second time.

#### SECOND READING OF SENATE BILLS

S. F. Nos. 2456, 2484, 2655, 2877, 3107, 3178, 3346, 3387 and 2968 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House File was introduced:

Hackbarth, Smith, Stanek, Molnau and Erickson introduced:

H. F. No. 4136, A bill for an act relating to crimes; authorizing imposition of the death penalty for committing first degree murder by causing death of a human being while committing criminal sexual conduct in the first or second degree with force or violence under aggravating circumstances; providing a statutory framework, including procedures and criteria, consistent with due process for determining when the imposition of the death penalty is appropriate; providing for automatic appellate review of death penalty cases; providing an administrative framework for implementing the death penalty; amending Minnesota Statutes 1998, sections 243.05, subdivision 1; 609.10, subdivision 1; 609.12, subdivision 1; 609.135, subdivision 1; and 609.185; proposing coding for new law as Minnesota Statutes, chapter 244A.

The bill was read for the first time and referred to the Committee on Crime Prevention.

#### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 2683, A bill for an act relating to game and fish; exempting archery bows used for bow fishing from casing requirement; authorizing disability permits for taking rough fish and hunting small game with a crossbow; amending Minnesota Statutes 1998, sections 97B.051; 97B.055, subdivision 2; and 97B.106.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Samuelson, Lessard and Pariseau.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Hackbarth moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 2683. The motion prevailed.

#### Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 3169, A bill for an act relating to family law; providing for parenting plans; changing certain terminology; appropriating money; amending Minnesota Statutes 1998, sections 15.87; 119A.37; 124D.23, subdivision 8; 256L.01, subdivision 3a; 257.541; 257.75, subdivision 3; 257A.01, subdivision 2; 257A.03, subdivision 2; 480.30, subdivision 1; 494.015, subdivision 1; 517.08, subdivision 1c; 518.003, subdivision 3, and by adding a subdivision; 518.131, subdivisions 1, 2, 3, 7, and by adding a subdivision; 518.156; 518.157, subdivisions 1 and 3; 518.165, subdivision 1; 518.17, subdivision 1; 518.175, subdivisions 1, 1a, 2, 3, 5, 6, and 8; 518.1751; 518.176, subdivision 2; 518.177; 518.179, subdivision 1; 518.18; 518.612; 518.619, subdivision 1; 518.68, subdivisions 1 and 2; 518B.01, subdivisions 4, 6, and 8; 519.11, subdivision 1a; 609.26, subdivision 2; 629.341, subdivision 3; and 631.52, subdivision 1; Minnesota Statutes 1999 Supplement, sections 119A.45; 257.66, subdivision 3; 494.03; 518.155; 518.165, subdivision 2; 518.178; 518.551, subdivision 5; and 609.26, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 518.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Kiscaden, Betzold and Foley.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Dawkins moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 3169. The motion prevailed.

## Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 3272, A bill for an act relating to the building code; modifying requirements of bleacher safety; amending Minnesota Statutes 1999 Supplement, section 16B.616, subdivisions 3 and 4.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Wiener, Kinkel and Olson.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Bradley moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 3272. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 2397.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONFERENCE COMMITTEE REPORT ON S. F. NO. 2397

A bill for an act relating to occupational health and safety; establishing standards for employer activities to reduce occupational exposure to bloodborne pathogens through sharps injuries; proposing coding for new law in Minnesota Statutes, chapter 182.

March 29, 2000

The Honorable Allan H. Spear President of the Senate

The Honorable Steve Sviggum Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 2397, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 2397 be further amended as follows:

Page 1, line 26, after "make" insert "advisory"

Page 2, line 1, after the period, insert "The recommendations are not binding on the employer."

Page 2, line 14, delete "may" and insert "does"

We request adoption of this report and repassage of the bill.

Senate Conferees: LINDA I. HIGGINS, DAVE JOHNSON AND ARLENE J. LESEWSKI.

House Conferees: DENNIS OZMENT, JIM ABELER AND DARLENE LUTHER.

Ozment moved that the report of the Conference Committee on S. F. No. 2397 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 2397, A bill for an act relating to occupational health and safety; establishing standards for employer activities to reduce occupational exposure to bloodborne pathogens through sharps injuries; proposing coding for new law in Minnesota Statutes, chapter 182.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 123 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Abeler Abrams Anderson, I. Bakk Biernat Bishop Boudreau Bradley Broecker Buesgens Carlson Carruthers Cassell Chaudhary Clark, J. Daggett Davids Dawkins Dehler Dempsey	Dorn Entenza Erhardt Erickson Finseth Folliard Fuller Gerlach Gleason Goodno Greenfield Greiling Gunther Haake Haas Hackbarth Harder Hasskamp Hausman	Holsten Howes Huntley Jaros Jennings Johnson Juhnke Kahn Kalis Kelliher Kielkucki Knoblach Koskinen Krinkie Kubly Kuisle Larsen, P. Larson, D. Leighton Lenczewski	Lieder Lindner Luther Mares Marko McCollum McElroy McGuire Milbert Molnau Mullery Murphy Ness Nornes Opatz Osskopp Osthoff Otremba Ozment Paulsen	Paymar Pelowski Peterson Pugh Reuter Rhodes Rostberg Rukavina Schumacher Seagren Seifert, J. Seifert, M. Skoe Skoglund Smith Solberg Stanek Stang Storm Swaninski	Sykora Tingelstad Tomassoni Trimble Tuma Tunheim Vandeveer Wagenius Wejcman Wenzel Westerberg Westfall Westrom Wilkin Winter Wolf Workman Spk. Sviggum
Dehler Dempsey Dorman	Hausman Hilty Holberg	Leighton Lenczewski Leppik	Ozment Paulsen Pawlenty	Storm Swapinski Swenson	
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Those who voted in the negative were:

Anderson, B. Mulder Olson Rifenberg

The bill was repassed, as amended by Conference, and its title agreed to.

# Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 2686, 2956, 3439, 953 and 2893.

PATRICK E. FLAHAVEN, Secretary of the Senate

## FIRST READING OF SENATE BILLS

S. F. No. 2686, A bill for an act relating to health; establishing requirements for the sale of funeral goods and services and preneed funeral arrangements; modifying the enforcement authority of the commissioner of health; modifying licensing requirements for funeral establishments; prohibiting certain solicitations of sales by funeral providers; requiring certain disclosures by funeral providers; prohibiting certain deceptive acts and practices for funeral providers; establishing requirements for preneed funeral agreements; amending Minnesota Statutes 1998, sections 149A.02, subdivision 22, and by adding subdivisions; 149A.08, subdivisions 1, 3, 4, and by adding a subdivision; 149A.70, by adding subdivisions; 149A.71, subdivisions 1, 2, 3, and 4; 149A.72, subdivisions 5, 6, 7,

9, 10, 11, 12, and 13; 149A.73, subdivisions 1, 3, 4, and by adding a subdivision; 149A.75; and 149A.97, subdivisions 1, 2, 3, 6, 9, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 149A.

The bill was read for the first time.

Rest moved that S. F. No. 2686 and H. F. No. 2713, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2956, A bill for an act relating to transportation; adopting Midwest Interstate Passenger Rail Compact; amending Minnesota Statutes 1998, section 218.011, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 218.

The bill was read for the first time.

Molnau moved that S. F. No. 2956 and H. F. No. 3688, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 3439, A bill for an act relating to energy conservation; providing for replacement heating systems and related energy conservation measures in cities discontinuing district heating systems; proposing coding for new law in Minnesota Statutes, chapter 451.

The bill was read for the first time and referred to the Committee on Taxes.

S. F. No. 953, A bill for an act relating to health; providing for certain patient rights and protections; regulating coverages and the classification of treatment; specifying the duties of certain carriers and providers; providing remedies; amending Minnesota Statutes 1998, sections 62A.60; 62J.71, subdivision 3; 62J.72, by adding a subdivision; 62J.80; 62M.09, subdivisions 2 and 6; and 62Q.58, by adding subdivisions; Minnesota Statutes 1999 Supplement, sections 62M.07; and 62M.09, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 62Q; proposing coding for new law as Minnesota Statutes, chapter 62U.

The bill was read for the first time and referred to the Committee on Health and Human Services Policy.

S. F. No. 2893, A bill for an act relating to business subsidies; providing clarification to the obligation of government agencies and businesses related to certain business subsidies; amending Minnesota Statutes 1999 Supplement, sections 116J.993, subdivision 3; 116J.994, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, and by adding a subdivision; and 116J.995.

The bill was read for the first time and referred to the Committee on Taxes.

# REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Pawlenty from the Committee on Rules and Legislative Administration, pursuant to rule 1.21, designated the following bills to be placed on the Calendar for the Day, immediately following the remaining bills on the Calendar for the Day, for Tuesday, April 4, 2000:

S. F. Nos. 1126, 3234 and 2725; H. F. No. 3901; S. F. Nos. 2949, 2870, 2865, 2858, 2789, 83, 3290, 2547, 2987, 2655, 1038 and 3178; H. F. Nos. 3278, 3481 and 3501; S. F. Nos. 1870, 2723 and 76; H. F. No. 3497; and S. F. Nos. 2500, 3428, 3198, 2785, 3533, 1288 and 3348.

#### CALENDAR FOR THE DAY

S. F. No. 2951 was reported to the House.

Larsen, P., moved to amend S. F. No. 2951 as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 3586, the second engrossment:

"Section 1. Minnesota Statutes 1999 Supplement, section 414.12, is amended to read:

414.12 [DIRECTOR'S POWERS.]

<u>Subdivision</u> 1. [ALTERNATIVE DISPUTE RESOLUTION.] Notwithstanding anything to the contrary in sections 414.01 to 414.11, the director of the office of strategic and long-range planning, upon consultation with affected parties and considering the procedures and principles established in sections 414.01 to 414.11, and Laws 1997, chapter 202, article 4, sections 1 to 13, may require that disputes over proposed boundary adjustments be resolved by means of alternative dispute resolution processes in place of hearings that would otherwise be required pursuant to sections 414.01 to 414.09, including those provided in chapter 14, in the execution of the office's duties under this chapter. Alternative dispute resolution processes that may be required include:

- (1) the contested case procedures provided by sections 14.57 to 14.62;
- (2) the mediation and arbitration process provided by sections 572A.015 to 572A.03; or
- (3) another mediation and arbitration process ordered by the director.
- Subd. 2. [DELEGATION OF AUTHORITY.] The director may, with the agreement of the chief administrative law judge, delegate to the office of administrative hearings, in any individual case or group of cases, the director's authority and responsibility to conduct hearings and issue final orders under sections 414.01 to 414.09. In the case of detachment of lands from a municipality, if the parties do not agree to resolve a boundary adjustment matter by mediation or arbitration, then the case shall be referred to an administrative law judge to conduct hearings and issue final orders under sections 414.01 to 414.09.
- Subd. 3. [COST OF PROCEEDINGS.] The parties to any matter directed to alternative dispute resolution under subdivision 1 or delegated to the office of administrative hearings under subdivision 2 must pay the costs of the alternative dispute resolution process or hearing in the proportions that they agree to. Notwithstanding section 14.53 or other law, the office of strategic and long-range planning is not liable for the costs. If the parties do not agree to a division of the costs before the commencement of mediation, arbitration, or hearing, the costs must be allocated on an equitable basis by the mediator, arbitrator, or chief administrative law judge.
  - Subd. 4. [PARTIES.] In this section, "party" means:
- (1) <u>a property owner, group of property owners, municipality, or township that files an initiating document or timely objection under this chapter;</u>
  - (2) the municipality or township within which the subject area is located;
  - (3) a municipality abutting the subject area; and
- (4) any other person, group of persons, or governmental agency residing in, owning property in, or exercising jurisdiction over the subject area that files with the director a notice of appearance within 14 days of publication of the notice required by section 414.09.

## Sec. 2. [414.13] [REFERENDUM ON IMPLEMENTATION WHEN ANNEXING AN ENTIRE TOWN.]

<u>Subdivision 1.</u> [APPLICATION.] <u>Notwithstanding any other provision to the contrary, this section applies if the final order, decision, or award in a boundary adjustment matter under this chapter provides for the annexation of over 90 percent of the area of a town.</u>

- Subd. 2. [RESOLUTIONS FOR IMPLEMENTATION.] Within 60 days of a final order, decision, or award, the city and the town shall each prepare a plan for transition to and for the final city council structure and membership. If either the city or the town does not prepare a plan, the director of the office of strategic and long-range planning must prepare a plan for the city or town. The maximum amount of time the transition may take is no longer than the longest remaining term of any city council member or town board officer in office at the time the final order, award, or decision is made.
- Subd. 3. [NO ELECTION REQUIRED.] If the two plans are identical, they must be implemented according to the plan without an election. If neither the city nor town prepare a plan, the director of the office of strategic and long-range planning shall prepare the plan and it must be implemented without an election.
- Subd. 4. [ELECTION REQUIRED.] Within 180 days of a final order, decision, or award, an election must be held to determine which of the two plans will be implemented. Both plans must be put before the voters in both the city and the area of the town being annexed and the plan that receives the majority of the votes must be implemented, beginning immediately after the election.

# Sec. 3. [REPORT TO LEGISLATURE.]

The director of the office of strategic and long-range planning must report to the senate committee on local and metropolitan government and the house of representatives committee on local government and metropolitan affairs by February 1, 2002, on the effect of the transfer to the office of authority and duties under Minnesota Statutes, chapter 414. The report must describe the successes and failures of the processes in resolving disputes, and include the comments, suggestions, and criticisms of the processes from local governments that have participated in the processes, interested associations representing local governments, administrative law judges that have presided over boundary adjustment matters, private property protection organizations, and the office of administrative hearings. The office of strategic and long-range planning may adopt or amend rules governing use of mediation and arbitration in boundary adjustment disputes. Until May 1, 2002, these rules are exempt from chapter 14.

## Sec. 4. [REVISOR INSTRUCTION.]

The revisor of statutes is directed to prepare legislation for the 2001 legislative session that makes changes to Minnesota Statutes, chapter 414, to reflect the transfer of powers and duties from the Minnesota municipal board, now abolished, to the office of strategic and long-range planning. In preparing the legislation, the revisor may consult with any interested person. The revisor shall provide the preliminary draft legislation to the chairs of the house local government and metropolitan affairs committee and the senate local and metropolitan government committee.

Sec. 5. [REPEALER.]

Minnesota Statutes 1998, section 414.10, is repealed.

Sec. 6. [EFFECTIVE DATES.]

<u>Subdivision 1.</u> [PROCEEDINGS.] <u>Section 1, subdivisions 1, 2, and 4, are effective retroactive to June 1, 1999, and apply to all matters pending on or commenced on or after that date. Section 3 is effective the day following final enactment.</u>

Subd. 2. [COSTS.] Section 1, subdivision 3, is effective retroactive to June 1, 1999, and applies only to boundary adjustment matters commenced on or after June 1, 1999, except for the city of St. Cloud which is responsible for its costs as provided in section 1, subdivision 3, in the boundary adjustment matter with the town of St. Augusta. For all other boundary adjustment matters commenced before June 1, 1999, all costs must be allocated as provided in law and rule prior to the abolition of the Minnesota municipal board, and the maximum total amount the parties may be charged by the office of strategic and long-range planning, the office of administrative hearings, or as part of an arbitration is no more than the Minnesota municipal board could have charged if the matter had been heard and decided by the board. Costs that exceed what the municipal board could have charged must be paid by the office of strategic and long-range planning."

Delete the title and insert:

"A bill for an act relating to municipalities; clarifying the use of alternative dispute resolution in certain proceedings; requiring special procedures to implement annexation of substantially all of a town; instructing the revisor; requiring a report; providing for retroactive effect, with an exception; allocating certain costs; repealing a certain alternative dispute procedure; amending Minnesota Statutes 1999 Supplement, section 414.12; proposing coding for new law in Minnesota Statutes, chapter 414; repealing Minnesota Statutes 1998, section 414.10."

The motion prevailed and the amendment was adopted.

Anderson, B., moved to amend S. F. No. 2951, as amended, as follows:

Page 4, line 12, after the period, insert "The report must consider the desirability of involving the secretary of state, the attorney general, or other state-elected officials in the dispute resolution process."

The motion prevailed and the amendment was adopted.

Knoblach and Opatz moved to amend S. F. No. 2951, as amended, as follows:

Page 4, line 36, delete everything after "1999" and insert a period

Page 5, delete lines 1 and 2

Page 5, line 3, delete everything before "For" and delete "other"

The motion prevailed and the amendment was adopted.

S. F. No. 2951, A bill for an act relating to municipalities; clarifying the use of alternative dispute resolution in certain proceedings; requiring a report to the legislature; exempting the office of strategic and long-range planning from adopting rules until a certain date; providing instructions to the revisor of statutes; amending Minnesota Statutes 1999 Supplement, section 414.12; repealing Minnesota Statutes 1998, section 414.10.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 4 nays as follows:

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Those who voted in the affirmative were:

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Abeler	Dorn	Howes	Mares	Pelowski	Sykora
Abrams	Entenza	Huntley	Mariani	Peterson	Tingelstad
Anderson, I.	Erhardt	Jaros	Marko	Pugh	Tomassoni
Bakk	Erickson	Jennings	McCollum	Rest	Trimble
Biernat	Finseth	Johnson	McElroy	Reuter	Tuma
Bishop	Folliard	Juhnke	McGuire	Rhodes	Tunheim
Boudreau	Fuller	Kahn	Milbert	Rifenberg	Vandeveer
Bradley	Gerlach	Kalis	Molnau	Rostberg	Wagenius
Broecker	Goodno	Kelliher	Mullery	Rukavina	Wejcman
Buesgens	Gray	Kielkucki	Murphy	Schumacher	Wenzel
Carlson	Greenfield	Knoblach	Ness	Seagren	Westerberg
Carruthers	Greiling	Koskinen	Nornes	Seifert, J.	Westfall
Cassell	Gunther	Kubly	Olson	Seifert, M.	Westrom
Chaudhary	Haake	Kuisle	Opatz	Skoe	Wilkin
Clark, J.	Haas	Larsen, P.	Orfield	Skoglund	Winter
Clark, K.	Hackbarth	Larson, D.	Osskopp	Smith	Wolf
Daggett	Harder	Leighton	Osthoff	Solberg	Workman
Davids	Hasskamp	Lenczewski	Otremba	Stanek	Spk. Sviggum
Dawkins	Hausman	Leppik	Ozment	Stang	
Dehler	Hilty	Lieder	Paulsen	Storm	
Dempsey	Holberg	Lindner	Pawlenty	Swapinski	
Dorman	Holsten	Luther	Paymar	Swenson	

Those who voted in the negative were:

Anderson, B. Gleason Krinkie Mulder

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

S. F. No. 2200 was reported to the House.

Ozment moved that S. F. No. 2200 be continued on the Calendar for the Day. The motion prevailed.

S. F. No. 2850, A bill for an act relating to human services; extending participation in the prepayment demonstration project for Itasca county; amending Minnesota Statutes 1998, section 256B.69, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler Anderson, I. Broecker Carruthers Clark, J. Bishop Abrams Bakk Boudreau Buesgens Cassell Clark, K. Anderson, B. Biernat Bradley Carlson Chaudhary Daggett

Davids Haake Knoblach Molnau Rest Sykora Tingelstad **Dawkins** Haas Koskinen Mulder Reuter Dehler Hackbarth Krinkie Mullery Rhodes Tomassoni Trimble Harder Kubly Rifenberg Dempsey Murphy Kuisle Dorman Hasskamp Ness Rostberg Tuma Dorn Hausman Larsen, P. Nornes Rukavina Tunheim Hilty Larson, D. Olson Schumacher Vandeveer Entenza Erhardt Holberg Leighton Opatz Seagren Wagenius Erickson Holsten Lenczewski Orfield Seifert, J. Weicman Howes Leppik Osskopp Seifert, M. Wenzel Finseth Westerberg Folliard Lieder Osthoff Huntley Skoe Fuller Lindner Otremba Skoglund Westfall Jaros Gerlach Jennings Luther Ozment Smith Westrom Johnson Mares Paulsen Solberg Wilkin Gleason Goodno Pawlenty Stanek Winter Juhnke Mariani Wolf Gray Kahn Marko Paymar Stang Greenfield Pelowski Workman Kalis McElroy Storm Greiling Kelliher McGuire Peterson Swapinski Spk. Sviggum Gunther Kielkucki Milbert Pugh Swenson

The bill was passed and its title agreed to.

S. F. No. 3354, A bill for an act relating to manufactured homes; clarifying the requirements for a limited dealer license; amending Minnesota Statutes 1998, section 327B.04, subdivision 8.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler Dawkins Koskinen Haas Molnau Rest Abrams Dehler Hackbarth Krinkie Mulder Reuter Anderson, B. Dempsey Harder Kubly Mullery Rhodes Anderson, I. Hasskamp Kuisle Murphy Rifenberg Dorman Bakk Dorn Hausman Larsen, P. Ness Rostberg Biernat Entenza Hilty Larson, D. Nornes Rukavina Holberg Schumacher Bishop Leighton Erhardt Olson Boudreau Erickson Holsten Lenczewski Seagren Opatz Bradley Finseth Howes Leppik Orfield Seifert, J. Broecker Folliard Huntley Lieder Osskopp Seifert, M. Fuller Lindner Osthoff Buesgens Jaros Skoe Jennings Luther Carlson Gerlach Otremba Skoglund Carruthers Gleason Johnson Mares Ozment Smith Cassell Goodno Juhnke Mariani Paulsen Solberg Chaudhary Grav Kahn Marko Pawlenty Stanek McCollum Greenfield Clark, J. Kalis Paymar Stang Clark, K. Kelliher Pelowski Greiling McElroy Storm McGuire Swapinski Daggett Gunther Kielkucki Peterson Davids Haake Knoblach Milbert Pugh Swenson

Sykora Trimble Vandeveer Wenzel Westrom Wolf Tingelstad Westerberg Wilkin Workman Tuma Wagenius Tomassoni Tunheim Wejcman Westfall Winter Spk. Sviggum

The bill was passed and its title agreed to.

The Speaker called Rukavina to the Chair.

Solberg was excused between the hours of 10:35 a.m. and 11:20 a.m.

S. F. No. 3002 was reported to the House.

Bakk moved to amend S. F. No. 3002 as follows:

Page 6, after line 15, insert:

"Sec. 4. [BOATHOUSE LEASES; SOUDAN UNDERGROUND MINE STATE PARK.]

- (a) Notwithstanding Minnesota Statutes, section 85.012, subdivision 1, the commissioner of natural resources shall not cancel a lease, except for noncompliance with the lease agreement, for any of the 149 boathouse lots located at Stuntz Bay in the Soudan Underground Mine state park and shall offer each lease for renewal to the leaseholder at the time of expiration.
- (b) When a lease described under paragraph (a) is transferred, the transferree shall pay to the department of natural resources an annual lease fee."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 3002, A bill for an act relating to natural resources; adding to and deleting from state parks; amending Minnesota Statutes 1998, section 85.012, subdivision 32a.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 117 yeas and 16 nays as follows:

Abeler	Bishop	Carruthers	Daggett	Dorman	Folliard
Abrams	Boudreau	Cassell	Davids	Dorn	Fuller
Anderson, I.	Bradley	Chaudhary	Dawkins	Entenza	Gleason
Bakk	Broecker	Clark, J.	Dehler	Erhardt	Goodno
Biernat	Carlson	Clark, K.	Dempsey	Finseth	Gray

Greenfield	Johnson	Luther	Osskopp	Seagren	Tuma
Greiling	Juhnke	Mahoney	Osthoff	Seifert, J.	Tunheim
Gunther	Kahn	Mares	Otremba	Seifert, M.	Van Dellen
Haake	Kalis	Mariani	Ozment	Skoe	Vandeveer
Haas	Kelliher	McCollum	Paulsen	Skoglund	Wagenius
Hackbarth	Koskinen	McElroy	Pawlenty	Smith	Wejcman
Harder	Kubly	McGuire	Paymar	Stanek	Wenzel
Hasskamp	Kuisle	Milbert	Pelowski	Stang	Westfall
Hausman	Larsen, P.	Molnau	Peterson	Storm	Westrom
Hilty	Larson, D.	Mullery	Pugh	Swapinski	Winter
Holsten	Leighton	Murphy	Rest	Swenson	Wolf
Howes	Lenczewski	Ness	Rhodes	Sykora	Spk. Sviggum
Huntley	Leppik	Nornes	Rostberg	Tingelstad	
Jaros	Lieder	Opatz	Rukavina	Tomassoni	
Jennings	Lindner	Orfield	Schumacher	Trimble	

Those who voted in the negative were:

Anderson, B.	Gerlach	Knoblach	Mulder	Rifenberg	Workman
Buesgens	Holberg	Krinkie	Olson	Westerberg	
Erickson	Kielkucki	Marko	Reuter	Wilkin	

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

S. F. No. 2742 was reported to the House.

Biernat moved to amend S. F. No. 2742 as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 3517, the first engrossment:

"Section 1. Minnesota Statutes 1998, section 542.16, subdivision 1, is amended to read:

Subdivision 1. [INITIAL DISQUALIFICATION.] Any party, or the party's attorney, to a cause pending in a district court, within one day after it is ascertained which judge is to preside at the trial or hearing thereof, or at the hearing of any motion or order to show cause, except for a proceeding under section 484.702, may make and file with the court administrator in which the action is pending and serve on the opposite party a notice to remove. The notice must be served and filed within ten days after the party receives notice of which judge or judicial officer is to preside at the trial or hearing, or, if no notice of a hearing is served with the summons, then within the time to answer the summons, whichever is later. Thereupon without any further act or proof, the chief judge of the judicial district shall assign any other judge of any court within the district to preside at the trial of the cause or the hearing of the motion or order to show cause, and the cause shall be continued on the calendar, until the assigned judge can be present. In criminal actions the notice to remove shall be made and filed with the court administrator by the defendant, or the defendant's attorney, not less than two days before the expiration of the time allowed by law to prepare for trial and in any of those cases the presiding judge shall be incapacitated to try the cause. In criminal cases, the chief judge, for the purpose of securing a speedy trial, may change the place of trial to another county.

# Sec. 2. [MEDICAL SUPPORT RECOMMENDATIONS.]

The commissioner of human services, in consultation with the commissioner's advisory committee, shall study and make recommendations for changes to the medical support statutes under Minnesota Statutes, chapter 518. The

commissioner shall consider the medical support recommendations from the federal medical support workgroup created in the Federal Child Support Performance and Incentive Act of 1998, Public Law Number 105-200, section 401.

The commissioner shall submit legislative recommendations to the chairs of the senate judiciary committee and the house civil law committee by January 15, 2001.

Sec. 3. [REPEALER.]

Minnesota Statutes 1998, sections 144.224; 518.147; and 518.583, are repealed."

Delete the title and insert:

"A bill for an act relating to family law; changing the time for filing a notice to remove; requiring a study of medical support statutes; eliminating certain requirements; amending Minnesota Statutes 1998, section 542.16, subdivision 1; repealing Minnesota Statutes 1998, sections 144.224; 518.147; and 518.583."

The motion prevailed and the amendment was adopted.

S. F. No. 2742, A bill for an act relating to family law; changing the time for filing a notice to remove; requiring a study of medical support statutes; eliminating certain requirements; amending Minnesota Statutes 1998, sections 518.55, subdivision 4; and 542.16, subdivision 1; Minnesota Statutes 1999 Supplement, section 518.6111, subdivision 5; repealing Minnesota Statutes 1998, sections 144.224; 518.147; and 518.583.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 99 yeas and 33 nays as follows:

Abeler	Dawkins	Haas	Koskinen	McCollum	Paymar
Abrams	Dorn	Hackbarth	Kubly	McElroy	Pelowski
Anderson, I.	Entenza	Hasskamp	Larsen, P.	McGuire	Peterson
Bakk	Erhardt	Hausman	Larson, D.	Milbert	Pugh
Biernat	Finseth	Hilty	Leighton	Mullery	Rest
Bishop	Folliard	Howes	Lenczewski	Murphy	Rhodes
Boudreau	Fuller	Huntley	Leppik	Ness	Rukavina
Bradley	Gleason	Jaros	Lieder	Opatz	Schumacher
Broecker	Goodno	Jennings	Lindner	Orfield	Seagren
Carlson	Gray	Johnson	Luther	Osskopp	Seifert, J.
Carruthers	Greenfield	Juhnke	Mahoney	Osthoff	Skoe
Chaudhary	Greiling	Kahn	Mares	Otremba	Skoglund
Clark, K.	Gunther	Kalis	Mariani	Paulsen	Smith
Daggett	Haake	Kelliher	Marko	Pawlenty	Stanek

Storm	Sykora	Trimble	Van Dellen	Winter
Swapinski	Tingelstad	Tuma	Wagenius	Wolf
Swenson	Tomassoni	Tunheim	Wejcman	Spk. Sviggum

Those who voted in the negative were:

Anderson, B.	Dempsey	Holsten	Mulder	Rostberg	Westrom
Buesgens	Dorman	Kielkucki	Nornes	Seifert, M.	Wilkin
Cassell	Erickson	Knoblach	Olson	Stang	Workman
Clark, J.	Gerlach	Krinkie	Ozment	Vandeveer	
Davids	Harder	Kuisle	Reuter	Westerberg	
Dehler	Holberg	Molnau	Rifenberg	Westfall	

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

H. F. No. 2610 was reported to the House.

Boudreau moved to amend H. F. No. 2610, the first engrossment, as follows:

Page 1, line 11, before the period, insert ", as defined in section 169.01, subdivision 10"

Page 1, delete lines 17 to 19

Page 1, line 20, delete "(e)" and insert "(d)"

The motion prevailed and the amendment was adopted.

Kubly offered an amendment to H. F. No. 2610, the first engrossment, as amended.

## POINT OF ORDER

Boudreau raised a point of order pursuant to rule 3.21 that the Kubly amendment was not in order. Speaker pro tempore Rukavina ruled the point of order well taken and the Kubly amendment out of order.

H. F. No. 2610, A bill for an act relating to crime prevention; adding definitions to the criminal vehicular operation law; amending Minnesota Statutes 1998, section 609.21, subdivision 5.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 61 years and 72 nays as follows:

Abeler	Biernat	Broecker	Dawkins	Entenza	Gleason
Abrams	Bishop	Carruthers	Dorman	Erhardt	Goodno
Anderson, B.	Boudreau	Clark, K.	Dorn	Fuller	Gray

Wenzel Westerberg Spk. Sviggum

Greenfield	Johnson	Leppik	Osthoff	Skoglund
Greiling	Kalis	Mariani	Ozment	Smith
Gunther	Kelliher	McCollum	Paulsen	Stanek
Haas	Knoblach	McElroy	Pawlenty	Storm
Hackbarth	Koskinen	McGuire	Paymar	Sykora
Harder	Larson, D.	Milbert	Rest	Tingelstad
Hasskamp	Leighton	Opatz	Rhodes	Tuma
Howes	Lenczewski	Orfield	Seagren	Wagenius

Those who voted in the negative were:

Anderson, I.	Erickson	Juhnke	Molnau	Reuter	Tomassoni
Bakk	Finseth	Kahn	Mulder	Rifenberg	Trimble
Bradley	Folliard	Kielkucki	Mullery	Rostberg	Tunheim
Buesgens	Gerlach	Krinkie	Murphy	Rukavina	Van Dellen
Carlson	Haake	Kubly	Ness	Schumacher	Vandeveer
Cassell	Hausman	Kuisle	Nornes	Seifert, J.	Wejcman
Chaudhary	Hilty	Larsen, P.	Olson	Seifert, M.	Westfall
Clark, J.	Holberg	Lieder	Osskopp	Skoe	Westrom
Daggett	Holsten	Lindner	Otremba	Solberg	Wilkin
Davids	Huntley	Luther	Pelowski	Stang	Winter
Dehler	Jaros	Mares	Peterson	Swapinski	Wolf
Dempsey	Jennings	Marko	Pugh	Swenson	Workman

The bill was not passed, as amended.

S. F. No. 3455, A bill for an act relating to crime prevention; limiting the liability of financial institutions that provide information in good faith on stolen, forged, or fraudulent checks in the course of an investigation; making it a crime to falsely report stolen checks to a financial institution or to possess, sell, receive, or transfer stolen or counterfeit checks; providing criminal penalties and forfeiture remedies for such conduct; expanding the racketeering crime to include organized criminal activity involving stolen or counterfeit checks; making technical corrections to certain penalties; amending Minnesota Statutes 1998, section 299A.61, subdivision 3; Minnesota Statutes 1999 Supplement, sections 609.527, subdivision 3; 609.531, subdivision 1; and 609.902, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 609.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Abeler Abrams Anderson, B.	Buesgens Carlson Carruthers	Dehler Dempsey Dorman	Gerlach Gleason Goodno	Harder Hasskamp Hausman	Johnson Juhnke Kahn
Anderson, I.	Cassell	Dorn	Gray	Hilty	Kalis
Bakk	Chaudhary	Entenza	Greenfield	Holberg	Kelliher
Biernat	Clark, J.	Erhardt	Greiling	Holsten	Kielkucki
Bishop	Clark, K.	Erickson	Gunther	Howes	Knoblach
Boudreau	Daggett	Finseth	Haake	Huntley	Koskinen
Bradley	Davids	Folliard	Haas	Jaros	Krinkie
Broecker	Dawkins	Fuller	Hackbarth	Jennings	Kubly

Wenzel Westerberg Westfall Westrom Wilkin Winter Wolf Workman Spk. Sviggum

Kuisle	McCollum	Osskopp	Rifenberg	Storm
Larsen, P.	McElroy	Osthoff	Rostberg	Swapinski
Larson, D.	McGuire	Otremba	Rukavina	Swenson
Leighton	Milbert	Ozment	Schumacher	Sykora
Lenczewski	Molnau	Paulsen	Seagren	Tingelstad
Leppik	Mulder	Pawlenty	Seifert, J.	Tomassoni
Lieder	Mullery	Paymar	Seifert, M.	Trimble
Lindner	Murphy	Pelowski	Skoe	Tuma
Luther	Ness	Peterson	Skoglund	Tunheim
Mahoney	Nornes	Pugh	Smith	Van Dellen
Mares	Olson	Rest	Solberg	Vandeveer
Mariani	Opatz	Reuter	Stanek	Wagenius
Marko	Orfield	Rhodes	Stang	Wejcman

The bill was passed and its title agreed to.

S. F. No. 3423 was reported to the House.

Abrams moved to amend S. F. No. 3423 as follows:

Page 1, line 8, after "VICTIMS" insert "INSURANCE"

Page 6, line 14, after "may" insert ", in accordance with section 60A.052,"

Page 7, line 18, after "Victims" insert "Insurance"

The motion prevailed and the amendment was adopted.

S. F. No. 3423, A bill for an act relating to insurance; requiring the commissioner of commerce to assist Holocaust victims to settle claims and recover proceeds from applicable insurance policies; proposing coding for new law in Minnesota Statutes, chapter 60A.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 1 nay as follows:

Abeler	Carlson	Dorman	Gray	Holberg	Kielkucki
Abrams	Carruthers	Dorn	Greenfield	Holsten	Knoblach
Anderson, B.	Cassell	Entenza	Greiling	Howes	Koskinen
Anderson, I.	Chaudhary	Erhardt	Gunther	Huntley	Krinkie
Bakk	Clark, J.	Erickson	Haake	Jaros	Kubly
Biernat	Clark, K.	Finseth	Haas	Jennings	Kuisle
Bishop	Daggett	Folliard	Hackbarth	Johnson	Larsen, P.
Boudreau	Davids	Fuller	Harder	Juhnke	Larson, D.
Bradley	Dawkins	Gerlach	Hasskamp	Kahn	Leighton
Broecker	Dehler	Gleason	Hausman	Kalis	Lenczewski
Buesgens	Dempsey	Goodno	Hilty	Kelliher	Leppik

Westfall Westrom Wilkin Winter Wolf Workman Spk. Sviggum

Lieder	Mulder	Paulsen	Schumacher	Swenson
Lindner	Mullery	Pawlenty	Seagren	Sykora
Luther	Murphy	Paymar	Seifert, J.	Tingelstad
Mahoney	Ness	Pelowski	Seifert, M.	Tomassoni
Mares	Nornes	Peterson	Skoe	Trimble
Mariani	Olson	Pugh	Skoglund	Tuma
Marko	Opatz	Rest	Smith	Tunheim
McCollum	Orfield	Reuter	Solberg	Vandeveer
McElroy	Osskopp	Rhodes	Stanek	Wagenius
McGuire	Osthoff	Rifenberg	Stang	Wejcman
Milbert	Otremba	Rostberg	Storm	Wenzel
Molnau	Ozment	Rukavina	Swapinski	Westerberg

Those who voted in the negative were:

Van Dellen

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

H. F. No. 3491 was reported to the House.

Davids moved that H. F. No. 3491 be continued on the Calendar for the Day. The motion prevailed.

S. F. No. 2989, A bill for an act relating to state government; the office of administrative hearings; authorizing the chief administrative law judge to establish a system of training in additional areas for judges; providing ethical standards for the chief administrative law judge, administrative law judges, and compensation judges; amending Minnesota Statutes 1998, sections 14.48; and 14.50.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 119 yeas and 15 nays as follows:

Abeler Abrams Anderson, I. Bakk	Dawkins Dehler Dempsey Dorman	Gunther Haake Haas Hackbarth	Kalis Kelliher Kielkucki Knoblach	Mariani Marko McCollum	Ozment Paulsen Pawlenty
Biernat Bishop	Dorn Dorn Entenza	Harder Hasskamp	Knoblach Koskinen Kubly	McElroy McGuire Milbert	Paymar Pelowski Peterson
Boudreau	Erhardt	Hausman	Kuisle	Mullery	Pugh
Bradley	Erickson	Hilty	Larson, D.	Murphy	Rest
Broecker	Finseth	Holsten	Leighton	Ness	Rhodes
Carlson	Folliard	Howes	Lenczewski	Nornes	Rostberg
Carruthers	Fuller	Huntley	Leppik	Olson	Rukavina
Cassell	Gleason	Jaros	Lieder	Opatz	Schumacher
Chaudhary	Goodno	Jennings	Lindner	Orfield	Seagren
Clark, K.	Gray	Johnson	Luther	Osskopp	Seifert, J.
Daggett	Greenfield	Juhnke	Mahoney	Osthoff	Seifert, M.
Davids	Greiling	Kahn	Mares	Otremba	Skoe

Skoglund	Stang	Tingelstad	Tunheim	Wejcman	Wolf
Smith	Swapinski	Tomassoni	Van Dellen	Wenzel	Workman
Solberg	Swenson	Trimble	Vandeveer	Westfall	Spk. Sviggum
Stanek	Sykora	Tuma	Wagenius	Winter	

Those who voted in the negative were:

Anderson, B.	Gerlach	Larsen, P.	Reuter	Westerberg
Buesgens	Holberg	Molnau	Rifenberg	Westrom
Clark, J.	Krinkie	Mulder	Storm	Wilkin

The bill was passed and its title agreed to.

Speaker pro tempore Rukavina called Abrams to the Chair.

S. F. No. 3701 was reported to the House.

Mahoney and Osthoff moved to amend S. F. No. 3701 as follows:

Page 1, line 20, delete everything after "contractors"

Page 1, line 21, delete "and contractors,"

A roll call was requested and properly seconded.

The Speaker resumed the Chair.

The question was taken on the Mahoney and Osthoff amendment and the roll was called. There were 81 yeas and 52 nays as follows:

Abeler Anderson, I. Bakk	Entenza Folliard Fuller	Jaros Jennings Johnson	Luther Mahoney Mares	Otremba Ozment Paymar	Swapinski Swenson Tomassoni
Biernat	Gleason	Juhnke	Mariani	Pelowski	Trimble
Bishop	Goodno	Kahn	Marko	Peterson	Tuma
Boudreau	Gray	Kalis	McCollum	Pugh	Tunheim
Carlson	Greenfield	Kelliher	McGuire	Rest	Vandeveer
Carruthers	Greiling	Koskinen	Milbert	Rukavina	Wagenius
Chaudhary	Hackbarth	Kubly	Mullery	Schumacher	Wejcman
Clark, K.	Hasskamp	Larsen, P.	Murphy	Seifert, J.	Wenzel
Daggett	Hausman	Larson, D.	Opatz	Skoe	Winter
Dawkins	Hilty	Leighton	Orfield	Skoglund	
Dempsey	Holsten	Lenczewski	Osskopp	Smith	
Dorn	Huntley	Lieder	Osthoff	Solberg	

Those who voted in the negative were:

Abrams	Dorman	Holberg	Molnau	Rostberg	Westerberg
Anderson, B.	Erhardt	Howes	Mulder	Seagren	Westfall
Bradley	Erickson	Kielkucki	Ness	Seifert, M.	Westrom
Broecker	Finseth	Knoblach	Nornes	Stanek	Wilkin
Buesgens	Gerlach	Krinkie	Olson	Stang	Wolf
Cassell	Gunther	Kuisle	Paulsen	Storm	Workman
Clark, J.	Haake	Leppik	Pawlenty	Sykora	Spk. Sviggum
Davids	Haas	Lindner	Reuter	Tingelstad	
Dehler	Harder	McElroy	Rhodes	Van Dellen	

The motion prevailed and the amendment was adopted.

S. F. No. 3701, A bill for an act relating to state government; adding members to the designer selection board; providing the designation of at least two designers for projects at the University of Minnesota or the state colleges and universities; amending Minnesota Statutes 1998, section 16B.33, subdivisions 2 and 3a.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorman	Holsten	Lindner	Paulsen	Stang
Abrams	Dorn	Howes	Luther	Pawlenty	Storm
Anderson, I.	Entenza	Huntley	Mahoney	Paymar	Swapinski
Bakk	Erhardt	Jaros	Mares	Pelowski	Swenson
Biernat	Erickson	Jennings	Mariani	Peterson	Sykora
Bishop	Finseth	Johnson	Marko	Pugh	Tingelstad
Boudreau	Folliard	Juhnke	McCollum	Rest	Tomassoni
Bradley	Fuller	Kalis	McElroy	Rhodes	Trimble
Broecker	Gleason	Kelliher	Milbert	Rifenberg	Tuma
Carlson	Goodno	Kielkucki	Molnau	Rostberg	Van Dellen
Carruthers	Gray	Knoblach	Mullery	Rukavina	Vandeveer
Cassell	Greenfield	Koskinen	Murphy	Schumacher	Wejcman
Chaudhary	Gunther	Kubly	Ness	Seagren	Wenzel
Clark, J.	Haake	Kuisle	Nornes	Seifert, J.	Westerberg
Clark, K.	Haas	Larsen, P.	Opatz	Seifert, M.	Westfall
Daggett	Hackbarth	Larson, D.	Orfield	Skoe	Westrom
Davids	Harder	Leighton	Osskopp	Skoglund	Winter
Dawkins	Hasskamp	Lenczewski	Osthoff	Smith	Wolf
Dehler	Hausman	Leppik	Otremba	Solberg	Workman
Dempsey	Hilty	Lieder	Ozment	Stanek	Spk. Sviggum

Those who voted in the negative were:

Anderson, B.	Gerlach	Holberg	Krinkie	Olson	Wagenius
Buesgens	Greiling	Kahn	Mulder	Reuter	Wilkin

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

Tomassoni

Trimble

Tunheim

Wagenius

Wejcman

Winter

S. F. No. 551 was reported to the House.

Skoglund and Biernat moved to amend S. F. No. 551, the unofficial engrossment, as follows:

Page 13, after line 12, insert:

"Sec. 17. Minnesota Statutes 1998, section 624.712, subdivision 5, is amended to read:

Subd. 5. [CRIME OF VIOLENCE.] "Crime of violence" includes murder in the first, second, and third degrees, manslaughter in the first and second degrees, aiding suicide, aiding attempted suicide, felony violations of assault in the first, second, third, and fourth, and fifth degrees, assaults motivated by bias under section 609.2231, subdivision 4, felony-level domestic assaults under section 609.2242, drive-by shootings, terroristic threats, use of drugs to injure or to facilitate crime, crimes committed for the benefit of a gang, commission of a crime while wearing or possessing a bullet-resistant vest, simple robbery, aggravated robbery, kidnapping, false imprisonment, criminal sexual conduct in the first, second, third, and fourth degrees, theft of a firearm, felony theft involving the intentional taking or driving of a motor vehicle without the consent of the owner or the authorized agent of the owner, felony theft involving the taking of property from a burning, abandoned, or vacant building, or from an area of destruction caused by civil disaster, riot, bombing, or the proximity of battle, felony theft involving the theft of a controlled substance, an explosive, or an incendiary device, arson in the first and second degrees, riot, burglary in the first, second, third, and fourth degrees, harassment and stalking, shooting at a public transit vehicle or facility, reckless use of a gun or dangerous weapon, intentionally pointing a gun at or towards a human being, setting a spring gun, and unlawfully owning, possessing, operating a machine gun or short-barreled shotgun, and an attempt to commit any of these offenses, as each of those offenses is defined in chapter 609. "Crime of violence" also includes felony violations of the following: malicious punishment of a child; neglect or endangerment of a child; and chapter 152."

Renumber the sections in sequence and correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Skoglund and Biernat amendment and the roll was called. There were 61 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Anderson, I. Gleason Juhnke Mahoney Otremba Mariani Kahn Pavmar Bakk Gray Greenfield Marko Pelowski **Biernat** Kalis Carlson Greiling Kelliher McCollum Peterson Carruthers Koskinen McGuire Hasskamp Pugh Chaudharv Hausman Kubly Milbert Rest Clark, K. Hilty Larson, D. Mullery Rukavina Huntley Schumacher Dawkins Leighton Murphy Dorn Jaros Lenczewski Opatz Skoglund Entenza Jennings Lieder Orfield Solberg Folliard Swapinski Johnson Luther Osthoff

Those who voted in the negative were:

Abeler	Dehler	Hackbarth	Mares	Rhodes	Sykora
Abrams	Dempsey	Harder	McElroy	Rifenberg	Tingelstad
Anderson, B.	Dorman	Holberg	Molnau	Rostberg	Tuma
Bishop	Erhardt	Holsten	Mulder	Seagren	Van Dellen
Boudreau	Erickson	Howes	Ness	Seifert, J.	Wenzel
Bradley	Finseth	Kielkucki	Nornes	Seifert, M.	Westerberg
Broecker	Fuller	Knoblach	Olson	Skoe	Westfall
Buesgens	Gerlach	Krinkie	Osskopp	Smith	Westrom
Cassell	Goodno	Kuisle	Ozment	Stanek	Wilkin
Clark, J.	Gunther	Larsen, P.	Paulsen	Stang	Wolf
Daggett	Haake	Leppik	Pawlenty	Storm	Workman
Davids	Haas	Lindner	Reuter	Swenson	Spk. Sviggum

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

Dawkins moved to amend S. F. No. 551, the unofficial engrossment, as follows:

Page 2, line 4, before the period, insert "which continuance shall be granted unless there are compelling reasons not to"

The motion prevailed and the amendment was adopted.

S. F. No. 551, A bill for an act relating to domestic abuse; requiring battered women programs to coordinate services with child protection agencies; authorizing service of short form notification in lieu of personal service for orders for protection; expanding the definition of first degree murder in situations involving domestic abuse; providing enhanced penalties based upon a previous conviction or adjudication for malicious punishment of a child and other laws; adding assault in the fifth degree and domestic assault to definition of "crimes of violence"; increasing the cash bail for individuals charged with malicious punishment of a child; clarifying when evidence of similar prior conduct of an accused related to domestic abuse is admissible; changing a definition in the law related to the order of disposition of issues on a court's calendar; providing criminal penalties; amending Minnesota Statutes 1998, sections 260.133, subdivisions 1 and 2; 260.191, subdivision 1b; 518B.01, subdivisions 5, 8, and by adding subdivisions; 609.185; 609.224, subdivisions 2 and 4; 609.2242, subdivisions 2 and 4; 609.342, subdivision 3; 609.343, subdivision 3; 609.344, subdivision 3; 609.345, subdivision 3; 609.377; 609.749, subdivisions 3 and 4; 611A.32, subdivision 2; 611A.34, subdivision 3; 624.712, subdivision 5; 626.556, subdivision 2; 626.558, subdivision 1; 629.471, subdivision 3; 630.36; and 634.20.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 2 nays as follows:

Abeler	Biernat	Buesgens	Clark, K.	Dempsey	Erickson
Abrams	Bishop	Carlson	Daggett	Dorman	Finseth
Anderson, B.	Boudreau	Carruthers	Davids	Dorn	Folliard
Anderson, I.	Bradley	Chaudhary	Dawkins	Entenza	Fuller
Bakk	Broecker	Clark, J.	Dehler	Erhardt	Gerlach

Gleason Jennings Goodno Johnson Greenfield Juhnke Greiling Kahn Gunther Kalis Haake Kelliher Kielkucki Haas Hackbarth Knoblach Harder Koskinen Hasskamp Krinkie Hausman Kubly Kuisle Hilty Larsen, P. Holberg Holsten Larson, D. Howes Leighton Lenczewski Huntley Jaros Leppik

Lieder Lindner Luther Mahoney Mares Mariani Marko McCollum McElroy McGuire Milbert Molnau Mulder Mullery Murphy Ness Nornes

Olson Opatz Orfield Osskopp Osthoff Otremba Ozment Paulsen Pawlenty Paymar Pelowski Peterson Pugh Rest Reuter Rhodes Rifenberg Rukavina Schumacher Seagren Seifert, J. Seifert, M. Skoe Skoglund Smith Solberg Stanek Stang Storm Swapinski Swenson Sykora Tingelstad Tomassoni

Tuma
Tunheim
Van Dellen
Vandeveer
Wagenius
Wejcman
Wenzel
Westerberg
Westfall
Westrom
Wilkin
Winter
Wolf
Workman
Spk. Sviggum

Trimble

Those who voted in the negative were:

Cassell Rostberg

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

S. F. No. 3478, A bill for an act relating to the city of Rochester; modifying probationary period rules for city of Rochester firefighters.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler Dawkins Abrams Dehler Anderson, B. Dempsey Anderson, I. Dorman Bakk Dorn Biernat Entenza Bishop Erhardt Boudreau Erickson Bradley Finseth Broecker Folliard Fuller Buesgens Carlson Gerlach Carruthers Gleason Cassell Goodno Chaudhary Grav Greenfield Clark, J. Clark, K. Greiling Daggett Gunther Davids Haake

Haas Hackbarth Harder Hasskamp Hausman Hilty Holberg Holsten Howes Huntley Jaros Jennings Johnson Juhnke Kahn Kalis Kelliher Kielkucki Knoblach

Kubly Kuisle Larsen, P. Larson, D. Leighton Lenczewski Leppik Lieder Lindner Luther Mahoney Mares Mariani Marko McCollum McElrov

McGuire

Koskinen

Krinkie

Molnau Mulder Mullery Murphy Ness Nornes Olson Opatz Orfield Osskopp Osthoff Otremba Ozment Paulsen Pawlenty Paymar Pelowski

Peterson

Milbert

Pugh Rest Reuter Rhodes Rifenberg Rostberg Rukavina Schumacher Seagren Seifert, J. Seifert, M. Skoe Skoglund Smith Solberg Stanek Stang Storm

Swapinski

Trimble Vandeveer Westerberg Winter Swenson Sykora Tuma Wagenius Westfall Wolf Tingelstad Tunheim Wejcman Westrom Workman Van Dellen Wenzel Wilkin Tomassoni Spk. Sviggum

The bill was passed and its title agreed to.

S. F. No. 3566 was reported to the House.

Entenza moved to amend S. F. No. 3566 as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 3303, the first engrossment:

"Section 1. Minnesota Statutes 1998, section 297B.10, is amended to read:

297B.10 [PENALTIES.]

- (1) Any person, including persons other than the purchaser, who prepares, completes, or submits a false or fraudulent motor vehicle purchaser's certificate with intent to defeat or evade the tax imposed under this chapter or any purchaser who fails to complete or submit a motor vehicle purchaser's certificate with intent to defeat or evade the tax or who attempts to defeat or evade the tax in any manner, is guilty of a gross misdemeanor unless the tax involved exceeds \$300, in which event the person is guilty of a felony. The term "person" as used in this section includes any officer or employee of a corporation or a member or employee of a partnership who as an officer, member, or employee is under a duty to perform the act with respect to which the violation occurs. Notwithstanding the provisions of section 628.26 or any other provision of the criminal laws of this state, an indictment may be found and filed, or a complaint filed, upon any criminal offense specified in this section, in the proper court within six years after the commission of the offense.
- (2) Any person who collects the tax imposed under this chapter from a purchaser and willfully fails to remit the tax is guilty of a felony.
- (3) Any person who violates any of the provisions of this chapter, unless the violation be of the type referred to in clause (1) or (2), is guilty of a misdemeanor.
- (3) (4) When two or more offenses in clause (1) or (2) are committed by the same person within six months, the offenses may be aggregated; further, if the offenses are committed in more than one county, the accused may be prosecuted for all the offenses aggregated under this clause in any county in which one of the offenses was committed.

# Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment and applies to crimes committed on or after that date."

The motion prevailed and the amendment was adopted.

S. F. No. 3566, A bill for an act relating to crime prevention; creating a new criminal penalty for failure to pay over sales tax on motor vehicles collected from a purchaser; amending Minnesota Statutes 1998, section 297B.10.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorn	Howes	Mahoney	Paymar	Sykora
Abrams	Entenza	Huntley	Mares	Pelowski	Tingelstad
Anderson, B.	Erhardt	Jaros	Mariani	Peterson	Tomassoni
Anderson, I.	Erickson	Jennings	Marko	Pugh	Trimble
Bakk	Finseth	Johnson	McCollum	Rest	Tuma
Biernat	Folliard	Juhnke	McElroy	Reuter	Tunheim
Bishop	Fuller	Kahn	McGuire	Rhodes	Van Dellen
Boudreau	Gerlach	Kalis	Milbert	Rifenberg	Vandeveer
Bradley	Gleason	Kelliher	Molnau	Rostberg	Wagenius
Broecker	Goodno	Kielkucki	Mulder	Rukavina	Wejcman
Buesgens	Gray	Knoblach	Mullery	Schumacher	Wenzel
Carlson	Greenfield	Koskinen	Murphy	Seagren	Westerberg
Carruthers	Greiling	Krinkie	Ness	Seifert, J.	Westfall
Cassell	Gunther	Kubly	Nornes	Seifert, M.	Westrom
Chaudhary	Haake	Kuisle	Olson	Skoe	Wilkin
Clark, J.	Haas	Larsen, P.	Opatz	Skoglund	Winter
Clark, K.	Hackbarth	Larson, D.	Orfield	Smith	Wolf
Daggett	Harder	Leighton	Osskopp	Solberg	Workman
Davids	Hasskamp	Lenczewski	Osthoff	Stanek	Spk. Sviggum
Dawkins	Hausman	Leppik	Otremba	Stang	
Dehler	Hilty	Lieder	Ozment	Storm	
Dempsey	Holberg	Lindner	Paulsen	Swapinski	
Dorman	Holsten	Luther	Pawlenty	Swenson	

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

S. F. No. 1126 was reported to the House.

Pawlenty moved that S. F. No. 1126 be temporarily laid over on the Calendar for the Day. The motion prevailed.

McCollum was excused between the hours of 1:05 p.m. and 1:25 p.m.

S. F. No. 3234 was reported to the House.

Greiling moved to amend S. F. No. 3234, the unofficial engrossment, as follows:

Page 5, line 32, after "budget" insert "and any loss of benefits to citizens of the state resulting from such a repeal"

The motion prevailed and the amendment was adopted.

Greiling moved to amend S. F. No. 3234, the unofficial engrossment, as amended, as follows:

Page 6, delete lines 5 to 36

Page 7, delete lines 1 to 4

Page 7, line 18, after "[SCHEDULE.]" insert "(a) Rules of the administration department, agriculture department, children, families, and learning department, commerce department, and corrections department will be reviewed in 2002.

(b) Rules of the accountancy board, administrative hearings office, animal health board, architecture, engineering, land surveying, landscape architecture, geoscience, and interior design board, and arts board will be reviewed in 2003."

Page 7, line 18, delete "(a)" and insert "(c)"

Page 7, line 23, delete "(b)" and insert "(d)"

Page 7, line 27, delete "(c)" and insert "(e)"

Page 7, line 31, delete "(d)" and insert "(f)"

Page 8, line 3, delete "(e)" and insert "(g)"

Page 8, line 13, delete "(f)" and insert "(h)"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Greiling amendment and the roll was called. There were 56 years and 77 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Folliard	Jennings	Lieder	Osthoff	Swapinski
Bakk	Gleason	Johnson	Luther	Otremba	Tomassoni
Biernat	Gray	Juhnke	Mahoney	Paymar	Trimble
Carlson	Greenfield	Kahn	Marko	Peterson	Tunheim
Carruthers	Greiling	Kelliher	McGuire	Pugh	Wagenius
Chaudhary	Hasskamp	Koskinen	Milbert	Rest	Winter
Clark, K.	Hausman	Kubly	Mullery	Rukavina	
Dawkins	Hilty	Larson, D.	Murphy	Schumacher	
Dorn	Huntley	Leighton	Opatz	Skoglund	
Entenza	Jaros	Lenczewski	Orfield	Solberg	

Those who voted in the negative were:

Abeler	Bishop	Broecker	Clark, J.	Dehler	Erhardt
Abrams	Boudreau	Buesgens	Daggett	Dempsey	Erickson
Anderson, B.	Bradley	Cassell	Davids	Dorman	Finseth

Fuller Howes Mariani Pawlenty Smith Wejcman McElroy Wenzel Gerlach Kalis Pelowski Stanek Goodno Kielkucki Molnau Reuter Stang Westerberg Westfall Gunther Knoblach Mulder Rhodes Storm Rifenberg Westrom Haake Krinkie Ness Swenson Haas Kuisle Nornes Rostberg Sykora Wilkin Larsen, P. Hackbarth Olson Seagren Tingelstad Wolf Harder Leppik Osskopp Seifert, J. Tuma Workman Holberg Lindner Ozment Seifert, M. Van Dellen Spk. Sviggum Holsten Vandeveer Mares Paulsen Skoe

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

The Speaker called Leppik to the Chair.

S. F. No. 3234, A bill for an act relating to state government; authorizing legislative governmental operations committees to formally object to administrative rules; modifying the review of proposed rules; creating a rules task force; providing appointments; amending Minnesota Statutes 1998, sections 3.842, subdivision 4a; and 14.15, subdivision 4; Minnesota Statutes 1999 Supplement, section 14.26, subdivision 3.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 97 yeas and 36 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorman	Juhnke	Mulder	Rukavina	Tunheim
Abrams	Dorn	Kalis	Ness	Schumacher	Van Dellen
Anderson, B.	Erhardt	Kielkucki	Nornes	Seagren	Vandeveer
Anderson, I.	Erickson	Knoblach	Olson	Seifert, J.	Wenzel
Bakk	Finseth	Krinkie	Opatz	Seifert, M.	Westerberg
Bishop	Fuller	Kubly	Osskopp	Skoe	Westfall
Boudreau	Gerlach	Kuisle	Otremba	Smith	Westrom
Bradley	Goodno	Larsen, P.	Ozment	Solberg	Wilkin
Broecker	Gunther	Larson, D.	Paulsen	Stanek	Winter
Buesgens	Haake	Lenczewski	Pawlenty	Stang	Wolf
Carlson	Haas	Leppik	Pelowski	Storm	Workman
Cassell	Hackbarth	Lindner	Peterson	Swenson	Spk. Sviggum
Clark, J.	Harder	Mares	Rest	Sykora	
Daggett	Hasskamp	Marko	Reuter	Tingelstad	
Davids	Holberg	McElroy	Rhodes	Tomassoni	
Dehler	Holsten	Milbert	Rifenberg	Trimble	
Dempsey	Howes	Molnau	Rostberg	Tuma	

Those who voted in the negative were:

Biernat	Clark, K.	Folliard	Greenfield	Hilty	Jennings
Carruthers	Dawkins	Gleason	Greiling	Huntley	Johnson
Chaudhary	Entenza	Gray	Hausman	Jaros	Kahn

Kelliher	Lieder	Mariani	Mullery	Paymar	Swapinski
Koskinen	Luther	McCollum	Murphy	Pugh	Wagenius
Leighton	Mahoney	McGuire	Orfield	Skoglund	Wejcman

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

S. F. No. 2725, A bill for an act relating to public defense; limiting representation by public defenders and court-appointed counsel to minors who are ten years of age or older; amending Minnesota Statutes 1998, section 611.26, subdivision 6; Minnesota Statutes 1999 Supplement, sections 260C.163, subdivision 3; and 611.14.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorn	Howes	Mahoney	Paymar	Sykora
Abrams	Entenza	Huntley	Mares	Pelowski	Tingelstad
Anderson, B.	Erhardt	Jaros	Mariani	Peterson	Tomassoni
Anderson, I.	Erickson	Jennings	Marko	Pugh	Trimble
Bakk	Finseth	Johnson	McCollum	Rest	Tuma
Biernat	Folliard	Juhnke	McElroy	Reuter	Tunheim
Bishop	Fuller	Kahn	McGuire	Rhodes	Van Dellen
Boudreau	Gerlach	Kalis	Milbert	Rifenberg	Vandeveer
Bradley	Gleason	Kelliher	Molnau	Rostberg	Wagenius
Broecker	Goodno	Kielkucki	Mulder	Rukavina	Wejcman
Buesgens	Gray	Knoblach	Mullery	Schumacher	Wenzel
Carlson	Greenfield	Koskinen	Murphy	Seagren	Westerberg
Carruthers	Greiling	Krinkie	Ness	Seifert, J.	Westfall
Cassell	Gunther	Kubly	Nornes	Seifert, M.	Westrom
Chaudhary	Haake	Kuisle	Olson	Skoe	Wilkin
Clark, J.	Haas	Larsen, P.	Opatz	Skoglund	Winter
Clark, K.	Hackbarth	Larson, D.	Orfield	Smith	Wolf
Daggett	Harder	Leighton	Osskopp	Solberg	Workman
Davids	Hasskamp	Lenczewski	Osthoff	Stanek	Spk. Sviggum
Dawkins	Hausman	Leppik	Otremba	Stang	
Dehler	Hilty	Lieder	Ozment	Storm	
Dempsey	Holberg	Lindner	Paulsen	Swapinski	
Dorman	Holsten	Luther	Pawlenty	Swenson	

The bill was passed and its title agreed to.

H. F. No. 3901, A bill for an act relating to housing; housing finance agency; authorizing agency to enter into interest rate exchange agreements; authorizing agency to make grants or loans under the community rehabilitation fund account to for-profit organizations; amending Minnesota Statutes 1998, section 462A.206, subdivision 4; Minnesota Statutes 1999 Supplement, section 462A.206, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 462A.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abeler	Dorman	Holberg	Lieder	Otremba	Stanek
Abrams	Dorn	Holsten	Lindner	Ozment	Stang
Anderson, B.	Entenza	Howes	Luther	Paulsen	Storm
Anderson, I.	Erhardt	Huntley	Mahoney	Pawlenty	Swapinski
Bakk	Erickson	Jaros	Mares	Paymar	Swenson
Biernat	Finseth	Jennings	Mariani	Pelowski	Sykora
Bishop	Folliard	Johnson	Marko	Peterson	Tingelstad
Boudreau	Fuller	Juhnke	McCollum	Pugh	Tomassoni
Bradley	Gerlach	Kahn	McElroy	Rest	Tuma
Broecker	Gleason	Kalis	McGuire	Reuter	Tunheim
Buesgens	Goodno	Kelliher	Milbert	Rhodes	Vandeveer
Carlson	Gray	Kielkucki	Molnau	Rifenberg	Wagenius
Carruthers	Greenfield	Knoblach	Mulder	Rostberg	Wejcman
Cassell	Greiling	Koskinen	Mullery	Rukavina	Wenzel
Chaudhary	Gunther	Krinkie	Murphy	Schumacher	Westerberg
Clark, J.	Haake	Kubly	Ness	Seagren	Westfall
Clark, K.	Haas	Kuisle	Nornes	Seifert, J.	Westrom
Daggett	Hackbarth	Larsen, P.	Olson	Seifert, M.	Wilkin
Davids	Harder	Larson, D.	Opatz	Skoe	Winter
Dawkins	Hasskamp	Leighton	Orfield	Skoglund	Wolf
Dehler	Hausman	Lenczewski	Osskopp	Smith	Workman
Dempsey	Hilty	Leppik	Osthoff	Solberg	Spk. Sviggum

Those who voted in the negative were:

Trimble

The bill was passed and its title agreed to.

Van Dellen was excused between the hours of 1:45 p.m. and 4:45 p.m.

S. F. No. 2949 was reported to the House.

Boudreau moved to amend S. F. No. 2949 as follows:

Page 4, after line 29, insert:

"Subd. 5. [HIGHWAYS.] The establishment of a heritage forest shall not, by itself, impose any additional restrictions upon the commissioner of transportation or a local road authority, to construct, improve, or maintain a highway, as defined in section 160.02, subdivision 7."

The motion prevailed and the amendment was adopted.

Olson moved to amend S. F. No. 2949, as amended, as follows:

Page 3, line 1, after "requirements" insert "and uses authorized"

The motion prevailed and the amendment was adopted.

Rukavina; Solberg; Tomassoni; Anderson, I., and Kahn moved to amend S. F. No. 2949, as amended, as follows:

Page 4, delete lines 27 to 31 and insert:

"Subd. 5. [MOTORIZED VEHICLES.] <u>Motorized vehicles may not be operated in a heritage forest established under subdivision 1."</u>

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

Olson moved to amend S. F. No. 2949, as amended, as follows:

Page 4, after line 29, insert:

"Subd. 5. [STATE REGULATION AND CONTROL.] Nothing in this chapter shall be used to authorize the acceptance of grants or agreements that would preempt state regulation and control of state lands."

The motion prevailed and the amendment was adopted.

S. F. No. 2949, A bill for an act relating to natural resources; providing for the establishment of heritage forest areas in specified counties; amending Minnesota Statutes 1998, section 84.944, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 89.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 106 yeas and 25 nays as follows:

Abeler	Daggett	Gray	Jaros	Lenczewski	Murphy
Abrams	Davids	Greenfield	Jennings	Leppik	Ness
Biernat	Dawkins	Greiling	Johnson	Lieder	Nornes
Bishop	Dempsey	Gunther	Juhnke	Luther	Olson
Boudreau	Dorman	Haake	Kahn	Mahoney	Opatz
Bradley	Dorn	Haas	Kalis	Mares	Orfield
Broecker	Entenza	Hackbarth	Kelliher	Mariani	Osskopp
Carlson	Erhardt	Harder	Koskinen	Marko	Osthoff
Carruthers	Finseth	Hasskamp	Kubly	McCollum	Ozment
Cassell	Folliard	Hilty	Kuisle	McElroy	Pawlenty
Chaudhary	Fuller	Holsten	Larsen, P.	McGuire	Paymar
Clark, J.	Gleason	Howes	Larson, D.	Milbert	Pelowski
Clark, K.	Goodno	Huntley	Leighton	Mullery	Peterson

Pugh	Seifert, J.	Stang	Tingelstad	Wagenius	Winter
Rhodes	Skoe	Storm	Trimble	Wejcman	Wolf
Rostberg	Skoglund	Swapinski	Tuma	Wenzel	Spk. Sviggum
Schumacher	Smith	Swenson	Tunheim	Westerberg	
Seagren	Stanek	Sykora	Vandeveer	Westfall	

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Those who voted in the negative were:

Anderson, B.	Erickson	Krinkie	Paulsen	Solberg
Anderson, I.	Gerlach	Lindner	Reuter	Tomassoni
Bakk	Holberg	Molnau	Rifenberg	Westrom
Buesgens	Kielkucki	Mulder	Rukavina	Wilkin
Dehler	Knoblach	Otremba	Seifert, M.	Workman

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

S. F. No. 1126 which was temporarily laid over earlier today on the Calendar for the Day was again reported to the House.

Carruthers moved to amend S. F. No. 1126 as follows:

Page 2, delete lines 12 to 14

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

S. F. No. 1126, A bill for an act relating to civil actions; clarifying the economic loss doctrine; providing for a comprehensive statute governing economic loss; proposing coding for new law in Minnesota Statutes, chapter 604.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abeler	Carruthers	Entenza	Gunther	Jennings	Larson, D.
Abrams	Cassell	Erhardt	Haake	Johnson	Leighton
Anderson, B.	Chaudhary	Erickson	Haas	Juhnke	Lenczewski
Anderson, I.	Clark, J.	Finseth	Hackbarth	Kahn	Leppik
Bakk	Clark, K.	Folliard	Harder	Kalis	Lieder
Biernat	Daggett	Fuller	Hasskamp	Kelliher	Lindner
Bishop	Davids	Gerlach	Hilty	Kielkucki	Luther
Boudreau	Dawkins	Gleason	Holberg	Knoblach	Mahoney
Bradley	Dehler	Goodno	Holsten	Koskinen	Mares
Broecker	Dempsey	Gray	Howes	Kubly	Mariani
Buesgens	Dorman	Greenfield	Huntley	Kuisle	Marko
Carlson	Dorn	Greiling	Jaros	Larsen, P.	McCollum

McElroy	Opatz	Peterson	Seifert, J.	Swenson	Wenzel
McGuire	Orfield	Pugh	Seifert, M.	Sykora	Westerberg
Milbert	Osskopp	Rest	Skoe	Tingelstad	Westfall
Molnau	Osthoff	Reuter	Skoglund	Tomassoni	Westrom
Mulder	Otremba	Rhodes	Smith	Trimble	Wilkin
Mullery	Ozment	Rifenberg	Solberg	Tuma	Winter
Murphy	Paulsen	Rostberg	Stanek	Tunheim	Wolf
Ness	Pawlenty	Rukavina	Stang	Vandeveer	Workman
Nornes	Paymar	Schumacher	Storm	Wagenius	Spk. Sviggum
Olson	Pelowski	Seagren	Swapinski	Wejcman	_

Those who voted in the negative were:

Krinkie

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

S. F. No. 2870 was reported to the House.

Davids moved to amend S. F. No. 2870 as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 2973, the first engrossment:

"Section 1. Minnesota Statutes 1999 Supplement, section 47.52, is amended to read:

## 47.52 [AUTHORIZATION.]

- (a) With the prior approval of the commissioner, any bank doing business in this state may establish and maintain detached facilities provided the facilities are located within: (1) the municipality in which the principal office of the applicant bank is located; or (2) 5,000 feet of its principal office measured in a straight line from the closest points of the closest structures involved; or (3) a municipality in which no bank is located at the time of application; or (4) a municipality having a population of more than 10,000; or (5) a municipality having a population of 10,000 or less, as determined by the commissioner from the latest available data from the state demographer, or for municipalities located in the seven-county metropolitan area from the metropolitan council, and all the banks having a principal office in the municipality have consented in writing to the establishment of the facility.
- (b) A detached facility shall not be closer than 50 feet to a detached facility operated by any other bank and shall not be closer than 100 feet to the principal office of any other bank, the measurement to be made in the same manner as provided above. This paragraph shall not be applicable if the proximity to the facility or the bank is waived in writing by the other bank and filed with the application to establish a detached facility.
- (c) A bank is allowed, in addition to other facilities, part-time deposit-taking locations at elementary and secondary schools located within the municipality in which the main banking house or a detached facility is located if they are established in connection with student education programs approved by the school administration and consistent with safe, sound banking practices.

- (d) In addition to other facilities, a bank may operate part-time locations at nursing homes and senior citizen housing facilities located within the municipality in which the main banking house or a detached facility is located, or within the seven-county metropolitan area if the bank's main banking facility or a detached facility is located within the seven-county metropolitan area, if they are operated in a manner consistent with safe, sound banking practices.
  - Sec. 2. Minnesota Statutes 1998, section 47.59, subdivision 7, is amended to read:
- Subd. 7. [ADVANCES TO PERFORM COVENANTS OF BORROWER OR PURCHASER.] (a) If the agreement with respect to a loan or credit sale contract contains covenants by the borrower or purchaser to perform certain duties pertaining to insuring or preserving collateral and the financial institution according to the agreement pays for performance of the duties on behalf of the borrower or purchaser, the financial institution may add to the debt or contract balance the amounts so advanced. Before or within a reasonable time not less more than 30 days after advancing any sums, the financial institution shall state to the borrower or purchaser in writing the amount of sums advanced or to be advanced, any charges with respect to this amount, and any revised payment schedule and, if the duties of the borrower or purchaser performed by the financial institution pertain to insurance, a brief description of the insurance paid for or to be paid for by the financial institution including the type and amount of coverages. Additional information need not be given. The actions of the financial institution pursuant to this subdivision shall not be deemed to cure the borrower's failure to perform covenants in the loan or credit sale contract, unless the loan or credit sale contract expressly provides otherwise.
- (b) A finance charge equal to that specified in the loan agreement or credit sale contract may be made for sums advanced under paragraph (a).
  - Sec. 3. Minnesota Statutes 1998, section 47.59, is amended by adding a subdivision to read:
- <u>Subd.</u> <u>9a.</u> [PROMPT CREDITING OF PAYMENTS.] (a) <u>A financial institution shall credit a payment to the consumer's account as of the date of receipt except when a delay in crediting does not result in a finance or other charge or except as provided in paragraph (b).</u>
- (b) If a financial institution, in the loan agreement or, in the case of open-end credit, on or with a periodic statement or similar document, specifies requirements for the consumer to follow in making payments, but accepts a payment that does not conform to the requirements, the creditor shall credit the payment within five days of receipt.
- (c) If a financial institution fails to credit a payment, as required by paragraph (a) or (b) in time to avoid the imposition of finance or other charges, the financial institution shall adjust the consumer's account so that the charges imposed are credited to the consumer's account promptly or, in the case of open-end credit, no later than during the next billing cycle.
  - Sec. 4. Minnesota Statutes 1998, section 47.59, subdivision 10, is amended to read:
- Subd. 10. [CREDIT INSURANCE.] (a) The sale of credit insurance or mortgage insurance is subject to chapters 61A, 62A, and 62B, as applicable, and the rules adopted under those chapters, if any. In case there are multiple consumers obligated under a transaction subject to this chapter, no policy or certificate of insurance providing credit life insurance may be procured by or through a financial institution or person described in subdivision 2 upon more than two of the consumers, in which case they may be insured jointly.
- (b) A financial institution that provides credit insurance in relation to open-end credit may calculate the charge to the borrower in each billing cycle by applying the current premium rate to the balance in the manner permitted with respect to finance charges by the provisions on finance charge in this section.

- (c) Upon prepayment in full of a consumer loan or credit sale contract by the proceeds of credit insurance or mortgage insurance, the consumer or the consumer's estate is entitled to a refund of any portion of a separate charge for insurance that by reason of prepayment is retained by the financial institution or returned to it by the insurer, unless the charge was computed from time to time on the basis of the balances of the consumer's loan or credit sale contract.
- (d) This section does not require a financial institution to grant a refund to the consumer if all refunds due to the consumer under paragraph (c) amount to less than \$5 and, except as provided in paragraph (c), does not require the financial institution to account to the consumer for any portion of a separate charge for insurance because:
  - (1) the insurance is terminated by performance of the insurer's obligation;
- (2) the financial institution pays or accounts for premiums to the insurer in amounts and at times determined by the agreement between them; or
- (3) the financial institution receives directly or indirectly under a policy of insurance a gain or advantage not prohibited by law.
- (e) Except as provided in paragraph (d), the financial institution shall promptly make or cause to be made an appropriate refund to the consumer with respect to a separate charge made to the consumer for insurance if:
- (1) the insurance is not provided or is provided for a shorter term than for which the charge to the borrower for insurance was computed; or
- (2) the insurance terminates before the end of the term for which it was written because of prepayment in full or otherwise.
- (f) If a financial institution requires insurance, upon notice to the borrower, the borrower has the option of providing the required insurance through an existing policy of insurance owned or controlled by the borrower, or through a policy to be obtained and paid for by the borrower, but the financial institution for reasonable cause may decline the insurance provided by the borrower.
  - Sec. 5. Minnesota Statutes 1998, section 47.60, subdivision 2, is amended to read:
- Subd. 2. [AUTHORIZATION, TERMS, CONDITIONS, AND PROHIBITIONS.] (a) In lieu of the interest, finance charges, or fees in any other law, a consumer small loan lender may charge the following:
  - (1) on any amount up to and including \$50, a charge of \$5.50 may be added;
- (2) on amounts in excess of \$50, but not more than \$100, a charge may be added equal to ten percent of the loan proceeds plus a \$5 administrative fee;
- (3) on amounts in excess of \$100, but not more than \$250, a charge may be added equal to seven percent of the loan proceeds with a minimum of \$10 plus a \$5 administrative fee;
- (4) for amounts in excess of \$250 and not greater than the maximum in subdivision 1, paragraph (a), a charge may be added equal to six percent of the loan proceeds with a minimum of \$17.50 plus a \$5 administrative fee.
  - (b) The term of a loan made under this section shall be for no more than 30 calendar days.
- (c) After maturity, the contract rate must not exceed 2.75 percent per month of the remaining loan proceeds after the maturity date calculated at a rate of 1/30 of the monthly rate in the contract for each calendar day the balance is outstanding.

- (d) No insurance charges or other charges must be permitted to be charged, collected, or imposed on a consumer small loan except as authorized in this section.
- (e) On a loan transaction in which cash is advanced in exchange for a personal check, a return check charge may be charged as authorized by section 332.50, subdivision 2, paragraph (d) (a).
- (f) A loan made under this section must not be repaid by the proceeds of another loan made under this section by the same lender or related interest. The proceeds from a loan made under this section must not be applied to another loan from the same lender or related interest. No loan to a single borrower made pursuant to this section shall be split or divided and no single borrower shall have outstanding more than one loan with the result of collecting a higher charge than permitted by this section or in an aggregate amount of principal exceed at any one time the maximum of \$350.
  - Sec. 6. Minnesota Statutes 1998, section 48.56, is amended to read:

### 48.56 [BANKING INSTITUTIONS MAY USE FEDERAL BANKING ACT LAWS.]

Any banking institution now or hereafter organized under the laws of this state is hereby empowered, on the authority of its board of directors, or a majority thereof, to enter into such contracts, incur such obligations and generally to do and perform any and all such acts and things as may be necessary or appropriate in order to take advantage of any and all memberships, loans, subscriptions, contracts, grants, rights, or privileges which may at any time be available or enure to banking institutions or to their depositors, creditors, stockholders, receivers, or liquidators, by virtue of those provisions of Section 8 of the federal "Banking Acts of 1933" (Section 12B of the Federal Reserve Act, as amended (Mason's United States Code Annotated, title 12, s 264)), which establish the Federal Deposit Insurance Corporation and provide for the insurance of deposits, or of any other provisions of that or of any other act or resolution of Congress to aid, regulate, or safeguard banking institutions and their depositors, including any amendments of the same or any substitutions therefor; and to subscribe for and acquire any stock, debentures, bonds, or other types of securities of the Federal Deposit Insurance Corporation, and to comply with the lawful regulations and requirements from time to time issued or made by such corporation. Subdivision 1. [GENERAL POWERS.] The board of directors of a banking institution may enter into a contract, incur an obligation, or generally do what is necessary or appropriate to make use of United States Code, Title 12, section 1811, or any act or resolution of Congress enacted or resolved to aid, regulate, or safeguard banking institutions and their depositors.

- <u>Subd. 2.</u> [GENERAL RIGHTS AND PRIVILEGES.] <u>Memberships, loans, subscriptions, contracts, grants, rights, or privileges that, under the act or resolution, are available to or enure to banking institutions, or their depositors, creditors, stockholders, receivers, or liquidators may be taken advantage of under this section.</u>
- <u>Subd.</u> 3. [PURCHASE OF FDIC SECURITIES.] <u>The board may subscribe for and acquire securities of the Federal Deposit Insurance Corporation.</u>
- <u>Subd.</u> <u>4.</u> [COMPLYING WITH FDIC REQUIREMENTS.] <u>The board may comply with the corporation's requirements.</u>
  - Sec. 7. Minnesota Statutes 1998, section 52.04, subdivision 1, is amended to read:
  - Subdivision 1. A credit union has the following powers:
- (1) to offer its members and other credit unions various classes of shares, share certificates, deposits, or deposit certificates;
- (2) to receive the savings of its members either as payment on shares or as deposits, including the right to conduct Christmas clubs, vacation clubs, and other thrift organizations within its membership. Trust funds received by a real estate broker or the broker's salespersons in trust may be deposited in a credit union;

- (3) to make loans to members for provident or productive purposes as provided in section 52.16;
- (4) to make loans to a cooperative society or other organization having membership in the credit union;
- (5) to deposit in state and national banks and trust companies authorized to receive deposits;
- (6) to invest in any investment legal for savings banks or for trust funds in the state and, notwithstanding clause (3), to invest in and make loans of unsecured days funds (federal funds or similar unsecured loans) to financial institutions insured by an agency of the federal government and a member of the Federal Reserve System or required to maintain reserves at the Federal Reserve:
  - (7) to borrow money as hereinafter indicated;
  - (8) to adopt and use a common seal and alter the same at pleasure;
- (9) to make payments on shares of and deposit with any other credit union chartered by this or any other state or operating under the provisions of the Federal Credit Union Act, in amounts not exceeding in the aggregate 25 percent of its unimpaired assets. However, payments on shares of and deposit with credit unions chartered by other states are restricted to credit unions insured by the National Credit Union Administration. The restrictions imposed by this clause do not apply to share accounts and deposit accounts of the Minnesota corporate credit union in United States central credit union or to share accounts and deposit accounts of credit unions in the Minnesota corporate credit union:
- (10) to contract with any licensed insurance company or society to insure the lives of members to the extent of their share accounts, in whole or in part, and to pay all or a portion of the premium therefor;
- (11) to indemnify each director, officer, or committee member, or former director, officer, or committee member against all expenses, including attorney's fees but excluding amounts paid pursuant to a judgment or settlement agreement, reasonably incurred in connection with or arising out of any action, suit, or proceeding to which that person is a party by reason of being or having been a director, officer, or committee member of the credit union, except with respect to matters as to which that person is finally adjudged in the action, suit, or proceeding to be liable for negligence or misconduct in the performance of duties. The indemnification is not exclusive of any other rights to which that person may be entitled under any bylaw, agreement, vote of members, or otherwise;
- (12) upon written authorization from a member, retained at the credit union, to make payments to third parties by withdrawals from the member's share or deposit accounts or through proceeds of loans made to such member, or by permitting the credit union to make those payments from the member's funds prior to deposit; to permit draft withdrawals from member accounts, but a credit union proposing to permit draft withdrawals shall notify the commissioner of commerce, in the form prescribed, of its intent not less than 90 days prior to authorizing draft withdrawals. The board of directors of a credit union may restrict one class of shares to the extent that it may not be redeemed, withdrawn, or transferred except upon termination of membership in the credit union;
- (13) to inform its members as to the availability of various group purchasing plans which are related to the promotion of thrift or the borrowing of money for provident and productive purposes by means of informational materials placed in the credit union's office, through its publications, or by direct mailings to members by the credit union;
- (14) to facilitate its members' voluntary purchase of types of insurance incidental to promotion of thrift or the borrowing of money for provident and productive purposes including, but not limited to the following types of group or individual insurance: Fire, theft, automobile, life and temporary disability; to be the policy holder of a group insurance plan or a subgroup under a master policy plan and to disseminate information to its members concerning the insurance provided thereunder; to remit premiums to an insurer or the holder of a master policy on behalf of a credit union member, if the credit union obtains written authorization from the member for remittance by share or deposit withdrawals or through proceeds of loans made by the members, or by permitting the credit union to make

the payments from the member's funds prior to deposit; and to accept from the insurer reimbursement for expenses incurred or in the case of credit life, accident and health, and involuntary unemployment insurance within the meaning of chapter 62B commissions for the handling of the insurance. The amount reimbursed or the commissions received may constitute the general income of the credit union. The directors, officers, committee members and employees of a credit union shall not profit on any insurance sale facilitated through the credit unions;

- (15) to contract with another credit union to furnish services which either could otherwise perform. Contracted services under this clause are subject to regulation and examination by the commissioner of commerce like other services:
- (16) in furtherance of the twofold purpose of promoting thrift among its members and creating a source of credit for them at legitimate rates of interest for provident purposes, and not in limitation of the specific powers hereinbefore conferred, to have all the powers enumerated, authorized, and permitted by this chapter, and such other rights, privileges and powers incidental to, or necessary for, the accomplishment of the objectives and purposes of the credit union;
- (17) to rent safe deposit boxes to its members if the credit union obtains adequate insurance or bonding coverage for losses which might result from the rental of safe deposit boxes;
- (18) notwithstanding the provisions of section 52.05, to accept deposits of public funds in an amount secured by insurance or other means pursuant to chapter 118 or section 9.031 or other applicable law and to receive deposits of trust funds provided that either the provider or the beneficial owner of the funds is a member of the credit union accepting the deposit;
- (19) to accept and maintain treasury tax and loan accounts of the United States and to pledge collateral to secure the treasury tax or loan accounts, in accordance with the regulations of the Department of Treasury of the United States;
- (20) to accept deposits pursuant to section 149A.97, subdivision 5, notwithstanding the provisions of section 52.05, if the deposits represent funding of prepaid funeral plans of members;
  - (21) to sell, in whole or in part, real estate secured loans provided that:
  - (a) the loan is secured by a first lien;
  - (b) the board of directors approves the sale;
  - (c) if the sale is partial, the agreement to sell a partial interest shall, at a minimum:
  - (i) identify the loan or loans covered by the agreement;
- (ii) provide for the collection, processing, remittance of payments of principal and interest, taxes and insurance premiums and other charges or escrows, if any;
  - (iii) define the responsibilities of each party in the event the loan becomes subject to collection, loss or foreclosure;
- (iv) provide that in the event of loss, each owner shall share in the loss in proportion to its interest in the loan or loans;
- (v) provide for the distribution of payments of principal to each owner proportionate to its interest in the loan or loans;
  - (vi) provide for loan status reports;

- (vii) state the terms and conditions under which the agreement may be terminated or modified; and
- (d) the sale is without recourse or repurchase unless the agreement:
- (i) requires repurchase of a loan because of any breach of warranty or misrepresentation;
- (ii) allows the seller to repurchase at its discretion; or
- (iii) allows substitution of one loan for another;
- (22) in addition to the sale of loans secured by a first lien on real estate, to sell, pledge, discount, or otherwise dispose of, in whole or in part, to any source, a loan or group of loans, other than a self-replenishing line of credit; provided, that within a calendar year beginning January 1 the total dollar value of loans sold, other than loans secured by real estate or insured by a state or federal agency, shall not exceed 25 percent of the dollar amount of all loans and participating interests in loans held by the credit union at the beginning of the calendar year, unless otherwise authorized in writing by the commissioner;
  - (23) to designate the par value of the shares of the credit union by board resolution;
- (24) to exercise by resolution the powers set forth in United States Code, title 12, section 1757<del>, as amended through December 31, 1992</del>. Before exercising each power, the board must submit a plan to the commissioner of commerce detailing implementation of the power to be used;
- (25) to offer self-directed individual retirement accounts and Keogh accounts and act as custodian and trustee of these accounts if:
  - (1) all contributions of funds are initially made to a deposit, share or share certificate account in the credit union;
- (2) any subsequent transfer of funds to other assets is solely at the direction of the member and the credit union exercises no investment discretion and provides no investment advice with respect to plan assets; and
- (3) the member is clearly notified of the fact that National Credit Union Share Insurance Fund coverage is limited to funds held in deposit, share or share certificate accounts of National Credit Union Share Insurance Fund-insured credit unions.
  - Sec. 8. Minnesota Statutes 1998, section 56.131, subdivision 4, is amended to read:
- Subd. 4. [ADJUSTMENT OF DOLLAR AMOUNTS.] The dollar amounts in subdivisions 2 and 6, sections 53.04, subdivision 3a, paragraph (c), 56.01, 56.12, and 56.125 shall change periodically, as provided in section 47.59, subdivision 3.
  - Sec. 9. Minnesota Statutes 1998, section 58.02, subdivision 10, is amended to read:
- Subd. 10. [FINANCIAL INSTITUTION.] "Financial institution" means a bank, bank and trust, trust company with banking powers, savings bank, savings association, or credit union, organized under the laws of this state, any other state, or the United States; a Minnesota host state branch of an out-of-state state-chartered bank as provided for in section 49.411; an industrial loan and thrift under chapter 53; or a regulated lender under chapter 56. The term "financial institution" also includes a subsidiary or operating subsidiary of a financial institution or of a bank holding company as defined in the federal Bank Holding Company Act, United States Code, title 12, section 1841 et seq., if the subsidiary or operating subsidiary can demonstrate to the satisfaction of the commissioner that it is regulated and subject to active and ongoing oversight and supervision by a federal banking agency, as defined in the Federal Deposit Insurance Act, United States Code, title 12, section 1811 et seq., or the commissioner.

Sec. 10. Minnesota Statutes 1999 Supplement, section 58.04, subdivision 1, is amended to read:

Subdivision 1. [RESIDENTIAL MORTGAGE ORIGINATOR LICENSING REQUIREMENTS.] (a) Beginning August 1, 1999, no person shall act as a residential mortgage originator, or make residential mortgage loans without first obtaining a license from the commissioner according to the licensing procedures provided in this chapter.

- (b) The following persons are exempt from the residential mortgage originator licensing requirements:
- (1) an employee of one mortgage originator licensee or one person holding a certificate of exemption;
- (2) a person engaged solely in commercial mortgage activities;
- (3) a person licensed as a real estate broker under chapter 82, and who is not licensed to another real estate broker;
- (3) an individual real estate licensee who is licensed to the a real estate broker as described in clause (2) if:
- (i) the individual licensee acts only under the name, authority, and supervision of the broker to whom the licensee is licensed:
- (ii) the broker to whom the licensee is licensed obtains a certificate of exemption according to section 58.05, subdivision 2;
  - (iii) the broker does not collect an advance fee for its residential mortgage-related activities; and
- (iv) the residential mortgage origination activities are incidental to the real estate licensee's primary activities as a real estate broker or salesperson;
  - (4) an individual licensed as a property/casualty or life/health insurance agent under chapter 60K if:
- (i) the insurance agent acts on behalf of only one residential mortgage originator, which is in compliance with chapter 58;
- (ii) the insurance agent has entered into a written contract with the mortgage originator under the terms of which the mortgage originator agrees to accept responsibility for the insurance agent's residential mortgage-related activities;
  - (iii) the insurance agent obtains a certificate of exemption under section 58.05, subdivision 2; and
- (iv) the insurance agent does not collect an advance fee for the insurance agent's residential mortgage-related activities;
- (5) a person making who is not in the business of making residential mortgage loans and who makes no more than five residential mortgage three such loans, with its own funds, during any 12-month period;
  - (6) a financial institution as defined in section 58.02, subdivision 10;
  - (7) an agency of the federal government, or of a state or municipal government;
  - (8) an employee or employer pension plan making loans only to its participants;
- (9) a person acting in a fiduciary capacity, such as a trustee or receiver, as a result of a specific order issued by a court of competent jurisdiction; or
  - (10) a person exempted by order of the commissioner.

- Sec. 11. Minnesota Statutes 1998, section 58.04, subdivision 2, is amended to read:
- Subd. 2. [RESIDENTIAL MORTGAGE SERVICER LICENSING REQUIREMENTS.] (a) Beginning August 1, 1999, no person shall engage in activities or practices that fall within the definition of "servicing a residential mortgage loan" under section 58.02, subdivision 22, without first obtaining a license from the commissioner according to the licensing procedures provided in this chapter.
  - (b) The following persons are exempt from the residential mortgage servicer licensing requirements:
  - (1) a person licensed as a residential mortgage originator;
- (2) an employee of one licensee or one person holding a certificate of exemption based on an exemption under this subdivision:
  - (3) a person engaged solely in commercial mortgage activities;
- (4) a person servicing loans made with its own funds, if no more than five three such loans are made in any 12-month period;
  - (5) (4) a financial institution as defined in section 58.02, subdivision 10;
  - (6) (5) an agency of the federal government, or of a state or municipal government;
  - (7) (6) an employee or employer pension plan making loans only to its participants;
- (8) (7) a person acting in a fiduciary capacity, such as a trustee or receiver, as a result of a specific order issued by a court of competent jurisdiction; or
  - (9) (8) a person exempted by order of the commissioner.
  - Sec. 12. Minnesota Statutes 1998, section 58.04, subdivision 3, is amended to read:
- Subd. 3. [CONDUCTING BUSINESS UNDER LICENSE.] No person required to be licensed under this chapter may, without a license, do business under a name or title or circulate or use advertising or make representations or give information to a person, that indicates or reasonably implies activity within the scope of this chapter.

No person licensed under this chapter may do business under more than one name or title.

- Sec. 13. Minnesota Statutes 1998, section 58.05, is amended by adding a subdivision to read:
- Subd. 3. [CERTIFICATE OF EXEMPTION.] A person must obtain a certificate of exemption from the commissioner to qualify as an exempt person under section 58.04, subdivision 1, paragraph (b), as a real estate broker under clause (2), an insurance agent under clause (4), a financial institution under clause (6), or by order of the commissioner under clause (10); or under section 58.04, subdivision 2, paragraph (b), as a financial institution under clause (4), or by order of the commissioner under clause (8).
- Sec. 14. Minnesota Statutes 1998, section 58.08, as amended by Laws 1999, chapter 151, section 36, is amended to read:

58.08 [BONDS; LETTERS OF CREDIT.]

Subdivision 1. [REQUIREMENT OF RESIDENTIAL MORTGAGE ORIGINATORS.] A residential mortgage originator licensee engaging in servicing a residential mortgage loan shall continuously maintain a surety bond or irrevocable letter of credit in an amount not less than \$50,000 in a form approved by the commissioner, issued by

an insurance company or bank authorized to do so in this state. The bond <u>or irrevocable letter of credit</u> must be available for the recovery of expenses, fines, and fees levied by the commissioner under this chapter relating to servicing, and for losses or damages incurred by borrowers as the result of a licensee's servicing-related noncompliance with the requirements of this chapter, sections 325D.43 to 325D.48, and 325F.67 to 325F.69, or breach of contract.

The bond or irrevocable letter of credit must be submitted with the originator's license application, and evidence of continued coverage must be submitted with each renewal. Any change in the bond or letter of credit must be submitted for approval by the commissioner, within ten days of its execution.

Subd. 2. [REQUIREMENT OF RESIDENTIAL MORTGAGE SERVICERS.] A residential mortgage servicer licensee shall continuously maintain a surety bond or irrevocable letter of credit in an amount not less than \$100,000 in a form approved by the commissioner, issued by an insurance company or bank authorized to do so in this state. The bond or irrevocable letter of credit must be available for the recovery of expenses, fines, and fees levied by the commissioner under this chapter, and for losses or damages incurred by borrowers or other aggrieved parties as the result of a licensee's noncompliance with the requirements of this chapter, sections 325D.43 to 325D.48, and 325F.67 to 325F.69, or breach of contract relating to activities regulated by this chapter.

The bond or irrevocable letter of credit must be submitted with the servicer's license application and evidence of continued coverage must be submitted with each renewal. Any change in the bond or letter of credit must be submitted for approval by the commissioner, within ten days of its execution.

- Subd. 3. [EXEMPTION.] Subdivisions 1 and 2 do not apply to mortgage originators or mortgage servicers who are approved as seller/servicers by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation.
- <u>Subd. 4.</u> [IRREVOCABLE LETTER OF CREDIT.] <u>As used in this chapter, an irrevocable letter of credit must be accepted only if it is clean, irrevocable, and contains an evergreen clause.</u>
  - (a) "Clean" means a letter of credit that is not conditioned on the delivery of any other documents or materials.
- (b) "Irrevocable" means a letter of credit that cannot be modified or revoked without the consent of the beneficiary once the beneficiary is established.
- (c) "Evergreen clause" means one that specifically states the expiration of a letter of credit will not take place without a 60-day notice by the issuer and one that allows the issuer to conduct an annual review of the account party's financial condition. If prior notice of expiration is not given by the issuer, the letter of credit is automatically extended for one year.

A clean irrevocable letter of credit must be accepted only if it is issued by a financial institution that is authorized to engage in banking in any of the 50 states or under the laws of the United States, and whose business is substantially confined to banking and supervised by the state commissioner of commerce or similar official, and that has a long-term debt rating by a recognized national rating agency of investment grade or better. If no long-term debt rating is available, the financial institution must have the equivalent investment grade financial characteristics.

Sec. 15. Minnesota Statutes 1998, section 58.10, subdivision 1, is amended to read:

Subdivision 1. [AMOUNTS.] The following fees must be paid to the commissioner:

- (1) for an initial residential mortgage originator license, \$800;
- (2) for a renewal license, \$400;
- (3) for an initial residential mortgage servicer's license, \$1,000;

- (4) for a renewal license, \$500; and
- (5) license service fees as set forth in chapter 45; and
- (6) for a certificate of exemption, \$100.
- Sec. 16. [58.135] [RATES AND CHARGES.]

<u>Subdivision 1.</u> [FIRST LIEN MORTGAGES.] <u>A residential mortgage originator making first lien residential mortgage loans must comply with the applicable limits on residential mortgage loan rates, fees, and charges as found in sections 47.20 and 47.204.</u>

Nothing in this subdivision prevents a financial institution under section 47.59, subdivision 1, paragraph (k), from making first lien residential mortgage loans under section 47.59 or other provisions of law available to financial institutions under that section.

Subd. 2. [JUNIOR LIEN MORTGAGES.] (a) A residential mortgage originator that is a bank, bank and trust, trust company with banking powers, savings bank, savings association, or credit union organized under the laws of this or any other state or the United States, or an industrial loan and thrift company under chapter 53 or a regulated lender under chapter 56 or an entity in another state subject to regulation substantially similar to chapter 53 or 56, making junior lien residential loans, must comply with the limits on residential mortgage loan rates, fees, and charges as found in section 47.59.

Nothing in this subdivision authorizes a mortgage originator to make loans on terms and conditions that would not be available to it in the absence of this section.

- (b) A residential mortgage originator other than an entity designated in paragraph (a) making junior lien residential loans, must comply with the limits on residential mortgage loan rates, fees, and charges as found in section 47.20.
  - Sec. 17. Minnesota Statutes 1998, section 168.72, is amended by adding a subdivision to read:
- <u>Subd. 1a.</u> [PROMPT CREDITING OF PAYMENTS.] (a) <u>A contract holder shall credit a payment to the customer's account as of the date of receipt except when a delay in crediting does not result in a finance or other charge or except as provided in paragraph (b).</u>
- (b) If a retail installment contract or other instructions specify requirements for the consumer to follow in making payments, but the contract holder accepts a payment that does not conform to the requirements, the contract holder shall credit the payment within five days of receipt.
- (c) If a contract holder fails to credit a payment, as required by paragraphs (a) and (b), in time to avoid the imposition of finance or other charges, the contract holder shall adjust the consumer's account so that the charges imposed are credited to the consumer's account promptly.
- Sec. 18. [COMMERCE DEPARTMENT EXAMINATION; FOUNDATION LOAN PORTFOLIO PILOT PROJECT.]
- (a) Any nonprofit charitable organization recognized as exempt from federal income taxation under section 501(c) (3) of the federal Internal Revenue Code of 1986, as amended, participating as a regional organization under the challenge grant program established under Minnesota Statutes, section 116J.415, and serving the counties of Aitkin, Cook, Lake, St. Louis, Carlton, Itasca, and Koochiching as of the effective date of this section, may enter into an agreement with the commissioner of commerce to facilitate the charitable organization's participation in the United States Small Business Administration guaranteed lender program.

- (b) The agreement referred to in paragraph (a) shall provide for a level of examination and supervision by the department of commerce necessary for the charitable organization to meet United States Small Business Administration requirements for guaranteed lender status, including an annual examination of the books, accounts, records, and files related to the charitable organization's portfolio of guaranteed loans. Reports of the commissioner's annual examination shall be made available to the United States Small Business Administration upon request.
- (c) The charitable organization shall pay the department's cost, as determined by the commissioner of commerce, of the supervision and examination required under an agreement entered into pursuant to this section. The charitable organization shall also pay the department's cost, as determined by the commissioner, of negotiating the agreement. Money received by the department under this subdivision must be deposited in the state treasury and credited to an account in the special revenue fund. Money in this account is annually appropriated to the commissioner for purposes of administering this section.
  - (d) This section expires December 31, 2003.
  - Sec. 19. [VASA TOWNSHIP; DETACHED BANKING FACILITY.]

With the prior approval of the commissioner of commerce, a bank operating its principal office in Cannon Falls may establish and maintain not more than one detached facility in Vasa township. A bank desiring to establish such a detached facility must follow the approval procedure prescribed in Minnesota Statutes, section 47.54. The establishment of a detached facility under this section is subject to Minnesota Statutes, sections 47.51 to 47.57, except to the extent those sections are inconsistent with this section.

Sec. 20. [REPEALER.]

- (a) Minnesota Statutes 1998, sections 58.02, subdivision 15; and 58.05, subdivision 2, are repealed.
- (b) Minnesota Rules, part 2675.4180, is repealed.
- (c) Minnesota Rules, part 2675.6141, subpart 1, is repealed effective the day following final enactment.

Sec. 21. [EFFECTIVE DATES.]

<u>Sections 1, 2, 4 to 15, 18, and 20 are effective the day after final enactment.</u> <u>Sections 3 and 17 are effective July 1, 2000.</u> <u>Section 19 is effective the day after compliance by the governing body of Vasa township with Minnesota Statutes, section 645.021, subdivision 3."</u>

Delete the title and insert:

"A bill for an act relating to financial institutions; regulating certain loan charges and payments; establishing a foundation loan portfolio pilot project; making various technical changes; appropriating money; amending Minnesota Statutes 1998, sections 47.59, subdivisions 7, 10, and by adding a subdivision; 47.60, subdivision 2; 48.56; 52.04, subdivision 1; 56.131, subdivision 4; 58.02, subdivision 10; 58.04, subdivisions 2 and 3; 58.05, by adding a subdivision; 58.08, as amended; 58.10, subdivision 1; and 168.72, by adding a subdivision; Minnesota Statutes 1999 Supplement, sections 47.52; and 58.04, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 58; repealing Minnesota Statutes 1998, sections 58.02, subdivision 15; and 58.05, subdivision 2; Minnesota Rules, parts 2675.4180; and 2675.6141, subpart 1."

The motion prevailed and the amendment was adopted.

Davids moved to amend S. F. No. 2870, as amended, as follows:

Page 2, after line 28, insert:

"Sec. 2. Minnesota Statutes 1998, section 47.59, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of this section, the following definitions shall apply.

- (a) "Actuarial method" has the meaning given the term in the Code of Federal Regulations, title 12, part 226, and appendix J thereto.
- (b) "Annual percentage rate" has the meaning given the term in the Code of Federal Regulations, title 12, part 226, but using the definition of "finance charge" used in this section.
  - (c) "Borrower" means a debtor under a loan or a purchaser or debtor under a credit sale contract.
  - (d) "Business purpose" means a purpose other than a personal, family, household, or agricultural purpose.
- (e) "Cardholder" means a person to whom a credit card is issued or who has agreed with the financial institution to pay obligations arising from the issuance to or use of the card by another person.
  - (f) "Consumer loan" means a loan made by a financial institution in which:
  - (1) the debtor is a person other than an organization;
  - (2) the debt is incurred primarily for a personal, family, or household purpose; and
  - (3) the debt is payable in installments or a finance charge is made.
- (g) "Credit" means the right granted by a financial institution to a borrower to defer payment of a debt, to incur debt and defer its payment, or to purchase property or services and defer payment.
- (h) "Credit card" means a card or device issued under an arrangement pursuant to which a financial institution gives to a cardholder the privilege of obtaining credit from the financial institution or other person in purchasing or leasing property or services, obtaining loans, or otherwise. A transaction is "pursuant to a credit card" only if credit is obtained according to the terms of the arrangement by transmitting information contained on the card or device orally, in writing, by mechanical or electronic methods, or in any other manner. A transaction is not "pursuant to a credit card" if the card or device is used solely in that transaction to:
- (1) identify the cardholder or evidence the cardholder's creditworthiness and credit is not obtained according to the terms of the arrangement;
- (2) obtain a guarantee of payment from the cardholder's deposit account, whether or not the payment results in a credit extension to the cardholder by the financial institution; or
- (3) effect an immediate transfer of funds from the cardholder's deposit account by electronic or other means, whether or not the transfer results in a credit extension to the cardholder by the financial institution.
- (i) "Credit sale contract" means a contract evidencing a credit sale. "Credit sale" means a sale of goods or services, or an interest in land, in which:
  - (1) credit is granted by a seller who regularly engages as a seller in credit transactions of the same kind; and
  - (2) the debt is payable in installments or a finance charge is made.

- (j) "Finance charge" has the meaning given in the Code of Federal Regulations, title 12, part 226, except that the following will not in any event be considered a finance charge:
- (1) a charge as a result of default or delinquency under subdivision 6 if made for actual unanticipated late payment, delinquency, default, or other similar occurrence, and a charge made for an extension or deferment under subdivision 5, unless the parties agree that these charges are finance charges;
  - (2) an additional charge under subdivision 6;
- (3) a discount, if a financial institution purchases a loan at less than the face amount of the obligation or purchases or satisfies obligations of a cardholder pursuant to a credit card and the purchase or satisfaction is made at less than the face amount of the obligation;
- (4) fees paid by a borrower to a broker, provided the financial institution or a person described in subdivision 4 does not require use of the broker to obtain credit; or
- (5) a commission, expense reimbursement, or other sum received by a financial institution or a person described in subdivision 4 in connection with insurance described in subdivision 6.
- (k) "Financial institution" means a state or federally chartered bank, a state or federally chartered bank and trust, a trust company with banking powers, a state or federally chartered saving bank, a state or federally chartered savings association, an industrial loan and thrift company, or a regulated lender, or an operating subsidiary of any such institution.
  - (l) "Loan" means:
- (1) the creation of debt by the financial institution's payment of money to the borrower or a third person for the account of the borrower;
- (2) the creation of debt pursuant to a credit card in any manner, including a cash advance or the financial institution's honoring a draft or similar order for the payment of money drawn or accepted by the borrower, paying or agreeing to pay the borrower's obligation, or purchasing or otherwise acquiring the borrower's obligation from the obligee or the borrower's assignee;
  - (3) the creation of debt by a cash advance to a borrower pursuant to an overdraft line of credit arrangement;
- (4) the creation of debt by a credit to an account with the financial institution upon which the borrower is entitled to draw immediately;
  - (5) the forbearance of debt arising from a loan; and
  - (6) the creation of debt pursuant to open-end credit.

"Loan" does not include the forbearance of debt arising from a sale or lease, a credit sale contract, or an overdraft from a person's deposit account with a financial institution which is not pursuant to a written agreement to pay overdrafts with the right to defer repayment thereof.

- (m) "Official fees" means:
- (1) fees and charges which actually are or will be paid to public officials for determining the existence of or for perfecting, releasing, terminating, or satisfying a security interest or mortgage relating to a loan or credit sale, and any separate fees or charges which actually are or will be paid to public officials for recording a notice described in section 580.032, subdivision 1; and

- (2) premiums payable for insurance in lieu of perfecting a security interest or mortgage otherwise required by a financial institution in connection with a loan or credit sale, if the premium does not exceed the fees and charges described in clause (1), which would otherwise be payable.
- (n) "Organization" means a corporation, government, government subdivision or agency, trust, estate, partnership, joint venture, cooperative, limited liability company, limited liability partnership, or association.
  - (o) "Person" means a natural person or an organization.
  - (p) "Principal" means the total of:
  - (1) the amount paid to, received by, or paid or repayable for the account of, the borrower; and
  - (2) to the extent that payment is deferred:
- (i) the amount actually paid or to be paid by the financial institution for additional charges permitted under this section; and
  - (ii) prepaid finance charges."

Page 21, line 33, after the period, insert "Section 2 is effective the day following final enactment."

Renumber the sections in sequence and correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Ness and Davids moved to amend S. F. No. 2870, as amended, as follows:

Page 1, after line 18, insert:

"Section 1. [47.22] [REQUIRED DISCLOSURE TO THIRD-PARTY DEBTORS.]

Subdivision 1. [WRITTEN DISCLOSURE REQUIRED.] A financial institution may not obtain the signature of a third party on a debt instrument relating to farm real estate, farm equipment, farm supplies, or a farm operating loan without first giving the third party a clear written disclosure of the nature and extent of the obligations that the third party would be assuming by signing the debt instrument.

- Subd. 2. [REMEDY.] A financial institution or its assignee or successor may not enforce a debt instrument against a third party whose signature was obtained in violation of subdivision 1.
  - Subd. 3. [DEFINITIONS.] (a) The definitions in this subdivision apply to this section.
  - (b) "Debt instrument" means a promissory note, mortgage, security agreement, bond, or guaranty.
- (c) "Farm loan" means a loan for the purpose of financing or refinancing the purchase of a farm or for farm operating expenses made to a borrower engaged in farming as defined in section 500.24, subdivision 2, or the raising of poultry, whether the borrower is a family farm, family farm corporation, authorized farm corporation, authorized livestock farm corporation, family farm partnership, or authorized farm partnership, as those terms are defined in section 500.24, subdivision 2.

- (d) "Financial institution" means a bank, bank and trust, trust company with banking powers, savings bank, savings association, or credit union organized under the laws of this state or the United States; a Minnesota host state branch of an out-of-state state-chartered bank as provided for in section 49.411; an industrial loan and thrift under chapter 53; a regulated lender under chapter 56; an insurance company; the rural finance authority; a federal farm service agency; a farm implement dealer; a grain elevator; a supplier of farm-related building and other supplies; a supplier of feed, seed, or fertilizer; a mortgage banker; farm credit services; or any other entity extending credit for farm-related purposes.
- (e) "Clear written disclosure of the nature and extent of the obligations" means the "notice to guarantor" required for certain loans under Federal Reserve Board Regulation AA, Code of Federal Regulations, title 12, section 227, provided in a manner that complies with that regulation. A financial institution other than a bank may replace the word "bank" in the notice with a term appropriate to that financial institution."
- Page 21, line 31, after the period, insert "The third-party debtor disclosure requirement of section 1 is effective for debt instruments signed after July 30, 2000."

Renumber the sections in sequence and correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Clark, K.; Winter; Dorn; Marko; Solberg; Luther; Leighton; Chaudhary; Orfield; Kelliher; Mahoney; Swapinski; Mariani; Osskopp; McCollum; Tomassoni; Carlson; Dawkins; Osthoff; Murphy; Kahn; Trimble; Wenzel; Greenfield; Carruthers; Entenza; Abeler; Wagenius; Gray; Bakk; Wejcman; Greiling; Hausman; Smith; Pugh; Hilty and Jennings moved to amend S. F. No. 2870, as amended, as follows:

Page 4, after line 2, insert:

"Sec. 4. Minnesota Statutes 1998, section 47.59, is amended by adding a subdivision to read:

Subd. 9b. [ORDERLY DEBITING OF CHECKS.] Checks received during a banking day must be charged to the indicated account in sequence by check number, unless the bank has offered the customer the choice of having checks charged by that method or by another method, and the customer has affirmatively selected the other method. If a bank processes checks more than once during a banking day, the bank may comply with this requirement separately for each period for which it processes checks."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Clark, K., et al amendment and the roll was called. There were 52 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Hasskamp Abeler Riernat Chaudhary Dorn Gray Greenfield Anderson, I. Carlson Clark, K. Folliard Hausman Bakk Carruthers Dawkins Gleason Greiling Hilty

Jaros	Leighton	McCollum	Osskopp	Rukavina	Trimble
Jennings	Leppik	McGuire	Osthoff	Skoglund	Wagenius
Johnson	Luther	Mullery	Otremba	Smith	Wejcman
Kahn	Mahoney	Murphy	Paymar	Solberg	Winter
Kelliher	Mariani	Opatz	Peterson	Swapinski	
Koskinen	Marko	Orfield	Pugh	Tomassoni	

Those who voted in the negative were:

Abrams	Erhardt	Huntley	McElroy	Rifenberg	Tunheim
Anderson, B.	Erickson	Juhnke	Milbert	Rostberg	Vandeveer
Bishop	Finseth	Kalis	Molnau	Schumacher	Wenzel
Boudreau	Fuller	Kielkucki	Mulder	Seagren	Westerberg
Bradley	Gerlach	Knoblach	Ness	Seifert, J.	Westfall
Broecker	Goodno	Krinkie	Nornes	Seifert, M.	Westrom
Buesgens	Gunther	Kubly	Olson	Skoe	Wilkin
Cassell	Haake	Kuisle	Ozment	Stanek	Wolf
Clark, J.	Haas	Larsen, P.	Paulsen	Stang	Workman
Daggett	Hackbarth	Larson, D.	Pawlenty	Storm	Spk. Sviggum
Davids	Harder	Lenczewski	Pelowski	Swenson	
Dehler	Holberg	Lieder	Rest	Sykora	
Dempsey	Holsten	Lindner	Reuter	Tingelstad	
Dorman	Howes	Mares	Rhodes	Tuma	

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

Larson, D.; Pugh; Entenza and Koskinen offered an amendment to S. F. No. 2870, as amended.

# POINT OF ORDER

Pawlenty raised a point of order pursuant to rule 3.21 that the Larson, D., et al amendment was not in order. The Speaker ruled the point of order well taken and the Larson, D., et al amendment out of order.

Larson, D., appealed the decision of the Speaker.

A roll call was requested and properly seconded.

# LAY ON THE TABLE

Pawlenty moved to lay the Larson, D., appeal of the decision of the Speaker on the table.

A roll call was requested and properly seconded.

The question was taken on the Pawlenty motion and the roll was called. There were 69 yeas and 63 nays as follows:

Those who voted in the affirmative were:

Abeler	Dehler	Hackbarth	Mares	Rhodes	Tuma
Abrams	Dempsey	Harder	McElroy	Rifenberg	Vandeveer
Anderson, B.	Dorman	Holberg	Molnau	Rostberg	Westerberg
Bishop	Erhardt	Holsten	Mulder	Seagren	Westfall
Boudreau	Erickson	Howes	Ness	Seifert, J.	Westrom
Bradley	Finseth	Kielkucki	Nornes	Seifert, M.	Wilkin
Broecker	Fuller	Knoblach	Olson	Smith	Wolf
Buesgens	Gerlach	Krinkie	Osskopp	Stang	Workman
Cassell	Goodno	Kuisle	Ozment	Storm	Spk. Sviggum
Clark, J.	Gunther	Larsen, P.	Paulsen	Swenson	
Daggett	Haake	Leppik	Pawlenty	Sykora	
Davids	Haas	Lindner	Reuter	Tingelstad	

Those who voted in the negative were:

Anderson, I.	Gleason	Juhnke	Mahoney	Otremba	Swapinski
Bakk	Gray	Kahn	Mariani	Paymar	Tomassoni
Biernat	Greenfield	Kalis	Marko	Pelowski	Trimble
Carlson	Greiling	Kelliher	McCollum	Peterson	Tunheim
Carruthers	Hasskamp	Koskinen	McGuire	Pugh	Wagenius
Chaudhary	Hausman	Kubly	Milbert	Rest	Wejcman
Clark, K.	Hilty	Larson, D.	Mullery	Rukavina	Wenzel
Dawkins	Huntley	Leighton	Murphy	Schumacher	Winter
Dorn	Jaros	Lenczewski	Opatz	Skoe	
Entenza	Jennings	Lieder	Orfield	Skoglund	
Folliard	Johnson	Luther	Osthoff	Solberg	

The motion prevailed and the appeal of the decision of the Speaker was laid on the table.

S. F. No. 2870, A bill for an act relating to financial institutions; regulating certain loan charges and payments; making various technical changes; amending Minnesota Statutes 1998, sections 47.59, subdivisions 7, 10, and by adding a subdivision; 47.60, subdivision 2; 48.56; 52.04, subdivision 1; 56.131, subdivision 4; 58.02, subdivision 10; 58.04, subdivisions 2 and 3; 58.05, by adding a subdivision; 58.08, as amended; 58.10, subdivision 1; and 168.72, by adding a subdivision; Minnesota Statutes 1999 Supplement, sections 47.52; and 58.04, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 58; repealing Minnesota Statutes 1998, sections 58.02, subdivision 15; and 58.05, subdivision 2; Minnesota Rules, part 2675.4180.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Anderson, I.	Bishop	Broecker	Carruthers	Clark, J.
Abrams	Bakk	Boudreau	Buesgens	Cassell	Clark, K.
Anderson, B.	Biernat	Bradlev	Carlson	Chaudhary	Daggett

Davids	Haake	Knoblach	McGuire	Peterson	Swenson
Dawkins	Haas	Koskinen	Milbert	Pugh	Sykora
Dehler	Hackbarth	Krinkie	Molnau	Rest	Tingelstad
Dempsey	Harder	Kubly	Mulder	Reuter	Tomassoni
Dorman	Hasskamp	Kuisle	Mullery	Rhodes	Trimble
Dorn	Hausman	Larsen, P.	Murphy	Rifenberg	Tuma
Entenza	Hilty	Larson, D.	Ness	Rostberg	Tunheim
Erhardt	Holberg	Leighton	Nornes	Rukavina	Vandeveer
Erickson	Holsten	Lenczewski	Olson	Schumacher	Wagenius
Finseth	Howes	Leppik	Opatz	Seagren	Wejcman
Folliard	Huntley	Lieder	Orfield	Seifert, J.	Wenzel
Fuller	Jaros	Lindner	Osskopp	Seifert, M.	Westerberg
Gerlach	Jennings	Luther	Osthoff	Skoe	Westfall
Gleason	Johnson	Mahoney	Otremba	Skoglund	Westrom
Goodno	Juhnke	Mares	Ozment	Smith	Wilkin
Gray	Kahn	Mariani	Paulsen	Solberg	Winter
Greenfield	Kalis	Marko	Pawlenty	Stang	Wolf
Greiling	Kelliher	McCollum	Paymar	Storm	Workman
Gunther	Kielkucki	McElroy	Pelowski	Swapinski	Spk. Sviggum

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

## ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2671:

Bradley, Wilkin and Luther.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2683:

Hackbarth, Abeler and Bakk.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 3169:

Dawkins, Bishop and Biernat.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 3272:

Bradley, Juhnke and Smith.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 3412:

Paulsen, Davids and Gunther.

# **CALENDAR FOR THE DAY, Continued**

S. F. No. 2865 was reported to the House.

Tingelstad moved that S. F. No. 2865 be continued on the Calendar for the Day. The motion prevailed.

The Speaker called Dempsey to the Chair.

S. F. No. 2858, A bill for an act relating to human services and corrections; transfer to correctional facility; requiring a report; amending Minnesota Statutes 1998, section 253B.185, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorman	Holberg	Lieder	Otremba	Stang
Abrams	Dorn	Holsten	Lindner	Ozment	Storm
Anderson, B.	Entenza	Howes	Luther	Paulsen	Swapinski
Anderson, I.	Erhardt	Huntley	Mahoney	Pawlenty	Swenson
Bakk	Erickson	Jaros	Mares	Paymar	Sykora
Biernat	Finseth	Jennings	Mariani	Pelowski	Tingelstad
Bishop	Folliard	Johnson	Marko	Peterson	Tomassoni
Boudreau	Fuller	Juhnke	McCollum	Pugh	Trimble
Bradley	Gerlach	Kahn	McElroy	Rest	Tuma
Broecker	Gleason	Kalis	McGuire	Reuter	Tunheim
Buesgens	Goodno	Kelliher	Milbert	Rhodes	Vandeveer
Carlson	Gray	Kielkucki	Molnau	Rifenberg	Wagenius
Carruthers	Greenfield	Knoblach	Mulder	Rostberg	Wejcman
Cassell	Greiling	Koskinen	Mullery	Rukavina	Wenzel
Chaudhary	Gunther	Krinkie	Murphy	Schumacher	Westerberg
Clark, J.	Haake	Kubly	Ness	Seagren	Westfall
Clark, K.	Haas	Kuisle	Nornes	Seifert, J.	Westrom
Daggett	Hackbarth	Larsen, P.	Olson	Seifert, M.	Wilkin
Davids	Harder	Larson, D.	Opatz	Skoe	Winter
Dawkins	Hasskamp	Leighton	Orfield	Skoglund	Wolf
Dehler	Hausman	Lenczewski	Osskopp	Smith	Workman
Dempsey	Hilty	Leppik	Osthoff	Solberg	Spk. Sviggum

The bill was passed and its title agreed to.

S. F. No. 2789, A bill for an act relating to counties; authorizing certain compensation to coroner, deputy coroner, coroner's investigator, or medical examiner; amending Minnesota Statutes 1998, section 382.18.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler Abrams Anderson, B. Anderson, I. Bakk Biernat Bishop Boudreau Bradley Broecker Buesgens Carlson Carruthers Cassell Chaudhary Clark, J. Clark, K.	Dorman Dorn Entenza Erhardt Erickson Finseth Folliard Fuller Gerlach Gleason Goodno Gray Greenfield Greiling Gunther Haake Haas	Holberg Holsten Howes Huntley Jaros Jennings Johnson Juhnke Kahn Kalis Kelliher Kielkucki Knoblach Koskinen Krinkie Kubly Kuisle	Lieder Lindner Luther Mahoney Mares Mariani Marko McCollum McElroy McGuire Milbert Molnau Mulder Mullery Murphy Ness Nornes	Otremba Ozment Paulsen Pawlenty Paymar Pelowski Peterson Pugh Rest Reuter Rhodes Rifenberg Rostberg Rukavina Schumacher Seagren Seifert, J.	Stang Storm Swapinski Swenson Sykora Tingelstad Tomassoni Trimble Tuma Tunheim Vandeveer Wagenius Wejcman Wenzel Westerberg Westfall Westrom
Clark, J.	Haake	Kubly	Ness	Seagren	Westfall

The bill was passed and its title agreed to.

S. F. No. 83 was reported to the House.

Ozment moved that S. F. No. 83 be temporarily laid over on the Calendar for the Day. The motion prevailed.

S. F. No. 3290, A bill for an act relating to environment; providing grants for certain agreements made under the Environment Response and Liability Act; extending landfill cleanup eligibility for the Western Lake Superior Sanitary District; amending Minnesota Statutes 1998, section 115B.17, subdivision 19.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Boudreau	Chaudhary	Dempsey	Folliard	Greiling
Abrams	Bradley	Clark, J.	Dorman	Fuller	Gunther
Anderson, B.	Broecker	Clark, K.	Dorn	Gerlach	Haake
Anderson, I.	Buesgens	Daggett	Entenza	Gleason	Haas
Bakk	Carlson	Davids	Erhardt	Goodno	Hackbarth
Biernat	Carruthers	Dawkins	Erickson	Gray	Harder
Bishop	Cassell	Dehler	Finseth	Greenfield	Hasskamp

Wagenius Wejcman

Wenzel

Westrom Wilkin

Workman

Spk. Sviggum

Winter

Wolf

Westerberg Westfall

Hausman	Krinkie	McElroy	Paulsen	Skoe
Hilty	Kubly	McGuire	Pawlenty	Skoglund
Holberg	Kuisle	Milbert	Paymar	Smith
Holsten	Larsen, P.	Molnau	Pelowski	Solberg
Howes	Larson, D.	Mulder	Peterson	Stang
Huntley	Leighton	Mullery	Pugh	Storm
Jaros	Lenczewski	Murphy	Rest	Swapinski
Jennings	Leppik	Ness	Reuter	Swenson
Johnson	Lieder	Nornes	Rhodes	Sykora
Juhnke	Lindner	Olson	Rifenberg	Tingelstad
Kahn	Luther	Opatz	Rostberg	Tomassoni
Kalis	Mahoney	Orfield	Rukavina	Trimble
Kelliher	Mares	Osskopp	Schumacher	Tuma
Kielkucki	Mariani	Osthoff	Seagren	Tunheim
Knoblach	Marko	Otremba	Seifert, J.	Van Dellen
Koskinen	McCollum	Ozment	Seifert, M.	Vandeveer

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

S. F. No. 2547 was reported to the House.

McCollum, Rhodes, Hackbarth and Luther moved to amend S. F. No. 2547 as follows:

Page 1, after line 16, insert:

"Sec. 2. [MEMORIAL PLAQUE; COMBAT WOUNDED VETERANS.]

A memorial plaque to honor combat wounded veterans may be placed in the court of honor on the capitol grounds. The plaque must be furnished by other than the department of veterans affairs and approved by the commissioner and the capitol area architectural and planning board."

Amend the title as follows:

Page 1, line 6, before the period, insert "and to place a plaque in the court of honor on the capitol grounds to honor combat wounded veterans"

The motion prevailed and the amendment was adopted.

S. F. No. 2547, A bill for an act relating to the capitol area; requiring the capitol area architectural and planning board to select a site in the capitol area for installation of the memorial to Minnesota firefighters that is now installed at Minneapolis-St. Paul International Airport.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abeler	Dorman	Holberg	Lindner	Paulsen	Swapinski
Abrams	Dorn	Holsten	Luther	Pawlenty	Swenson
Anderson, B.	Entenza	Howes	Mahoney	Paymar	Sykora
Anderson, I.	Erhardt	Huntley	Mares	Pelowski	Tingelstad
Bakk	Erickson	Jaros	Mariani	Peterson	Tomassoni
Biernat	Finseth	Jennings	Marko	Pugh	Trimble
Bishop	Folliard	Johnson	McCollum	Rest	Tuma
Boudreau	Fuller	Juhnke	McElroy	Reuter	Tunheim
Bradley	Gerlach	Kahn	McGuire	Rhodes	Van Dellen
Broecker	Gleason	Kalis	Milbert	Rifenberg	Vandeveer
Buesgens	Goodno	Kelliher	Molnau	Rostberg	Wagenius
Carlson	Gray	Kielkucki	Mulder	Rukavina	Wejcman
Carruthers	Greenfield	Knoblach	Mullery	Schumacher	Wenzel
Cassell	Greiling	Koskinen	Murphy	Seagren	Westerberg
Chaudhary	Gunther	Kubly	Ness	Seifert, J.	Westfall
Clark, J.	Haake	Kuisle	Nornes	Seifert, M.	Westrom
Clark, K.	Haas	Larsen, P.	Opatz	Skoe	Wilkin
Daggett	Hackbarth	Larson, D.	Orfield	Skoglund	Winter
Davids	Harder	Leighton	Osskopp	Smith	Wolf
Dawkins	Hasskamp	Lenczewski	Osthoff	Solberg	Workman
Dehler	Hausman	Leppik	Otremba	Stang	Spk. Sviggum
Dempsey	Hilty	Lieder	Ozment	Storm	

Those who voted in the negative were:

# Krinkie

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

S. F. No. 2987 was reported to the House.

Westrom moved to amend S. F. No. 2987 as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 3903:

"Section 1. Minnesota Statutes 1999 Supplement, section 80A.15, subdivision 2, is amended to read:

Subd. 2. The following transactions are exempted from sections 80A.08 and 80A.16:

- (a) Any sales, whether or not effected through a broker-dealer, provided that:
- (1) no person shall make more than ten sales of securities of the same issuer pursuant to this exemption, exclusive of sales according to clause (2), during any period of 12 consecutive months; provided further, that in the case of sales by an issuer, except sales of securities registered under the Securities Act of 1933 or exempted by section 3(b) of that act, (i) the seller reasonably believes that all buyers are purchasing for investment, and (ii) the securities are

not advertised for sale to the general public in newspapers or other publications of general circulation or otherwise, or by radio, television, electronic means or similar communications media, or through a program of general solicitation by means of mail or telephone; and

- (2) no issuer shall make more than 25 sales of its securities according to this exemption, exclusive of sales pursuant to clause (1), during any period of 12 consecutive months; provided further, that the issuer meets the conditions in clause (1) and, in addition meets the following additional conditions: (i) files with the commissioner, ten days before a sale according to this clause, a statement of issuer on a form prescribed by the commissioner; and (ii) no commission or other remuneration is paid or given directly or indirectly for soliciting any prospective buyers in this state in connection with a sale according to this clause except reasonable and customary commissions paid by the issuer to a broker-dealer licensed under this chapter.
- (b) Any nonissuer distribution of an outstanding security if (1) either Moody's, Fitch's, or Standard & Poor's Securities Manuals, or other recognized manuals approved by the commissioner contains the names of the issuer's officers and directors, a balance sheet of the issuer as of a date not more than 18 months prior to the date of the sale, and a profit and loss statement for the fiscal year preceding the date of the balance sheet, and (2) the issuer or its predecessor has been in active, continuous business operation for the five-year period next preceding the date of sale, and (3) if the security has a fixed maturity or fixed interest or dividend provision, the issuer has not, within the three preceding fiscal years, defaulted in payment of principal, interest, or dividends on the securities.
- (c) The execution of any orders by a licensed broker-dealer for the purchase or sale of any security, pursuant to an unsolicited offer to purchase or sell; provided that the broker-dealer acts as agent for the purchaser or seller, and has no direct material interest in the sale or distribution of the security, receives no commission, profit, or other compensation from any source other than the purchaser and seller and delivers to the purchaser and seller written confirmation of the transaction which clearly itemizes the commission, or other compensation.
- (d) Any nonissuer sale of notes or bonds secured by a mortgage lien if the entire mortgage, together with all notes or bonds secured thereby, is sold to a single purchaser at a single sale.
- (e) Any judicial sale, exchange, or issuance of securities made pursuant to an order of a court of competent jurisdiction.
  - (f) The sale, by a pledge holder, of a security pledged in good faith as collateral for a bona fide debt.
- (g) Any offer or sale to a bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, or other financial institution or institutional buyer, or to a broker-dealer, whether the purchaser is acting for itself or in some fiduciary capacity.
- (h) An offer or sale of securities by an issuer made in reliance on the exemptions provided by Rule 505 or 506 of Regulation D promulgated by the Securities and Exchange Commission, Code of Federal Regulations, title 17, sections 230.501 to 230.508, subject to the conditions and definitions provided by Rules 501 to 503 of Regulation D, if the offer and sale also satisfies the conditions and limitations in clauses (1) to (10).
- (1) The exemption under this paragraph is not available for the securities of an issuer if any of the persons described in Rule 252(c) to (f) of Regulation A promulgated by the Securities and Exchange Commission, Code of Federal Regulations, title 17, sections 230.251 to 230.263:
- (i) has filed a registration statement that is the subject of a currently effective order entered against the issuer, its officers, directors, general partners, controlling persons, or affiliates, according to any state's law within five years before the filing of the notice required under clause (5), denying effectiveness to, or suspending or revoking the effectiveness of, the registration statement;

- (ii) has been convicted, within five years before the filing of the notice required under clause (5), of a felony or misdemeanor in connection with the offer, sale, or purchase of a security or franchise, or a felony involving fraud or deceit, including but not limited to forgery, embezzlement, obtaining money under false pretenses, larceny, or conspiracy to defraud;
- (iii) is subject to an effective administrative order or judgment entered by a state securities administrator within five years before the filing of the notice required under clause (5), that prohibits, denies, or revokes the use of an exemption from securities registration, that prohibits the transaction of business by the person as a broker-dealer or agent, or that is based on fraud, deceit, an untrue statement of a material fact, or an omission to state a material fact; or
- (iv) is subject to an order, judgment, or decree of a court entered within five years before the filing of the notice required under clause (5), temporarily, preliminarily, or permanently restraining or enjoining the person from engaging in or continuing any conduct or practice in connection with the offer, sale, or purchase of a security, or the making of a false filing with a state.

A disqualification under paragraph (h) involving a broker-dealer or agent is waived if the broker-dealer or agent is or continues to be licensed in the state in which the administrative order or judgment was entered against the person or if the broker-dealer or agent is or continues to be licensed in this state as a broker-dealer or agent after notifying the commissioner of the act or event causing disqualification.

The commissioner may waive a disqualification under paragraph (h) upon a showing of good cause that it is not necessary under the circumstances that use of the exemption be denied.

A disqualification under paragraph (h) may be waived if the state securities administrator or agency of the state that created the basis for disqualification has determined, upon a showing of good cause, that it is not necessary under the circumstances that an exemption from registration of securities under the state's laws be denied.

It is a defense to a violation of paragraph (h) based upon a disqualification if the issuer sustains the burden of proof to establish that the issuer did not know, and in the exercise of reasonable care could not have known, that a disqualification under paragraph (h) existed.

- (2) This exemption must not be available to an issuer with respect to a transaction that, although in technical compliance with this exemption, is part of a plan or scheme to evade registration or the conditions or limitations explicitly stated in paragraph (h).
- (3) No commission, finder's fee, or other remuneration shall be paid or given, directly or indirectly, for soliciting a prospective purchaser, unless the recipient is appropriately licensed, or exempt from licensure, in this state as a broker-dealer.
- (4) Nothing in this exemption is intended to or should be in any way construed as relieving issuers or persons acting on behalf of issuers from providing disclosure to prospective investors adequate to satisfy the antifraud provisions of the securities law of Minnesota.
- (5) The issuer shall file with the commissioner a notice on form D as adopted by the Securities and Exchange Commission according to Regulation D, Code of Federal Regulations, title 17, section 230.502. The notice must be filed not later than 15 days after the first sale in this state of securities in an offering under this exemption. Every notice on form D must be manually signed by a person duly authorized by the issuer and must be accompanied by a consent to service of process on a form prescribed by the commissioner.
- (6) A failure to comply with a term, condition, or requirement of paragraph (h) will not result in loss of the exemption for an offer or sale to a particular individual or entity if the person relying on the exemption shows that:
  (i) the failure to comply did not pertain to a term, condition, or requirement directly intended to protect that particular individual or entity, and the failure to comply was insignificant with respect to the offering as a whole;

- and (ii) a good faith and reasonable attempt was made to comply with all applicable terms, conditions, and requirements of paragraph (h), except that, where an exemption is established only through reliance upon this provision, the failure to comply shall nonetheless constitute a violation of section 80A.08 and be actionable by the commissioner.
- (7) The issuer, upon request by the commissioner, shall, within ten days of the request, furnish to the commissioner a copy of any and all information, documents, or materials furnished to investors or offerees in connection with the offer and sale according to paragraph (h).
- (8) Neither compliance nor attempted compliance with the exemption provided by paragraph (h), nor the absence of an objection or order by the commissioner with respect to an offer or sale of securities undertaken according to this exemption, shall be considered to be a waiver of a condition of the exemption or considered to be a confirmation by the commissioner of the availability of this exemption.
- (9) The commissioner may, by rule or order, increase the number of purchasers or waive any other condition of this exemption.
- (10) The determination whether offers and sales made in reliance on the exemption set forth in paragraph (h) shall be integrated with offers and sales according to other paragraphs of this subdivision shall be made according to the integration standard set forth in Rule 502 of Regulation D promulgated by the Securities and Exchange Commission, Code of Federal Regulations, title 17, section 230.502. If not subject to integration according to that rule, offers and sales according to paragraph (h) shall not otherwise be integrated with offers and sales according to other exemptions set forth in this subdivision.
- (i) Any offer (but not a sale) of a security for which a registration statement has been filed under sections 80A.01 to 80A.31, if no stop order or refusal order is in effect and no public proceeding or examination looking toward an order is pending; and any offer of a security if the sale of the security is or would be exempt under this section. The commissioner may by rule exempt offers (but not sales) of securities for which a registration statement has been filed as the commissioner deems appropriate, consistent with the purposes of sections 80A.01 to 80A.31.
- (j) The offer and sale by a cooperative organized under chapter 308A or under the laws of another state, of its securities when the securities are offered and sold only to its members, or when the purchase of the securities is necessary or incidental to establishing membership in the cooperative, or when such securities are issued as patronage dividends. This paragraph applies to a cooperative organized under the laws of another state only if the cooperative has filed with the commissioner a consent to service of process under section 80A.27, subdivision 7, and has, not less than ten days prior to the issuance or delivery, furnished the commissioner with a written general description of the transaction and any other information that the commissioner requires by rule or otherwise. This exemption only applies when the issuing cooperative is seeking to raise up to \$1,000,000.
- (l) The issuance and delivery of any securities of one corporation to another corporation or its security holders in connection with a merger, exchange of shares, or transfer of assets whereby the approval of stockholders of the other corporation is required to be obtained, provided, that the commissioner has been furnished with a general description of the transaction and with other information as the commissioner by rule prescribes not less than ten days prior to the issuance and delivery.
- (m) Any transaction between the issuer or other person on whose behalf the offering is made and an underwriter or among underwriters.
- (n) The distribution by a corporation of its or other securities to its own security holders as a stock dividend or as a dividend from earnings or surplus or as a liquidating distribution; or upon conversion of an outstanding convertible security; or pursuant to a stock split or reverse stock split.

- (o) Any offer or sale of securities by an affiliate of the issuer thereof if: (1) a registration statement is in effect with respect to securities of the same class of the issuer and (2) the offer or sale has been exempted from registration by rule or order of the commissioner.
- (p) Any transaction pursuant to an offer to existing security holders of the issuer, including persons who at the time of the transaction are holders of convertible securities, nontransferable warrants, or transferable warrants exercisable within not more than 90 days of their issuance, if: (1) no commission or other remuneration (other than a standby commission) is paid or given directly or indirectly for soliciting any security holder in this state; and (2) the commissioner has been furnished with a general description of the transaction and with other information as the commissioner may by rule prescribe no less than ten days prior to the transaction.
- (q) Any nonissuer sales of any security, including a revenue obligation, issued by the state of Minnesota or any of its political or governmental subdivisions, municipalities, governmental agencies, or instrumentalities.
- (r) Any transaction as to which the commissioner by rule or order finds that registration is not necessary in the public interest and for the protection of investors.
- (s) An offer or sale of a security issued in connection with an employee's stock purchase, savings, option, profit sharing, pension, or similar employee benefit plan, if the following conditions are met:
- (1) the issuer, its parent corporation or any of its majority-owned subsidiaries offers or sells the security according to a written benefit plan or written contract relating to the compensation of the purchaser; and
- (2) the class of securities offered according to the plan or contract, or if an option or right to purchase a security, the class of securities to be issued upon the exercise of the option or right, is registered under section 12 of the Securities Exchange Act of 1934, or is a class of securities with respect to which the issuer files reports according to section 15(d) of the Securities Exchange Act of 1934; or
- (3) the issuer fully complies with the provisions of Rule 701 as adopted by the Securities and Exchange Commission, Code of Federal Regulations, title 12, section 230.701.

The issuer shall file not less than ten days before the transaction, a general description of the transaction and any other information that the commissioner requires by rule or otherwise or, if applicable, a Securities and Exchange Form S-8. Annually, within 90 days after the end of the issuer's fiscal year, the issuer shall file a notice as provided with the commissioner.

- (t) Any sale of a security of an issuer that is a pooled income fund, a charitable remainder trust, or a charitable lead trust that has a qualified charity as the only charitable beneficiary.
- (u) Any sale by a qualified charity of a security that is a charitable gift annuity if the issuer has a net worth, otherwise defined as unrestricted fund balance, of not less than \$300,000 and either: (1) has been in continuous operation for not less than three years; or (2) is a successor or affiliate of a qualified charity that has been in continuous operation for not less than three years.
  - Sec. 2. Minnesota Statutes 1998, section 308A.705, subdivision 3, is amended to read:
- Subd. 3. [DIVIDENDS.] Dividends may be paid on capital stock and nonstock units of equity only if the net income of the cooperative for the previous fiscal year is sufficient. <u>Unless otherwise provided in the articles of incorporation</u>, the dividends are not cumulative.

#### Sec. 3. [REPEALER.]

Minnesota Statutes 1998, sections 308A.031; and 308A.161, are repealed.

## Sec. 4. [EFFECTIVE DATE.]

Section 1 is effective retroactively from July 1, 1999."

Delete the title and insert:

"A bill for an act relating to cooperatives; amending provisions on the financing and distribution of income for cooperatives; amending Minnesota Statutes 1998, section 308A.705, subdivision 3; Minnesota Statutes 1999 Supplement, section 80A.15, subdivision 2; repealing Minnesota Statutes 1998, sections 308A.031; and 308A.161."

The motion prevailed and the amendment was adopted.

Westrom moved to amend S. F. No. 2987, as amended, as follows:

Page 9, line 31, strike "capital" and insert "common"

The motion prevailed and the amendment was adopted.

S. F. No. 2987, A bill for an act relating to cooperatives; amending provisions on the financing and distribution of income for cooperatives; amending Minnesota Statutes 1998, section 308A.705, subdivision 3; Minnesota Statutes 1999 Supplement, section 80A.15, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 308A; repealing Minnesota Statutes 1998, sections 308A.031; and 308A.161.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dehler	Hackbarth	Krinkie	Molnau	Rest
Abrams	Dempsey	Harder	Kubly	Mulder	Reuter
Anderson, B.	Dorman	Hasskamp	Kuisle	Mullery	Rhodes
Anderson, I.	Dorn	Hausman	Larsen, P.	Murphy	Rifenberg
Bakk	Entenza	Hilty	Larson, D.	Ness	Rostberg
Biernat	Erhardt	Holberg	Leighton	Nornes	Rukavina
Bishop	Erickson	Holsten	Lenczewski	Olson	Schumacher
Boudreau	Finseth	Howes	Leppik	Opatz	Seagren
Bradley	Folliard	Huntley	Lieder	Orfield	Seifert, J.
Broecker	Fuller	Jaros	Lindner	Osskopp	Seifert, M.
Buesgens	Gerlach	Jennings	Luther	Osthoff	Skoe
Carlson	Gleason	Johnson	Mahoney	Otremba	Skoglund
Carruthers	Goodno	Juhnke	Mares	Ozment	Smith
Cassell	Gray	Kahn	Mariani	Paulsen	Solberg
Clark, J.	Greenfield	Kalis	Marko	Pawlenty	Stang
Clark, K.	Greiling	Kelliher	McCollum	Paymar	Storm
Daggett	Gunther	Kielkucki	McElroy	Pelowski	Swapinski
Davids	Haake	Knoblach	McGuire	Peterson	Swenson
Dawkins	Haas	Koskinen	Milbert	Pugh	Sykora

Tingelstad	Tuma	Vandeveer	Wenzel	Westrom	Wolf
Tomassoni	Tunheim	Wagenius	Westerberg	Wilkin	Workman
Trimble	Van Dellen	Wejcman	Westfall	Winter	Spk. Sviggum

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

S. F. No. 1038, A bill for an act relating to health occupations; establishing licensing requirements for occupational therapists and occupational therapy assistants; proposing coding for new law in Minnesota Statutes, chapter 148; repealing Minnesota Rules, parts 4666.0010; 4666.0020; 4666.0030; 4666.0040; 4666.0050; 4666.0080; 4666.0090; 4666.0100; 4666.0200; 4666.0300; 4666.0400; 4666.0500; 4666.0700; 4666.0800; 4666.0900; 4666.1000; 4666.1200; 4666.1200; 4666.1300; and 4666.1400.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorn	Holsten	Luther	Paulsen	Swapinski
Abrams	Entenza	Howes	Mahoney	Pawlenty	Swenson
Anderson, B.	Erhardt	Huntley	Mares	Paymar	Sykora
Anderson, I.	Erickson	Jaros	Mariani	Pelowski	Tingelstad
Bakk	Finseth	Jennings	Marko	Peterson	Tomassoni
Biernat	Folliard	Johnson	McCollum	Pugh	Trimble
Bishop	Fuller	Juhnke	McElroy	Rest	Tuma
Bradley	Gerlach	Kahn	McGuire	Reuter	Tunheim
Broecker	Gleason	Kalis	Milbert	Rhodes	Van Dellen
Buesgens	Goodno	Kelliher	Molnau	Rifenberg	Vandeveer
Carlson	Gray	Kielkucki	Mulder	Rostberg	Wagenius
Carruthers	Greenfield	Knoblach	Mullery	Rukavina	Wejcman
Cassell	Greiling	Koskinen	Murphy	Schumacher	Wenzel
Chaudhary	Gunther	Kubly	Ness	Seagren	Westerberg
Clark, J.	Haake	Kuisle	Nornes	Seifert, J.	Westfall
Clark, K.	Haas	Larsen, P.	Olson	Seifert, M.	Westrom
Daggett	Hackbarth	Larson, D.	Opatz	Skoe	Winter
Davids	Harder	Leighton	Orfield	Skoglund	Wolf
Dawkins	Hasskamp	Lenczewski	Osskopp	Smith	Workman
Dehler	Hausman	Leppik	Osthoff	Solberg	Spk. Sviggum
Dempsey	Hilty	Lieder	Otremba	Stang	
Dorman	Holberg	Lindner	Ozment	Storm	

Those who voted in the negative were:

Boudreau Krinkie Wilkin

The bill was passed and its title agreed to.

H. F. No. 3278, A bill for an act relating to human services; modifying the administration of the congregate housing services projects; amending Minnesota Statutes 1998, section 256.9751.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorman	Holberg	Lindner	Ozment	Storm
Abrams	Dorn	Holsten	Luther	Paulsen	Swapinski
Anderson, B.	Entenza	Howes	Mahoney	Pawlenty	Swenson
Anderson, I.	Erhardt	Huntley	Mares	Paymar	Sykora
Bakk	Erickson	Jaros	Mariani	Pelowski	Tingelstad
Biernat	Finseth	Jennings	Marko	Peterson	Tomassoni
Bishop	Folliard	Johnson	McCollum	Pugh	Trimble
Boudreau	Fuller	Juhnke	McElroy	Rest	Tuma
Bradley	Gerlach	Kahn	McGuire	Reuter	Tunheim
Broecker	Gleason	Kelliher	Milbert	Rhodes	Van Dellen
Buesgens	Goodno	Kielkucki	Molnau	Rifenberg	Vandeveer
Carlson	Gray	Knoblach	Mulder	Rostberg	Wagenius
Carruthers	Greenfield	Koskinen	Mullery	Rukavina	Wejcman
Cassell	Greiling	Krinkie	Murphy	Schumacher	Wenzel
Chaudhary	Gunther	Kubly	Ness	Seagren	Westerberg
Clark, J.	Haake	Kuisle	Nornes	Seifert, J.	Westfall
Clark, K.	Haas	Larsen, P.	Olson	Seifert, M.	Westrom
Daggett	Hackbarth	Larson, D.	Opatz	Skoe	Wilkin
Davids	Harder	Leighton	Orfield	Skoglund	Winter
Dawkins	Hasskamp	Lenczewski	Osskopp	Smith	Wolf
Dehler	Hausman	Leppik	Osthoff	Solberg	Workman
Dempsey	Hilty	Lieder	Otremba	Stang	Spk. Sviggum

The bill was passed and its title agreed to.

H. F. No. 3481 was reported to the House.

Larsen, P.; Marko; Holsten; Vandeveer and Seifert, J., moved to amend H. F. No. 3481, the first engrossment, as follows:

Page 3, after line 20, insert:

## "Sec. 5. [WASHINGTON COUNTY HRA INCREASED TO SEVEN.]

Notwithstanding Minnesota Statutes, section 469.006, subdivision 1, the Washington county housing and redevelopment authority has seven members. The county board must appoint one member from each county commissioner district after receiving a recommendation for the position from the district's county commissioner. One housing and redevelopment commissioner must be appointed by the county board to represent the county at large. One authority member must be appointed by the county board from among county residents who are directly assisted by the public housing agency as defined in Code of Federal Regulations, title 24, part 964. The first

appointee to an at-large position serves for two years; thereafter the term is three years. The first appointee to the position requiring one directly assisted by the public housing agency serves for one year; thereafter the term is three years.

Sec. 6. [EFFECTIVE DATE; LOCAL APPROVAL.]

Section 5 is effective the day after the governing body of Washington county and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3."

Amend the title as follows:

Page 1, line 4, after the second semicolon, insert "increasing the Washington county redevelopment authority to seven members;"

The motion prevailed and the amendment was adopted.

H. F. No. 3481, A bill for an act relating to local government; changing the authorized number of members of housing and redevelopment authorities; increasing a member per diem limit; increasing the Washington county redevelopment authority to seven members; amending Minnesota Statutes 1998, sections 469.003, subdivision 5; 469.006, subdivisions 1 and 2; and 469.011, subdivision 4.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 10 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorn	Holsten	Luther	Paymar	Sykora
Abrams	Entenza	Howes	Mahoney	Pelowski	Tingelstad
Anderson, I.	Erhardt	Huntley	Mares	Peterson	Tomassoni
Bakk	Erickson	Jaros	Mariani	Pugh	Trimble
Biernat	Finseth	Jennings	Marko	Rest	Tuma
Bishop	Folliard	Johnson	McCollum	Rhodes	Tunheim
Boudreau	Fuller	Juhnke	McElroy	Rifenberg	Van Dellen
Bradley	Gleason	Kahn	McGuire	Rostberg	Vandeveer
Broecker	Goodno	Kalis	Milbert	Rukavina	Wagenius
Carlson	Gray	Kelliher	Molnau	Schumacher	Wejcman
Carruthers	Greenfield	Kielkucki	Mullery	Seagren	Wenzel
Cassell	Greiling	Knoblach	Murphy	Seifert, J.	Westerberg
Chaudhary	Gunther	Koskinen	Ness	Seifert, M.	Westrom
Clark, J.	Haake	Kubly	Nornes	Skoe	Winter
Clark, K.	Haas	Kuisle	Opatz	Skoglund	Wolf
Daggett	Hackbarth	Larsen, P.	Orfield	Smith	Workman
Davids	Harder	Larson, D.	Osthoff	Solberg	Spk. Sviggum
Dawkins	Hasskamp	Leighton	Otremba	Stang	
Dehler	Hausman	Lenczewski	Ozment	Storm	
Dempsey	Hilty	Leppik	Paulsen	Swapinski	
Dorman	Holberg	Lieder	Pawlenty	Swenson	

Those who voted in the negative were:

Anderson, B.	Gerlach	Lindner	Olson	Reuter
Buesgens	Krinkie	Mulder	Osskopp	Wilkin

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

H. F. No. 3501, A bill for an act relating to labor; modifying a provision governing exchange of information between the departments of labor and industry and revenue; amending Minnesota Statutes 1998, section 270B.14, subdivision 8.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 117 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorman	Hilty	Lieder	Paulsen	Swenson
Abrams	Dorn	Holsten	Luther	Pawlenty	Sykora
Anderson, I.	Entenza	Howes	Mahoney	Paymar	Tingelstad
Bakk	Erhardt	Huntley	Mares	Pelowski	Tomassoni
Biernat	Erickson	Jaros	Mariani	Peterson	Trimble
Bishop	Finseth	Jennings	Marko	Pugh	Tunheim
Boudreau	Folliard	Johnson	McCollum	Rest	Van Dellen
Bradley	Fuller	Juhnke	McElroy	Rhodes	Vandeveer
Broecker	Gleason	Kahn	McGuire	Rifenberg	Wagenius
Carlson	Goodno	Kalis	Milbert	Rostberg	Wejcman
Carruthers	Gray	Kelliher	Molnau	Rukavina	Wenzel
Cassell	Greenfield	Knoblach	Mullery	Schumacher	Westerberg
Chaudhary	Greiling	Koskinen	Murphy	Seagren	Westfall
Clark, J.	Gunther	Kubly	Ness	Seifert, J.	Westrom
Clark, K.	Haake	Kuisle	Nornes	Skoe	Winter
Daggett	Haas	Larsen, P.	Opatz	Skoglund	Wolf
Davids	Hackbarth	Larson, D.	Orfield	Solberg	Spk. Sviggum
Dawkins	Harder	Leighton	Osthoff	Stang	
Dehler	Hasskamp	Lenczewski	Otremba	Storm	
Dempsey	Hausman	Leppik	Ozment	Swapinski	

Those who voted in the negative were:

Anderson, B.	Holberg	Lindner	Osskopp	Smith	Workman
Buesgens	Kielkucki	Mulder	Reuter	Tuma	
Gerlach	Krinkie	Olson	Seifert, M.	Wilkin	

The bill was passed and its title agreed to.

S. F. No. 1870 was reported to the House.

Haas moved that S. F. No. 1870 be continued on the Calendar for the Day. The motion prevailed.

S. F. No. 2723, A bill for an act relating to property; making certain appeal periods consistent; changing provisions of the Uniform Probate Code; amending Minnesota Statutes 1998, sections 501B.21; 524.2-513; 524.3-1203, subdivision 5; and 525.712.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler Abrams Anderson, B. Anderson, I. Bakk Biernat Bishop Boudreau Bradley Broecker Buesgens Carlson Carruthers Cassell Chaudhary Clark, J. Clark, J. Clark, K. Daggett Davids Dawkins Dehler Dempsey	Dorn Entenza Erhardt Erickson Finseth Folliard Fuller Gerlach Gleason Goodno Gray Greenfield Greiling Gunther Haake Haas Hackbarth Harder Hasskamp Hausman Hilty Holberg	Howes Huntley Jaros Jennings Johnson Juhnke Kahn Kalis Kelliher Kielkucki Knoblach Koskinen Krinkie Kubly Kuisle Larsen, P. Larson, D. Leighton Lenczewski Leppik Lieder Lindner	Mahoney Mares Mariani Marko McCollum McElroy McGuire Milbert Molnau Mulder Mullery Murphy Ness Nornes Olson Opatz Orfield Osskopp Osthoff Otremba Ozment Paulsen	Paymar Pelowski Peterson Pugh Rest Reuter Rhodes Rifenberg Rostberg Rukavina Schumacher Seagren Seifert, J. Seifert, M. Skoe Skoglund Smith Solberg Stang Storm Swapinski Swenson	Tingelstad Tomassoni Trimble Tuma Tunheim Van Dellen Vandeveer Wagenius Wejcman Wenzel Westerberg Westfall Westrom Wilkin Winter Wolf Workman Spk. Sviggum
Dempsey Dorman	Holberg Holsten			Swenson Sykora	
Dominan	110131011	Latitei	1 awienty	Dykora	

The bill was passed and its title agreed to.

S. F. No. 76, A bill for an act relating to crime prevention; eliminating requirement to hold DWI-related vehicle forfeiture proceeding at same time as implied consent hearing; amending Minnesota Statutes 1998, section 169.1217, subdivision 7a.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Abeler	Bakk	Bradley	Cassell	Daggett	Dempsey
Abrams	Biernat	Broecker	Chaudhary	Davids	Dorman
Anderson, B.	Bishop	Carlson	Clark, J.	Dawkins	Dorn
Anderson, I.	Boudreau	Carruthers	Clark, K.	Dehler	Entenza

Erhardt Hilty Larson, D. Murphy Rostberg Tuma Holberg Erickson Leighton Ness Rukavina Tunheim Finseth Holsten Lenczewski Nornes Schumacher Van Dellen Vandeveer Howes Leppik Opatz Folliard Seagren Fuller Huntley Lieder Orfield Seifert, J. Wagenius Gerlach Jaros Lindner Osskopp Seifert, M. Wejcman Wenzel Jennings Luther Osthoff Gleason Skoe Goodno Johnson Mahoney Otremba Skoglund Westerberg Gray Juhnke Mares Paulsen Smith Westfall Greenfield Mariani Pawlenty Solberg Westrom Kahn Greiling Marko Winter Kalis Paymar Stang Gunther Kelliher McCollum Pelowski Wolf Storm Haake Kielkucki McElroy Peterson Swapinski Workman Swenson Knoblach McGuire Pugh Spk. Sviggum Haas Hackbarth Koskinen Milbert Sykora Rest Harder Kubly Molnau Reuter Tingelstad Hasskamp Kuisle Mulder Rhodes Tomassoni Hausman Larsen, P. Mullerv Rifenberg Trimble

Those who voted in the negative were:

Buesgens Krinkie Olson Wilkin

The bill was passed and its title agreed to.

Greenfield and Osthoff were excused for the remainder of today's session.

Pawlenty moved that the House recess subject to the call of the Chair. The motion prevailed.

# **RECESS**

# RECONVENED

The House reconvened and was called to order by the Speaker.

# **CALENDAR FOR THE DAY, Continued**

H. F. No. 3497 was reported to the House.

Tuma moved to amend H. F. No. 3497, the first engrossment, as follows:

Pages 1 and 2, delete sections 2 and 3

Page 3, line 5, after "contested" insert "case"

Page 3, line 16, delete everything after "organization"

Page 3, line 17, delete "\$7,000,000"

Page 3, line 19, before the semicolon, insert ", whose annual revenues did not exceed \$7,000,000 at the time the civil action was filed or the contested case proceeding was initiated"

Page 3, line 24, after "5" insert a comma

Page 3, line 25, before the period, insert "at the time the civil action was filed or the contested case proceeding was initiated"

Page 3, lines 29 to 31, delete the new language

Page 3, line 32, delete "(d)"

Page 4, delete sections 6 and 7

Page 4, delete lines 22 to 31 and insert:

"(a) If a prevailing party other than the state, in a civil action or contested case proceeding other than a tort action, brought by or against the state, shows that the position of the state was not substantially justified, the court or administrative law judge shall award fees and other expenses to the party unless special circumstances make an award unjust."

Page 5, delete lines 6 to 16

Page 5, line 17, delete the new language and strike the old language

Page 5, strike line 18

Page 5, line 19, delete "(d)" and insert "(c)"

Page 5, delete lines 27 to 31

Page 5, line 32, delete "(f)" and insert "(d)"

Pages 5 and 6, delete section 9

Page 6, line 4, delete "pending on,"

Page 6, line 5, delete the first "or" and delete the comma

Renumber the remaining sections

Amend the title as follows:

Page 1, delete lines 10 to 12 and insert "sections 15.471, subdivisions 4, 5, and 6; and 15.472."

The motion prevailed and the amendment was adopted.

H. F. No. 3497, A bill for an act relating to state government; regulating the recovery of costs and attorney fees from the state of Minnesota; conforming certain provisions of state law to analogous federal law; clarifying existing law; establishing specific procedures for application of fees; correcting miscellaneous noncontroversial oversights, inconsistencies, ambiguities, and technical errors; amending Minnesota Statutes 1998, sections 15.471, subdivisions 4, 5, and 6; and 15.472.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorman	Holsten	Lindner	Paulsen	Swapinski
Abrams	Dorn	Howes	Luther	Pawlenty	Swenson
Anderson, B.	Entenza	Huntley	Mahoney	Paymar	Sykora
Anderson, I.	Erhardt	Jaros	Mares	Pelowski	Tingelstad
Bakk	Erickson	Jennings	Mariani	Peterson	Tomassoni
Biernat	Finseth	Johnson	Marko	Pugh	Trimble
Bishop	Folliard	Juhnke	McCollum	Rest	Tuma
Boudreau	Fuller	Kahn	McElroy	Reuter	Tunheim
Bradley	Gerlach	Kalis	McGuire	Rhodes	Van Dellen
Broecker	Gleason	Kelliher	Milbert	Rifenberg	Vandeveer
Buesgens	Goodno	Kielkucki	Molnau	Rostberg	Wagenius
Carlson	Gray	Knoblach	Mulder	Rukavina	Wejcman
Carruthers	Greiling	Koskinen	Mullery	Schumacher	Wenzel
Cassell	Gunther	Krinkie	Murphy	Seagren	Westerberg
Chaudhary	Haake	Kubly	Ness	Seifert, J.	Westfall
Clark, J.	Haas	Kuisle	Nornes	Seifert, M.	Westrom
Clark, K.	Hackbarth	Larsen, P.	Olson	Skoe	Wilkin
Daggett	Harder	Larson, D.	Opatz	Skoglund	Winter
Davids	Hasskamp	Leighton	Orfield	Smith	Wolf
Dawkins	Hausman	Lenczewski	Osskopp	Solberg	Workman
Dehler	Hilty	Leppik	Otremba	Stang	Spk. Sviggum
Dempsey	Holberg	Lieder	Ozment	Storm	

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

S. F. No. 83, which was temporarily laid over earlier today on the Calendar for the Day, was again reported to the House.

Ozment moved to amend S. F. No. 83, the unofficial engrossment, as follows:

Page 3, line 29, after the period, insert "If the commissioner receives an objection from a party required to receive the notice, the reclassification is not effective."

The motion prevailed and the amendment was adopted.

S. F. No. 83, A bill for an act relating to natural resources; simplifying and consolidating wetland regulation; amending Minnesota Statutes 1998, sections 103G.005, subdivisions 15 and 19; 103G.201; 103G.2242, subdivision 2; 103G.2372; 103G.2373; and 645.44, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 103G.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 8 nays as follows:

Those who voted in the affirmative were:

Abeler Biernat Boudreau Bradley Broecker Buesgens Carlson Carruthers Cassell Chaudhary Clark, J. Clark, K. Daggett Davids Dawkins Dehler Dempsey Dorman Dom	Erhardt Erickson Finseth Folliard Fuller Gerlach Gleason Goodno Gray Greiling Gunther Haake Haas Hackbarth Harder Hasskamp Hausman Hilty Holberg	Howes Huntley Jennings Johnson Juhnke Kahn Kalis Kelliher Knoblach Koskinen Krinkie Kubly Kuisle Larsen, P. Larson, D. Leighton Lenczewski Leppik Lieder	Luther Mahoney Mares Mariani Marko McCollum McElroy McGuire Milbert Molnau Mulder Mullery Murphy Ness Nornes Opatz Orfield Osskopp Otremba	Paulsen Pawlenty Paymar Pelowski Peterson Pugh Rest Rhodes Rifenberg Rostberg Rukavina Schumacher Seagren Seifert, J. Seifert, M. Skoe Skoglund Smith Solberg	Storm Swapinski Swenson Sykora Tingelstad Tomassoni Trimble Tuma Van Dellen Vandeveer Wagenius Wejcman Wenzel Westerberg Westfall Wilkin Winter Wolf Workman
	Hilty Holberg Holsten	* *	* *	Smith Solberg Stang	

Those who voted in the negative were:

Anderson, B.	Bakk	Olson	Tunheim
Anderson, I.	Kielkucki	Reuter	Westrom

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

S. F. No. 2500 was reported to the House.

Van Dellen moved to amend S. F. No. 2500 as follows:

Page 3, line 16, after the period, insert "Any organization or an affiliate of an organization which provides abortions, promotes abortions, or directly refers for abortions, shall be ineligible to receive funds under this section."

A roll call was requested and properly seconded.

# POINT OF ORDER

Luther raised a point of order pursuant to rule 3.21 that the Van Dellen amendment was not in order. The Speaker ruled the point of order not well taken and the Van Dellen amendment in order.

Luther appealed the decision of the Speaker.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" and the roll was called. There were 88 yeas and 39 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorman	Juhnke	Mulder	Rest	Tuma
Abrams	Erickson	Kalis	Murphy	Reuter	Tunheim
Anderson, B.	Finseth	Kielkucki	Ness	Rifenberg	Van Dellen
Anderson, I.	Fuller	Knoblach	Nornes	Rostberg	Vandeveer
Bishop	Gerlach	Krinkie	Olson	Schumacher	Wenzel
Boudreau	Goodno	Kubly	Opatz	Seagren	Westerberg
Bradley	Gunther	Kuisle	Orfield	Seifert, J.	Westfall
Broecker	Haake	Larsen, P.	Osskopp	Seifert, M.	Westrom
Buesgens	Haas	Lenczewski	Otremba	Skoe	Wilkin
Cassell	Hackbarth	Lieder	Ozment	Smith	Winter
Clark, J.	Harder	Lindner	Paulsen	Stang	Wolf
Daggett	Hasskamp	Mares	Pawlenty	Storm	Workman
Davids	Holberg	McElroy	Pelowski	Swenson	Spk. Sviggum
Dehler	Holsten	Milbert	Peterson	Sykora	
Dempsey	Howes	Molnau	Pugh	Tingelstad	

Those who voted in the negative were:

Bakk	Entenza	Huntley	Leighton	McGuire	Tomassoni
Biernat	Erhardt	Jaros	Leppik	Mullery	Trimble
Carlson	Folliard	Jennings	Luther	Paymar	Wagenius
Chaudhary	Gleason	Johnson	Mahoney	Rhodes	Wejcman
Clark, K.	Gray	Kelliher	Mariani	Rukavina	
Dawkins	Greiling	Koskinen	Marko	Skoglund	
Dorn	Hausman	Larson, D.	McCollum	Swapinski	

So it was the judgment of the House that the decision of the Speaker should stand.

The Speaker called Abrams to the Chair.

Holsten moved to amend the Van Dellen amendment to S. F. No. 2500 as follows:

Page 1, line 5, delete "for" and insert "to"

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 42 yeas and 89 nays as follows:

Those who voted in the affirmative were:

Abrams	Carlson	Dawkins	Erhardt	Gray	Holsten
Bakk	Carruthers	Dorman	Folliard	Greiling	Huntley
Bishop	Clark, K.	Entenza	Gleason	Hausman	Jaros

Jennings	Koskinen	Luther	McCollum	Rhodes	Tomassoni
Johnson	Larson, D.	Mahoney	McElroy	Rukavina	Trimble
Kahn	Leighton	Mariani	McGuire	Skoglund	Wagenius
Kelliher	Leppik	Marko	Paymar	Swapinski	Wejcman

## Those who voted in the negative were:

Abeler	Dorn	Juhnke	Mullery	Rest	Tingelstad
Anderson, B.	Erickson	Kalis	Murphy	Reuter	Tuma
Anderson, I.	Finseth	Kielkucki	Ness	Rifenberg	Tunheim
Biernat	Fuller	Knoblach	Nornes	Rostberg	Van Dellen
Boudreau	Gerlach	Krinkie	Olson	Schumacher	Vandeveer
Bradley	Goodno	Kubly	Opatz	Seagren	Wenzel
Broecker	Gunther	Kuisle	Orfield	Seifert, J.	Westerberg
Buesgens	Haake	Larsen, P.	Osskopp	Seifert, M.	Westfall
Cassell	Haas	Lenczewski	Otremba	Skoe	Westrom
Chaudhary	Hackbarth	Lieder	Ozment	Smith	Wilkin
Clark, J.	Harder	Lindner	Paulsen	Solberg	Winter
Daggett	Hasskamp	Mares	Pawlenty	Stang	Wolf
Davids	Hilty	Milbert	Pelowski	Storm	Workman
Dehler	Holberg	Molnau	Peterson	Swenson	Spk. Sviggum
Dempsey	Howes	Mulder	Pugh	Sykora	

The motion did not prevail and the amendment to the amendment was not adopted.

Luther moved to amend the Van Dellen amendment to S. F. No. 2500 as follows:

Page 1, line 4, after the first "organization" delete "or an affiliate of an organization"

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 51 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Abrams	Dorn	Holsten	Leighton	McGuire	Skoglund
Bakk	Entenza	Huntley	Lenczewski	Mullery	Swapinski
Biernat	Erhardt	Jaros	Leppik	Opatz	Tomassoni
Bishop	Folliard	Jennings	Lieder	Orfield	Trimble
Carlson	Gleason	Johnson	Luther	Paymar	Wagenius
Carruthers	Gray	Kahn	Mahoney	Rest	Wejcman
Chaudhary	Greiling	Kelliher	Mariani	Rhodes	
Clark, K.	Hausman	Koskinen	Marko	Rukavina	
Dawkins	Hilty	Larson, D.	McCollum	Skoe	

Those who voted in the negative were:

Abeler	Boudreau	Buesgens	Daggett	Dempsey	Finseth
Anderson, B.	Bradley	Cassell	Davids	Dorman	Fuller
Anderson, I.	Broecker	Clark, J.	Dehler	Erickson	Gerlach

Goodno	Kielkucki	Mulder	Peterson	Stanek	Westerberg
Gunther	Knoblach	Murphy	Pugh	Stang	Westfall
Haake	Krinkie	Ness	Reuter	Storm	Westrom
Haas	Kubly	Nornes	Rifenberg	Swenson	Wilkin
Hackbarth	Kuisle	Olson	Rostberg	Sykora	Winter
Harder	Larsen, P.	Osskopp	Schumacher	Tingelstad	Wolf
Hasskamp	Lindner	Otremba	Seagren	Tuma	Workman
Holberg	Mares	Ozment	Seifert, J.	Tunheim	Spk. Sviggum
Howes	McElroy	Paulsen	Seifert, M.	Van Dellen	
Juhnke	Milbert	Pawlenty	Smith	Vandeveer	
Kalis	Molnau	Pelowski	Solberg	Wenzel	

The motion did not prevail and the amendment to the amendment was not adopted.

The question recurred on the Van Dellen amendment and the roll was called. There were 83 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Abeler	Erickson	Juhnke	Mulder	Rifenberg	Tuma
Anderson, B.	Finseth	Kalis	Murphy	Rostberg	Tunheim
Anderson, I.	Fuller	Kielkucki	Ness	Schumacher	Van Dellen
Boudreau	Gerlach	Knoblach	Nornes	Seagren	Vandeveer
Bradley	Goodno	Krinkie	Olson	Seifert, J.	Wenzel
Broecker	Gunther	Kubly	Osskopp	Seifert, M.	Westerberg
Buesgens	Haake	Kuisle	Otremba	Smith	Westfall
Cassell	Haas	Larsen, P.	Ozment	Solberg	Westrom
Clark, J.	Hackbarth	Lenczewski	Paulsen	Stanek	Wilkin
Daggett	Harder	Lieder	Pawlenty	Stang	Winter
Davids	Hasskamp	Lindner	Pelowski	Storm	Wolf
Dehler	Holberg	Mares	Peterson	Swenson	Workman
Dempsey	Holsten	Milbert	Pugh	Sykora	Spk. Sviggum
Dorman	Howes	Molnau	Reuter	Tingelstad	

Those who voted in the negative were:

Abrams	Dorn	Huntley	Leppik	Opatz	Tomassoni
Bakk	Entenza	Jaros	Luther	Orfield	Trimble
Biernat	Erhardt	Jennings	Mahoney	Paymar	Wagenius
Bishop	Folliard	Johnson	Mariani	Rest	Wejcman
Carlson	Gleason	Kahn	Marko	Rhodes	
Carruthers	Gray	Kelliher	McCollum	Rukavina	
Chaudhary	Greiling	Koskinen	McElroy	Skoe	
Clark, K.	Hausman	Larson, D.	McGuire	Skoglund	
Dawkins	Hilty	Leighton	Mullery	Swapinski	

The motion prevailed and the amendment was adopted.

S. F. No. 2500, A bill for an act relating to charitable organizations; changing definitions; amending Minnesota Statutes 1998, section 309.501, subdivision 1.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 92 yeas and 40 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorn	Juhnke	Mulder	Rifenberg	Tunheim
Anderson, B.	Erickson	Kalis	Mullery	Rostberg	Van Dellen
Anderson, I.	Finseth	Kielkucki	Murphy	Schumacher	Vandeveer
Boudreau	Fuller	Knoblach	Ness	Seagren	Wenzel
Bradley	Gerlach	Krinkie	Nornes	Seifert, J.	Westerberg
Broecker	Goodno	Kubly	Olson	Seifert, M.	Westfall
Buesgens	Gunther	Kuisle	Opatz	Skoe	Westrom
Carlson	Haake	Larsen, P.	Osskopp	Smith	Wilkin
Carruthers	Haas	Lenczewski	Otremba	Solberg	Winter
Cassell	Hackbarth	Lieder	Ozment	Stanek	Wolf
Clark, J.	Harder	Lindner	Paulsen	Stang	Workman
Daggett	Hasskamp	Luther	Pawlenty	Storm	Spk. Sviggum
Davids	Hilty	Mares	Pelowski	Swenson	
Dehler	Holberg	Marko	Peterson	Sykora	
Dempsey	Holsten	McCollum	Pugh	Tingelstad	
Dorman	Howes	Molnau	Reuter	Tuma	

Those who voted in the negative were:

Abrams	Entenza	Huntley	Larson, D.	Milbert	Swapinski
Bakk	Erhardt	Jaros	Leighton	Orfield	Tomassoni
Biernat	Folliard	Jennings	Leppik	Paymar	Trimble
Bishop	Gleason	Johnson	Mahoney	Rest	Wagenius
Chaudhary	Gray	Kahn	Mariani	Rhodes	Wejcman
Clark, K.	Greiling	Kelliher	McElroy	Rukavina	
Dawkins	Hausman	Koskinen	McGuire	Skoglund	

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

S. F. No. 3428, A bill for an act relating to professions; modifying supervisory and disciplinary requirements for psychologists; amending Minnesota Statutes 1998, sections 148.89, by adding subdivisions; and 148.925, subdivisions 1, 2, 3, 5, and 6; Minnesota Statutes 1999 Supplement, section 148.941, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Boudreau	Chaudhary	Dempsey	Folliard	Gunther
Bradley	Clark, J.	Dorman	Fuller	Haake
Broecker	Clark, K.	Dorn	Gerlach	Haas
Buesgens	Daggett	Entenza	Gleason	Hackbarth
Carlson	Davids	Erhardt	Goodno	Harder
Carruthers	Dawkins	Erickson	Gray	Hasskamp
Cassell	Dehler	Finseth	Greiling	Hausman
	Bradley Broecker Buesgens Carlson Carruthers	Bradley Clark, J. Broecker Clark, K. Buesgens Daggett Carlson Davids Carruthers Dawkins	Bradley Clark, J. Dorman Broecker Clark, K. Dorn Buesgens Daggett Entenza Carlson Davids Erhardt Carruthers Dawkins Erickson	Bradley Clark, J. Dorman Fuller Broecker Clark, K. Dorn Gerlach Buesgens Daggett Entenza Gleason Carlson Davids Erhardt Goodno Carruthers Dawkins Erickson Gray

Hilty	Krinkie	McCollum	Ozment	Seifert, J.	Tuma
Holberg	Kubly	McElroy	Paulsen	Seifert, M.	Tunheim
Holsten	Kuisle	McGuire	Pawlenty	Skoe	Van Dellen
Howes	Larsen, P.	Milbert	Paymar	Skoglund	Vandeveer
Huntley	Larson, D.	Molnau	Pelowski	Smith	Wagenius
Jaros	Leighton	Mulder	Peterson	Solberg	Wejcman
Jennings	Lenczewski	Mullery	Pugh	Stanek	Wenzel
Johnson	Leppik	Murphy	Rest	Stang	Westerberg
Juhnke	Lieder	Ness	Reuter	Storm	Westfall
Kahn	Lindner	Nornes	Rhodes	Swapinski	Westrom
Kalis	Luther	Olson	Rifenberg	Swenson	Wilkin
Kelliher	Mahoney	Opatz	Rostberg	Sykora	Winter
Kielkucki	Mares	Orfield	Rukavina	Tingelstad	Wolf
Knoblach	Mariani	Osskopp	Schumacher	Tomassoni	Workman
Koskinen	Marko	Otremba	Seagren	Trimble	Spk. Sviggum

The bill was passed and its title agreed to.

S. F. No. 3198 was reported to the House.

McCollum offered an amendment to S. F. No. 3198.

#### POINT OF ORDER

Bradley raised a point of order pursuant to rule 3.21 that the McCollum amendment was not in order. Speaker pro tempore Abrams ruled the point of order well taken and the McCollum amendment out of order.

S. F. No. 3198, A bill for an act relating to human services; establishing a process to close nursing facilities and reallocate the savings to other facilities; requiring budget neutrality; proposing coding for new law in Minnesota Statutes, chapter 256B.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abeler Abrams Anderson, B. Anderson, I. Bakk Biernat Bishop Boudreau Bradley Broecker Buesgens Carlson Carruthers Cassell	Clark, J. Clark, K. Daggett Davids Dawkins Dehler Dempsey Dorman Dorn Entenza Erhardt Erickson Finseth Folliard	Gerlach Gleason Goodno Gray Greiling Gunther Haake Haas Hackbarth Harder Hasskamp Hausman Hilty Holberg	Howes Huntley Jaros Jennings Johnson Juhnke Kahn Kalis Kelliher Kielkucki Knoblach Koskinen Krinkie Kubly	Larsen, P. Larson, D. Leighton Lenczewski Leppik Lieder Lindner Luther Mahoney Mares Mariani Marko McCollum McElroy	Milbert Molnau Mulder Mullery Murphy Ness Nornes Opatz Orfield Osskopp Otremba Ozment Paulsen Pawlenty
Cassell	Folliard	Holberg	Kubly	McElroy	Pawlenty
Chaudhary	Fuller	Holsten	Kuisle	McGuire	Paymar

Pelowski	Rostberg	Skoglund	Swenson	Van Dellen	Westrom
Peterson	Rukavina	Smith	Sykora	Vandeveer	Wilkin
Pugh	Schumacher	Solberg	Tingelstad	Wagenius	Winter
Rest	Seagren	Stanek	Tomassoni	Wejcman	Wolf
Reuter	Seifert, J.	Stang	Trimble	Wenzel	Workman
Rhodes	Seifert, M.	Storm	Tuma	Westerberg	Spk. Sviggum
Rifenberg	Skoe	Swapinski	Tunheim	Westfall	

Those who voted in the negative were:

Olson

The bill was passed and its title agreed to.

S. F. No. 2785 was reported to the House.

Workman moved to amend S. F. No. 2785 as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 3274, the first engrossment:

"Section 1. Minnesota Statutes 1998, section 169.825, is amended by adding a subdivision to read:

Subd. 17. [APPLICATION TO UTILITY VEHICLE.] This section does not apply to a utility vehicle that does not exceed a weight of 20,000 pounds per axle and is owned by (1) a public utility, as defined in section 216B.02, (2) a municipality or municipal utility that operates the vehicle for its municipal electric, gas, or water system, or (3) a cooperative electric association organized under chapter 308A.

Sec. 2. Minnesota Statutes 1998, section 169.87, is amended by adding a subdivision to read:

Subd. 5. [UTILITY VEHICLES.] Weight restrictions imposed by the commissioner under subdivision 1 do not apply to a two-axle or three-axle utility vehicle that does not exceed a weight of 20,000 pounds per single axle and 36,000 pounds gross vehicle weight for a two-axle vehicle or 48,000 pounds gross vehicle weight for a three-axle vehicle, if the vehicle is owned by (1) a public utility as defined in section 216B.02, (2) a municipality or municipal utility that operates the vehicle for its municipal electric, gas, or water system, or (3) a cooperative electric association organized under chapter 308A. The exemption in this subdivision applies only when the vehicle is performing service restoration or other work necessary to prevent an imminent loss of service.

Sec. 3. Minnesota Statutes 1998, section 169.87, is amended by adding a subdivision to read:

<u>Subd.</u> <u>6.</u> [RECYCLING VEHICLES.] <u>Weight restrictions imposed under subdivisions 1 and 2 do not apply to a vehicle that does not exceed 20,000 pounds per single axle while engaged in recycling.</u>

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective the day after final enactment and are repealed June 1, 2003."

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Delete the title and insert:

"A bill for an act relating to motor vehicles; exempting utility-owned vehicles from certain weight restrictions; amending Minnesota Statutes 1998, sections 169.825, by adding a subdivision; and 169.87, by adding subdivisions."

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

Lieder and Kalis moved to amend S. F. No. 2785, as amended, as follows:

Page 2, delete section 3

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Lieder and Kalis amendment and the roll was called. There were 60 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Entenza	Johnson	Luther	Otremba	Solberg
Bakk	Folliard	Kahn	Mahoney	Paymar	Swapinski
Biernat	Gleason	Kalis	Mariani	Pelowski	Tomassoni
Carlson	Greiling	Kelliher	Marko	Peterson	Trimble
Carruthers	Hasskamp	Koskinen	McCollum	Pugh	Tunheim
Chaudhary	Hausman	Kubly	McGuire	Rest	Wagenius
Clark, K.	Hilty	Larson, D.	Milbert	Rukavina	Wejcman
Dawkins	Huntley	Leighton	Mullery	Schumacher	Wenzel
Dehler	Jaros	Lenczewski	Murphy	Skoe	Winter
Dorn	Jennings	Lieder	Opatz	Skoglund	Wolf

Those who voted in the negative were:

Abeler	Clark, J.	Gerlach	Holsten	Lindner	Osskopp
Abrams	Daggett	Goodno	Howes	Mares	Ozment
Anderson, B.	Davids	Gray	Juhnke	McElroy	Paulsen
Bishop	Dempsey	Gunther	Kielkucki	Molnau	Pawlenty
Boudreau	Dorman	Haake	Knoblach	Mulder	Reuter
Bradley	Erhardt	Haas	Krinkie	Ness	Rhodes
Broecker	Erickson	Hackbarth	Kuisle	Nornes	Rifenberg
Buesgens	Finseth	Harder	Larsen, P.	Olson	Rostberg
Cassell	Fuller	Holberg	Leppik	Orfield	Seagren

Seifert, J.	Stanek	Swenson	Tuma	Westerberg	Wilkin
Seifert, M.	Stang	Sykora	Van Dellen	Westfall	Workman
Smith	Storm	Tingelstad	Vandeveer	Westrom	Spk. Sviggum

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

Kubly, Peterson and Trimble offered an amendment to S. F. No. 2785, as amended.

## POINT OF ORDER

Molnau raised a point of order pursuant to rule 3.21 that the Kubly et al amendment was not in order. The Speaker ruled the point of order well taken and the Kubly et al amendment out of order.

Kubly appealed the decision of the Speaker.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" and the roll was called. There were 74 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Abeler	Dempsey	Harder	Milbert	Rifenberg	Van Dellen
Abrams	Dorman	Holberg	Molnau	Rostberg	Vandeveer
Anderson, B.	Dorn	Holsten	Mulder	Seagren	Westerberg
Bishop	Erhardt	Howes	Ness	Seifert, J.	Westfall
Boudreau	Erickson	Kielkucki	Nornes	Seifert, M.	Westrom
Bradley	Finseth	Knoblach	Olson	Smith	Wilkin
Broecker	Fuller	Krinkie	Osskopp	Stanek	Wolf
Buesgens	Gerlach	Kuisle	Ozment	Stang	Workman
Cassell	Goodno	Larsen, P.	Paulsen	Storm	Spk. Sviggum
Clark, J.	Gunther	Leppik	Pawlenty	Swenson	
Daggett	Haake	Lindner	Rest	Sykora	
Davids	Haas	Mares	Reuter	Tingelstad	
Dehler	Hackbarth	McElroy	Rhodes	Tuma	

Those who voted in the negative were:

Anderson, I. Bakk	Dawkins Entenza	Hausman Hilty	Kahn Kalis	Lenczewski Lieder	McGuire Mullery
Biernat	Folliard	Huntley	Kelliher	Luther	Murphy
Carlson	Gleason	Jaros	Koskinen	Mahoney	Opatz
Carruthers	Gray	Jennings	Kubly	Mariani	Orfield
Chaudhary	Greiling	Johnson	Larson, D.	Marko	Otremba
Clark, K.	Hasskamp	Juhnke	Leighton	McCollum	Paymar

Winter

PelowskiRukavinaSkoglundTomassoniWageniusPetersonSchumacherSolbergTrimbleWejcmanPughSkoeSwapinskiTunheimWenzel

So it was the judgment of the House that the decision of the Speaker should stand.

Bakk moved to amend S. F. No. 2785, as amended, as follows:

Page 1, line 14, delete the second "or"

Page 1, line 15, before the period, insert ", or (4) a truck transporting raw sewage from an individual septic treatment system"

Page 2, line 1, delete the second "or"

Page 2, line 5, before the period, insert ", or (4) a truck transporting raw sewage from an individual septic treatment system"

The motion prevailed and the amendment was adopted.

Kubly moved to amend S. F. No. 2785, as amended, as follows:

Page 1, line 14, delete the second "or"

Page 1, line 15, delete the period and insert ", or (4) a milk hauler."

Page 2, line 1, delete the second "or"

Page 2, line 2, delete the period and insert ", or (4) a milk hauler."

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Kubly amendment and the roll was called. There were 73 yeas and 56 nays as follows:

Those who voted in the affirmative were:

Abeler **Biernat** Clark, K. Dorn Finseth Cassell Anderson, I. Carlson Chaudhary Dawkins Entenza Folliard Bakk Carruthers Clark, J. Dehler Erickson Gleason

Tunheim Wagenius Wejcman Wenzel Winter

Gray	Kelliher	Marko	Otremba	Seifert, M.
Greiling	Koskinen	McCollum	Paymar	Skoe
Haake	Kubly	McGuire	Pelowski	Skoglund
Harder	Larson, D.	Milbert	Peterson	Solberg
Hasskamp	Leighton	Mullery	Pugh	Stang
Hilty	Lenczewski	Murphy	Rest	Storm
Huntley	Lieder	Nornes	Rifenberg	Swapinski
Jaros	Luther	Opatz	Rostberg	Swenson
Jennings	Mahoney	Orfield	Rukavina	Tomassoni
Kahn	Mariani	Osskopp	Schumacher	Trimble

Those who voted in the negative were:

Abrams	Dorman	Howes	Mares	Rhodes	Westfall
Anderson, B.	Erhardt	Juhnke	McElroy	Seagren	Westrom
Bishop	Fuller	Kalis	Molnau	Seifert, J.	Wilkin
Boudreau	Gerlach	Kielkucki	Mulder	Smith	Wolf
Bradley	Goodno	Knoblach	Ness	Sykora	Workman
Broecker	Gunther	Krinkie	Olson	Tingelstad	Spk. Sviggum
Buesgens	Haas	Kuisle	Ozment	Tuma	
Daggett	Hackbarth	Larsen, P.	Paulsen	Van Dellen	
Davids	Holberg	Leppik	Pawlenty	Vandeveer	
Dempsey	Holsten	Lindner	Reuter	Westerberg	

The motion prevailed and the amendment was adopted.

S. F. No. 2785, A bill for an act relating to motor vehicles; exempting utility-owned vehicles from certain weight restrictions; amending Minnesota Statutes 1998, sections 169.825, by adding a subdivision; and 169.87, by adding a subdivision.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 115 yeas and 15 nays as follows:

Those who voted in the affirmative were:

Abeler	Daggett	Haas	Kuisle	Milbert	Pugh
Abrams	Davids	Hackbarth	Larsen, P.	Molnau	Rest
Anderson, B.	Dawkins	Hasskamp	Larson, D.	Mulder	Reuter
Anderson, I.	Dehler	Hilty	Leighton	Murphy	Rhodes
Bakk	Dempsey	Holberg	Lenczewski	Ness	Rifenberg
Biernat	Dorman	Holsten	Leppik	Nornes	Rostberg
Bishop	Dorn	Howes	Lieder	Olson	Rukavina
Boudreau	Erhardt	Huntley	Lindner	Opatz	Schumacher
Bradley	Erickson	Jaros	Luther	Osskopp	Seagren
Broecker	Finseth	Jennings	Mahoney	Otremba	Seifert, J.
Buesgens	Fuller	Johnson	Mares	Ozment	Seifert, M.
Carlson	Gerlach	Juhnke	Mariani	Paulsen	Skoe
Carruthers	Gleason	Kielkucki	Marko	Pawlenty	Smith
Cassell	Goodno	Knoblach	McCollum	Paymar	Solberg
Chaudhary	Gunther	Krinkie	McElroy	Pelowski	Stanek
Clark, J.	Haake	Kubly	McGuire	Peterson	Stang

Storm Tingelstad Van Dellen Westfall Wolf Westrom Swapinski Tomassoni Vandeveer Workman Swenson Tuma Wenzel Wilkin Spk. Sviggum Winter Sykora Tunheim Westerberg

Those who voted in the negative were:

Clark, K. Gray Kahn Mullery Trimble Entenza Greiling Kalis Orfield Wagenius Folliard Hausman Koskinen Skoglund Wejcman

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

S. F. No. 3533, A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Abeler Dorn Huntley Mares Peterson Tingelstad Mariani Pugh Tomassoni Abrams Entenza Jaros Anderson, B. Erhardt Jennings Marko Rest Trimble Anderson, I. Reuter Erickson Johnson McCollum Tuma Rhodes Tunheim Bakk Folliard Juhnke McElroy **Biernat** Fuller Kahn McGuire Rifenberg Van Dellen Milbert Bishop Gerlach Kalis Rostberg Vandeveer Boudreau Gleason Kelliher Molnau Rukavina Wagenius Bradley Kielkucki Wejcman Goodno Mulder Schumacher Broecker Knoblach Wenzel Gray Mullery Seagren Carlson Greiling Koskinen Murphy Seifert, J. Westerberg Gunther Westfall Carruthers Kubly Nornes Seifert, M. Cassell Haake Kuisle Olson Skoe Westrom Chaudhary Haas Larsen, P. Opatz Skoglund Wilkin Hackbarth Larson, D. Orfield Winter Clark, J. Smith Clark, K. Harder Leighton Osskopp Solberg Wolf Daggett Hasskamp Lenczewski Otremba Stanek Workman Davids Hausman Leppik Stang Spk. Sviggum Ozment **Dawkins** Hilty Lieder Paulsen Storm Dehler Holberg Lindner Pawlenty Swapinski Dempsey Holsten Luther Paymar Swenson Dorman Howes Mahoney Pelowski Sykora

Those who voted in the negative were:

Buesgens Krinkie

The bill was passed and its title agreed to.

S. F. No. 1288 was reported to the House.

Huntley; Wagenius; McCollum; Larsen, P.; Hausman; Jennings and Greiling moved to amend S. F. No. 1288, the third unofficial engrossment, as follows:

Pages 1 to 5, delete sections 1 through 4

A roll call was requested and properly seconded.

The Speaker called Paulsen to the Chair.

The question was taken on the Huntley et al amendment and the roll was called. There were 63 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Abrams	Gerlach	Kelliher	Marko	Paymar	Sykora
Biernat	Gleason	Koskinen	McCollum	Pelowski	Trimble
Carlson	Gray	Larsen, P.	McElroy	Pugh	Van Dellen
Chaudhary	Greiling	Larson, D.	McGuire	Rest	Vandeveer
Clark, J.	Hausman	Leighton	Milbert	Reuter	Wagenius
Clark, K.	Hilty	Lenczewski	Mullery	Rhodes	Wejcman
Dawkins	Huntley	Leppik	Murphy	Seagren	Westerberg
Dorn	Jaros	Lieder	Opatz	Seifert, J.	Winter
Entenza	Jennings	Luther	Orfield	Skoglund	
Erhardt	Johnson	Mares	Paulsen	Storm	
Folliard	Kahn	Mariani	Pawlenty	Swapinski	

Those who voted in the negative were:

Dehler	Hasskamp	Mahoney	Rukavina	Tunheim
Dempsey	Holberg	Molnau	Schumacher	Wenzel
Dorman	Holsten	Mulder	Seifert, M.	Westfall
Erickson	Howes	Ness	Skoe	Westrom
Finseth	Juhnke	Nornes	Smith	Wilkin
Fuller	Kalis	Olson	Solberg	Wolf
Goodno	Kielkucki	Osskopp	Stanek	Workman
Gunther	Knoblach	Otremba	Stang	Spk. Sviggum
Haake	Krinkie	Ozment	Swenson	
Haas	Kubly	Peterson	Tingelstad	
Hackbarth	Kuisle	Rifenberg	Tomassoni	
Harder	Lindner	Rostberg	Tuma	
	Dempsey Dorman Erickson Finseth Fuller Goodno Gunther Haake Haas Hackbarth	Dempsey Holberg Dorman Holsten Erickson Howes Finseth Juhnke Fuller Kalis Goodno Kielkucki Gunther Knoblach Haake Krinkie Haas Kubly Hackbarth Kuisle	Dempsey Holberg Molnau Dorman Holsten Mulder Erickson Howes Ness Finseth Juhnke Nornes Fuller Kalis Olson Goodno Kielkucki Osskopp Gunther Knoblach Otremba Haake Krinkie Ozment Haas Kubly Peterson Hackbarth Kuisle Rifenberg	Dempsey Holberg Molnau Schumacher Dorman Holsten Mulder Seifert, M. Erickson Howes Ness Skoe Finseth Juhnke Nornes Smith Fuller Kalis Olson Solberg Goodno Kielkucki Osskopp Stanek Gunther Knoblach Otremba Stang Haake Krinkie Ozment Swenson Haas Kubly Peterson Tingelstad Hackbarth Kuisle Rifenberg Tomassoni

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

Hackbarth offered an amendment to S. F. No. 1288, the third unofficial engrossment.

#### POINT OF ORDER

Entenza raised a point of order pursuant to rule 3.21 that the Hackbarth amendment was not in order. Speaker pro tempore Paulsen ruled the point of order well taken and the Hackbarth amendment out of order.

Swapinski moved to amend S. F. No. 1288, the third unofficial engrossment, as follows:

Page 9, after line 30, insert:

"Sec. 10. Minnesota Statutes 1998, section 97A.445, subdivision 1, is amended to read:

Subdivision 1. [ANGLING; TAKE A KID FISHING WEEKEND.] A resident over age 18 may take fish by angling without a license during one Saturday and Sunday three-day consecutive period of the angling season designated by rule of the commissioner if accompanied by a child who is under age 16. The commissioner shall publicize the Saturday and Sunday three-day period as "Take a Kid Fishing Weekend.""

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Rukavina moved to amend S. F. No. 1288, the third unofficial engrossment, as amended, as follows:

Page 25, after line 35, insert:

"Sec. 39. [EXEMPTIONS FROM HUNTING RESTRICTIONS.]

- (a) Hunting is permitted in accordance with state law and local government regulations in:
- (1) the off-highway vehicle recreation area established under Laws 1996, chapter 407, section 32, and Laws 1999, chapter 231, section 99; and
  - (2) the state recreation area established under Laws 1993, chapter 172, section 34.
  - (b) The commissioner of natural resources shall amend any rules that do not conform with this section."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Bakk moved to amend S. F. No. 1288, the third unofficial engrossment, as amended, as follows:

Page 5, line 31, delete "(6)" and insert "(9)"

Page 5, line 32, after the period, insert "A deer license issued under section 97A.475, subdivision 2, clause (11), means the dollar amount in paragraphs (b) and (c) are tripled for deer management."

The motion prevailed and the amendment was adopted.

Bakk moved to amend S. F. No. 1288, the third unofficial engrossment, as amended, as follows:

Page 25, after line 23, insert:

"Sec. 37. Minnesota Statutes 1998, section 97C.355, is amended by adding a subdivision to read:

<u>Subd. 1a.</u> [FISH HOUSE RESTRICTIONS.] <u>Where fish houses are left on the ice overnight, they must have an affixed reflector no less than two square inches on each side at least four feet above the surface of the ice."</u>

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Kahn moved to amend S. F. No. 1288, the third unofficial engrossment, as amended, as follows:

Page 26, after line 6, insert:

"Sec. 40. [SUNSET PROVISION.]

Sections 1 to 4 sunset on August 1, 2002."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Kahn amendment and the roll was called. There were 40 yeas and 89 nays as follows:

Those who voted in the affirmative were:

Abrams	Folliard	Jaros	Lenczewski	Murphy	Skoglund
Biernat	Gerlach	Jennings	Mares	Orfield	Swapinski
Chaudhary	Gray	Johnson	Mariani	Pawlenty	Sykora
Clark, K.	Greiling	Kahn	Marko	Paymar	Wagenius
Dawkins	Hausman	Kelliher	McCollum	Seagren	Wejcman
Dorn	Hilty	Koskinen	McGuire	Seifert, J.	J
Entenza	Huntley	Larsen, P.	Mullery	Seifert, M.	

Those who voted in the negative were:

Abeler	Bradley	Daggett	Erickson	Haas	Howes
Anderson, B.	Broecker	Davids	Finseth	Hackbarth	Juhnke
Anderson, I.	Buesgens	Dehler	Fuller	Harder	Kalis
Bakk	Carlson	Dempsey	Goodno	Hasskamp	Kielkucki
Bishop	Cassell	Dorman	Gunther	Holberg	Knoblach
Boudreau	Clark, J.	Erhardt	Haake	Holsten	Krinkie

Kubly	McElroy	Otremba	Rifenberg	Swenson	Westerberg
Kuisle	Milbert	Ozment	Rostberg	Tingelstad	Westfall
Larson, D.	Molnau	Paulsen	Rukavina	Tomassoni	Westrom
Leighton	Mulder	Pelowski	Schumacher	Trimble	Wilkin
Leppik	Ness	Peterson	Skoe	Tuma	Winter
Lieder	Nornes	Pugh	Smith	Tunheim	Wolf
Lindner	Olson	Rest	Solberg	Van Dellen	Workman
Luther	Opatz	Reuter	Stang	Vandeveer	Spk. Sviggum
Mahoney	Osskopp	Rhodes	Storm	Wenzel	

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

The Speaker resumed the Chair.

Skoglund moved to amend S. F. No. 1288, the third unofficial engrossment, as amended, as follows:

Page 6, after line 18, insert:

"Sec. 7. Minnesota Statutes 1998, section 97A.405, is amended by adding a subdivision to read:

Subd. 1a. [CERTIFICATION OF ELIGIBILITY TO POSSESS FIREARM.] (a) Every license to take game by firearm shall have the following statement printed on it: "I certify that I am not prohibited by my criminal record from possessing a firearm under state or federal law" and shall have a space next to it for the license applicant to sign or initial. No license to take game by firearm may be issued by the commissioner unless the applicant has signed or initialed this certification.

(b) The commissioner of natural resources shall perform random criminal background checks of licensees who have signed or initialed the certification described in paragraph (a) to determine whether the licensee's criminal record prohibits the licensee from possessing a firearm. The commissioner of public safety shall assist the commissioner of natural resources in performing these random checks."

Page 26, line 8, delete "5 to 8" and insert "5, 6, 8, 9"

Page 26, line 14, after the first period, insert "Section 7 is effective August 1, 2000, and applies to licenses issued on or after that date."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

Dehler moved to amend the Skoglund amendment to S. F. No. 1288, the third unofficial engrossment, as amended, as follows:

Page 1, line 9, delete "my" and insert "a"

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

#### POINT OF ORDER

Knoblach raised a point of order pursuant to rule 4.03, relating to Ways and Means Committee; Budget Resolution; Effect on Expenditure and Revenue Bills, that the Skoglund amendment, as amended, was not in order. The Speaker ruled the point of order not well taken and the Skoglund amendment, as amended, in order.

The question recurred on the Skoglund amendment, as amended, and the roll was called. There were 50 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Biernat	Gray	Kahn	Mahoney	Opatz	Stanek
Broecker	Greiling	Kelliher	Mariani	Orfield	Swapinski
Carlson	Hasskamp	Koskinen	Marko	Paymar	Trimble
Chaudhary	Hausman	Larsen, P.	McCollum	Pelowski	Wagenius
Clark, K.	Hilty	Larson, D.	McGuire	Pugh	Wejcman
Dawkins	Huntley	Leighton	Milbert	Rest	J
Entenza	Jaros	Lenczewski	Mullery	Rhodes	
Folliard	Jennings	Leppik	Murphy	Seifert, J.	
Gleason	Johnson	Luther	Olson	Skoglund	

Those who voted in the negative were:

Abeler	Dempsey	Holberg	Molnau	Schumacher	Van Dellen
Abrams	Dorman	Holsten	Mulder	Seagren	Vandeveer
Anderson, B.	Dorn	Howes	Ness	Seifert, M.	Wenzel
Anderson, I.	Erhardt	Juhnke	Nornes	Skoe	Westerberg
Bakk	Erickson	Kalis	Osskopp	Smith	Westfall
Bishop	Finseth	Kielkucki	Otremba	Solberg	Westrom
Boudreau	Fuller	Knoblach	Ozment	Stang	Wilkin
Bradley	Gerlach	Krinkie	Paulsen	Storm	Winter
Buesgens	Goodno	Kubly	Pawlenty	Swenson	Wolf
Cassell	Gunther	Kuisle	Peterson	Sykora	Workman
Clark, J.	Haake	Lieder	Reuter	Tingelstad	Spk. Sviggum
Daggett	Haas	Lindner	Rifenberg	Tomassoni	
Davids	Hackbarth	Mares	Rostberg	Tuma	
Dehler	Harder	McElroy	Rukavina	Tunheim	

The motion did not prevail and the amendment, as amended, was not adopted.

Tomassoni moved to amend S. F. No. 1288, the third unofficial engrossment, as amended, as follows:

Page 26, after line 6, insert:

"Sec. 40. [DEER BAITING.]

Deer baiting is not prohibited."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

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

S. F. No. 1288, A bill for an act relating to natural resources; exempting trappers from blaze orange requirements; providing that for certain turkey license applicants qualifying land may be noncontiguous; increasing hunting and fishing license fees; appropriating money; amending Minnesota Statutes 1998, sections 97A.435, subdivision 4; 97A.475, subdivisions 2, 3, 6, 7, 8, 11, 12, 13, and 20; 97A.485, subdivision 12; and 97B.071.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 100 yeas and 31 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorn	Juhnke	Marko	Rest	Tingelstad
Anderson, B.	Erickson	Kalis	Milbert	Reuter	Tomassoni
Anderson, I.	Finseth	Kielkucki	Molnau	Rhodes	Trimble
Bakk	Fuller	Knoblach	Mulder	Rifenberg	Tuma
Bishop	Gerlach	Krinkie	Murphy	Rostberg	Tunheim
Boudreau	Goodno	Kubly	Ness	Rukavina	Vandeveer
Bradley	Gunther	Kuisle	Nornes	Schumacher	Wenzel
Broecker	Haake	Larsen, P.	Olson	Seagren	Westerberg
Buesgens	Haas	Larson, D.	Opatz	Seifert, M.	Westfall
Carlson	Hackbarth	Leighton	Osskopp	Skoe	Westrom
Cassell	Harder	Lenczewski	Otremba	Smith	Wilkin
Clark, J.	Hasskamp	Leppik	Ozment	Solberg	Winter
Daggett	Hilty	Lieder	Paulsen	Stanek	Wolf
Davids	Holberg	Lindner	Pawlenty	Stang	Workman
Dehler	Holsten	Luther	Pelowski	Storm	Spk. Sviggum
Dempsey	Howes	Mahoney	Peterson	Swenson	
Dorman	Jennings	Mares	Pugh	Sykora	

Those who voted in the negative were:

Abrams	Erhardt	Huntley	Mariani	Paymar	Wejcman
Biernat	Folliard	Jaros	McCollum	Seifert, J.	
Chaudhary	Gleason	Johnson	McElroy	Skoglund	
Clark, K.	Gray	Kahn	McGuire	Swapinski	
Dawkins	Greiling	Kelliher	Mullery	Van Dellen	
Entenza	Hausman	Koskinen	Orfield	Wagenius	

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

S. F. No. 3348 was reported to the House.

Knoblach moved to amend S. F. No. 3348 as follows:

Page 2, line 11, delete everything after the period

Page 2, delete lines 12 and 13

Page 2, line 14, delete everything before "Licensed"

The motion prevailed and the amendment was adopted.

S. F. No. 3348, A bill for an act relating to health; modifying requirements for potluck events sponsored by organizations; amending Minnesota Statutes 1998, section 157.22.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorn	Howes	Luther	Pawlenty	Swapinski
Abrams	Entenza	Huntley	Mahoney	Paymar	Swenson
Anderson, B.	Erhardt	Jaros	Mares	Pelowski	Sykora
Anderson, I.	Erickson	Jennings	Mariani	Peterson	Tingelstad
Bakk	Finseth	Johnson	Marko	Pugh	Tomassoni
Biernat	Folliard	Juhnke	McCollum	Rest	Trimble
Bishop	Fuller	Kahn	McElroy	Reuter	Tuma
Boudreau	Gerlach	Kalis	McGuire	Rhodes	Tunheim
Bradley	Gleason	Kelliher	Milbert	Rifenberg	Van Dellen
Broecker	Goodno	Kielkucki	Molnau	Rostberg	Vandeveer
Buesgens	Gray	Knoblach	Mulder	Rukavina	Wagenius
Carlson	Greiling	Koskinen	Mullery	Schumacher	Wejcman
Cassell	Gunther	Krinkie	Murphy	Seagren	Wenzel
Chaudhary	Haake	Kubly	Ness	Seifert, J.	Westerberg
Clark, J.	Haas	Kuisle	Nornes	Seifert, M.	Westfall
Clark, K.	Hackbarth	Larsen, P.	Olson	Skoe	Westrom
Daggett	Harder	Larson, D.	Opatz	Skoglund	Wilkin
Davids	Hasskamp	Leighton	Orfield	Smith	Winter
Dawkins	Hausman	Lenczewski	Osskopp	Solberg	Wolf
Dehler	Hilty	Leppik	Otremba	Stanek	Workman
Dempsey	Holberg	Lieder	Ozment	Stang	Spk. Sviggum
Dorman	Holsten	Lindner	Paulsen	Storm	_

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

Pawlenty moved that the remaining bills on the Calendar for the Day be continued. The motion prevailed.

# MOTIONS AND RESOLUTIONS

Jennings moved that H. F. No. 3708 be returned to its author. The motion prevailed.

Anderson, B., moved that H. F. No. 4028 be returned to its author. The motion prevailed.

Rest moved that S. F. No. 2521 be recalled from the Committee on Taxes and together with H. F. No. 2673, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

Molnau moved that S. F. No. 2826 be recalled from the Committee on State Government Finance and be rereferred to the Committee on Rules and Legislative Administration. The motion prevailed.

Entenza moved that S. F. No. 3016 be recalled from the Committee on Taxes and together with H. F. No. 3345, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

McElroy moved that S. F. No. 3768 be recalled from the Committee on Taxes and together with H. F. No. 4102, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

# REPORT FROM THE CHAIR OF THE COMMITTEE ON WAYS AND MEANS

March 31, 2000

Edward A. Burdick Chief Clerk of the House of Representatives The State of Minnesota

Dear Mr. Burdick:

House Rule 4.03 requires the Chair of the Committee on Ways and Means to certify to the House of Representatives that the Committee has reconciled any finance and revenue bills with the budget resolution and targets.

Please accept this letter as certification that H. F. No. 3516 and S. F. Nos. 884, 1288, 1495, 3036, 3234 and 3290 reconcile with the budget resolution and targets.

Sincerely,

REPRESENTATIVE DAVE BISHOP Chair, House Ways and Means Committee

There being no objection, the order of business reverted to Petitions and Communications.

## PETITIONS AND COMMUNICATIONS

The following communication was received:

STATE OF MINNESOTA OFFICE OF THE GOVERNOR SAINT PAUL 55155

April 3, 2000

The Honorable Steve Sviggum Speaker of the House of Representatives The State of Minnesota

Dear Speaker Sviggum:

I have vetoed and am returning Chapter Number 310, H. F. No. 2809, a bill relating to the Ah-Gwah-Ching Nursing Center.

I am vetoing this bill for two reasons. First, this bill seeks to clarify that the Ah-Gwah-Ching Center will continue operation in Walker, Minnesota as a provider of nursing care. This new language is unnecessary. According to Chapter 251.011, subdivision 3, "the Commissioner shall not decrease the number of nursing home beds nor close

Ah-Gwah-Ching Center without specific approval by the legislature." Second, this bill attempts to add additional admission criteria. This language is not necessary and will not change the current pattern of operation at this facility.

For these reasons, I am vetoing this bill.

Sincerely,

JESSE VENTURA Governor

## MOTION TO OVERRIDE VETO

Howes moved that H. F. No. 2809, Chapter No. 310, be now reconsidered and repassed, the objections of the Governor notwithstanding, pursuant to Article IV, Section 23, of the Constitution of the State of Minnesota.

The question was taken on the Howes motion to reconsider and repass H. F. No. 2809, Chapter No. 310, the objections of the Governor notwithstanding, pursuant to Article IV, Section 23, of the Constitution of the State of Minnesota and the roll was called.

There were 125 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Abeler	Entenza	Howes	Lindner	Paymar	Swapinski
Abrams	Erhardt	Huntley	Luther	Pelowski	Swenson
Anderson, B.	Erickson	Jaros	Mahoney	Peterson	Sykora
Anderson, I.	Finseth	Jennings	Mares	Pugh	Tingelstad
Bakk	Folliard	Johnson	Mariani	Rest	Tomassoni
Biernat	Fuller	Juhnke	Marko	Reuter	Trimble
Bishop	Gerlach	Kahn	McCollum	Rhodes	Tuma
Boudreau	Gleason	Kalis	McElroy	Rifenberg	Tunheim
Bradley	Goodno	Kelliher	McGuire	Rostberg	Vandeveer
Broecker	Gray	Kielkucki	Molnau	Rukavina	Wagenius
Buesgens	Greiling	Knoblach	Mullery	Schumacher	Wejcman
Carlson	Gunther	Koskinen	Murphy	Seagren	Wenzel
Cassell	Haake	Krinkie	Ness	Seifert, J.	Westerberg
Chaudhary	Haas	Kubly	Nornes	Seifert, M.	Westfall
Clark, J.	Hackbarth	Kuisle	Olson	Skoe	Westrom
Daggett	Harder	Larsen, P.	Opatz	Skoglund	Wilkin
Davids	Hasskamp	Larson, D.	Orfield	Smith	Winter
Dehler	Hausman	Leighton	Osskopp	Solberg	Wolf
Dempsey	Hilty	Lenczewski	Otremba	Stanek	Workman
Dorman	Holberg	Leppik	Paulsen	Stang	Spk. Sviggum
Dorn	Holsten	Lieder	Pawlenty	Storm	

Those who voted in the negative were:

Dawkins Milbert Mulder Ozment Van Dellen

Having received the constitutionally required two-thirds vote, the bill was reconsidered and repassed, the objections of the Governor notwithstanding.

# ADJOURNMENT

Pawlenty moved that when the House adjourns today it adjourn until 10:00 a.m., Wednesday, April 5, 2000. The motion prevailed.

Pawlenty moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 10:00 a.m., Wednesday, April 5,2000.

EDWARD A. BURDICK, Chief Clerk, House of Representatives