

STATE OF MINNESOTA

Journal of the Senate

SEVENTY-NINTH LEGISLATURE

ONE HUNDRED TENTH DAY

St. Paul, Minnesota, Saturday, March 30, 1996

The Senate met at 1:00 p.m. and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by Senator Pat Piper.

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

Anderson	Hanson	Kroening	Murphy	Riveness
Beckman	Hottinger	Laidig	Neuville	Robertson
Belanger	Janezich	Langseth	Novak	Runbeck
Berg	Johnson, D.E.	Larson	Oliver	Sams
Berglin	Johnson, D.J.	Lesewski	Olson	Samuelson
Betzold	Johnson, J.B.	Lessard	Ourada	Scheevel
Chandler	Johnston	Limmer	Pappas	Solon
Cohen	Kelly	Marty	Pariseau	Spear
Day	Kiscaden	Merriam	Piper	Stevens
Dille	Kleis	Metzen	Pogemiller	Stumpf
Fischbach	Knutson	Moe, R.D.	Price	Terwilliger
Flynn	Kramer	Mondale	Ranum	Vickerman
Frederickson	Krentz	Morse	Reichgott Junge	Wiener

The President declared a quorum present.

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

MOTIONS AND RESOLUTIONS

CONFIRMATION

Mr. Pogemiller moved that the reports from the Committee on Education, reported March 28, 1996, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Pogemiller moved that the foregoing reports be now adopted. The motion prevailed.

Mr. Pogemiller moved that in accordance with the reports from the Committee on Education, reported March 28, 1996, the Senate, having given its advice, do now consent to and confirm the appointment of:

BOARD OF THE MINNESOTA CENTER FOR ARTS EDUCATION

Terry Anderson, 406 Ave. D, Cloquet, Carlton County, effective January 21, 1996, for a term expiring on the first Monday in January, 2000.

Ellen Doll, 1955 Kenwood Pkwy., Minneapolis, Hennepin County, effective January 21, 1996, for a term expiring on the first Monday in January, 2000.

Ruth Grendahl, 13685 Pennock Ave., Apple Valley, Dakota County, effective June 13, 1995, for a term expiring on the first Monday in January, 1997.

Renee Jenson, 3740 Brunet Ct., Vadnais Heights, Ramsey County, effective October 14, 1995, for a term expiring on the first Monday in January, 1996; and effective January 21, 1996, for a term expiring on the first Monday in January, 2000.

Patricia Surratt, Rt. 1, Box 175, Wanamingo, Goodhue County, effective January 21, 1996, for a term expiring on the first Monday in January, 2000.

DEPARTMENT OF CHILDREN, FAMILIES, AND LEARNING
COMMISSIONER

Bruce Johnson, 2125 E. 3rd St., Duluth, St. Louis County, effective October 1, 1995, for a term expiring on the first Monday in January, 1999.

STATE BOARD OF EDUCATION

Wendell Maddox, 3141 Dean Ct., St. Louis Park, Hennepin County, effective December 11, 1995, for a term expiring on the first Monday in January, 1997.

The motion prevailed. So the appointments were confirmed.

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 2381 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 2381

A bill for an act relating to telecommunications; regulating intrastate interLATA telecommunications services; proposing coding for new law in Minnesota Statutes, chapter 237.

March 29, 1996

The Honorable Allan H. Spear
President of the Senate

The Honorable Irv Anderson
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 2381, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment.

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

Senate Conferees: (Signed) Douglas J. Johnson, Steven G. Novak, Linda Runbeck

House Conferees: (Signed) Loren Jennings, Bob Anderson, Mark Holsten

Mr. Johnson, D.J. moved that the foregoing recommendations and Conference Committee Report on S.F. No. 2381 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 2381 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

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

Those who voted in the affirmative were:

Anderson	Hottinger	Langseth	Oliver	Samuelson
Beckman	Janezich	Larson	Olson	Scheevel
Belanger	Johnson, D.J.	Lesewski	Ourada	Solon
Berg	Johnson, J.B.	Lessard	Pappas	Spear
Berglin	Johnston	Limmer	Pariseau	Stevens
Betzold	Kelly	Marty	Piper	Stumpf
Chandler	Kiscaden	Merriam	Pogemiller	Terwilliger
Cohen	Kleis	Metzen	Price	Vickerman
Day	Knutson	Moe, R.D.	Ranum	Wiener
Dille	Kramer	Mondale	Reichgott Junge	
Fischbach	Krentz	Morse	Robertson	
Flynn	Kroening	Murphy	Runbeck	
Hanson	Laidig	Neuville	Sams	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2691 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2691: A bill for an act relating to transportation; establishing transportation policy for the metropolitan area; requiring a performance audit of the metropolitan transportation system; expanding the metropolitan council's authority over metropolitan area highways; requiring the council to establish a community-based transit demonstration program; providing a service incentive for opt-outs; providing for legislative auditor to prepare a best practices report; requiring the council to prepare a transit redesign plan for 1997; amending Minnesota Statutes 1994, sections 473.167, subdivision 1; and 473.388, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 473.

Ms. Berglin moved to amend S.F. No. 2691 as follows:

Page 3, after line 34, insert:

"Sec. 6. Minnesota Statutes 1995 Supplement, section 473.391, is amended to read:

473.391 [ROUTE PLANNING AND SCHEDULING.]

Subdivision 1. [CONTRACTS.] The council may contract with other operators or local governments for route planning and scheduling services in any configuration of new or reconfiguration of existing transit services and routes, including route planning and scheduling necessary for the test marketing program, the service bidding program, and the interstate highway described generally as legislative routes Nos. 10 and 107 between I-494 and the Hawthorne interchange in the city of Minneapolis, commonly known as I-394.

Subd. 2. [ROUTE ELIMINATION; SERVICE REDUCTION.] The council shall, before making a determination to eliminate or reduce service on existing transit routes, consider:

- (1) the level of subsidy per passenger on each route;
- (2) the availability and proximity of alternative transit routes; and
- (3) the percentage of transit dependent riders, including youth, elderly, low-income, and disabled riders currently using each route."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 2691 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 59 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Frederickson	Kroening	Murphy	Robertson
Beckman	Hanson	Laidig	Neuville	Runbeck
Belanger	Hottinger	Langseth	Oliver	Sams
Berg	Janezich	Larson	Olson	Scheevel
Berglin	Johnson, D.J.	Lesewski	Ourada	Solon
Betzold	Johnson, J.B.	Lessard	Pappas	Spear
Chandler	Kelly	Limmer	Pariseau	Stevens
Cohen	Kiscaden	Marty	Piper	Stumpf
Day	Kleis	Metzen	Pogemiller	Terwilliger
Dille	Knutson	Moe, R.D.	Price	Vickerman
Fischbach	Kramer	Mondale	Ranum	Wiener
Flynn	Krentz	Morse	Reichgott Junge	

Ms. Johnston and Mr. Merriam voted in the negative.

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

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1648 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1648: A bill for an act relating to civil actions; providing for civil damages for bias offenses; proposing coding for new law in Minnesota Statutes, chapter 611A; repealing Minnesota Statutes 1994, section 548.06.

Mr. Hottinger moved that the amendment made to H.F. No. 1648 by the Committee on Rules and Administration in the report adopted March 22, 1996, pursuant to Rule 49, be stricken.

Mr. Neuville questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Mr. Hottinger moved that H.F. No. 1648 be laid on the table. The motion prevailed.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2701 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 2701: A resolution memorializing the President and Congress to increase the federal minimum wage.

Mr. Kelly moved to amend S.F. No. 2701 as follows:

Page 1, line 16, delete "to a level that is"

Page 1, delete line 17 and insert "from \$4.25 to \$5.35 an hour."

The motion prevailed. So the amendment was adopted.

Mr. Marty moved to amend S.F. No. 2701 as follows:

Page 1, line 10, delete "and" and insert "NOW, THEREFORE,"

Page 1, delete lines 11 to 13

The motion prevailed. So the amendment was adopted.

Mr. Oliver moved that S.F. No. 2701 be laid on the table. The motion prevailed.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 2704 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 2704: A bill for an act relating to transportation; abolishing transportation regulation board and transferring duties and powers to commissioners of public service and transportation; modifying laws governing motor carriers; clarifying definition of warehouse operator; making technical changes; appropriating money; amending Minnesota Statutes 1994, sections 168.013, subdivision 1e; 218.031, subdivisions 1 and 2; 218.041, subdivision 5; 221.011, subdivisions 7, 8, 9, 14, and by adding subdivisions; 221.021; 221.025; 221.051, by adding a subdivision; 221.071, subdivision 2; 221.111; 221.124, subdivision 2; 221.141, subdivision 1; 221.161, subdivision 1; 221.171, subdivision 1; 221.172, subdivisions 3 and 9; 221.185, subdivisions 1, 2, 4, and 9; 221.281; 221.291, subdivision 4; and 231.01, subdivision 5; Minnesota Statutes 1995 Supplement, sections 15A.081, subdivision 1; 221.131, subdivision 3; and 221.132; proposing coding for new law in Minnesota Statutes, chapters 216A; and 221; repealing Minnesota Statutes 1994, sections 174A.01; 174A.02; 174A.03; 174A.04; 174A.05; 174A.06; 218.011, subdivision 7; 218.021; 218.025; 218.031, subdivision 7; 218.041, subdivision 7; 221.011, subdivisions 2b, 10, 12, 24, 25, 28, 35, 36, 38, 39, 40, 41, and 46; 221.072; 221.101; 221.121, subdivisions 3, 5, 6, 6c, 6d, 6e, 6f, and 6g; 221.151, subdivision 3; 221.152; 221.153; 221.172, subdivisions 4, 5, 6, 7, and 8; 221.296; 221.54; and 221.55.

CALL OF THE SENATE

Ms. Pappas imposed a call of the Senate for the balance of the proceedings on H.F. No. 2704. The Sergeant at Arms was instructed to bring in the absent members.

Ms. Pappas moved to amend H.F. No. 2704, as amended pursuant to Rule 49, adopted by the Senate March 22, 1996, as follows:

(The text of the amended House File is identical to S.F. No. 2169.)

Page 10, line 25, delete "the carrier's" and insert "an airport passenger carrier"

Page 35, line 31, after "A" insert "hazardous materials carrier who is registered under Minnesota Statutes, section 221.0355, or a"

The motion prevailed. So the amendment was adopted.

Ms. Pappas then moved to amend H.F. No. 2704, as amended pursuant to Rule 49, adopted by the Senate March 22, 1996, as follows:

(The text of the amended House File is identical to S.F. No. 2169.)

Page 6, line 20, reinstate the stricken "proposed"

Page 7, line 12, delete "or responsible unit of government"

Page 8, line 11, delete the new language

Page 9, line 12, after the comma, insert "a taxicab regulated by a municipality under section 412.221, subdivision 20; or 368.01, subdivision 12;"

Page 9, delete sections 18 and 19

Page 9, lines 33 and 34, reinstate the stricken "or otherwise hold out"

Page 10, line 10, after the period, insert "A carrier affected by an action of the commissioner under this subdivision may, within 20 days of receipt of a notice of the commissioner's action, request an administrative hearing to review the suspension, revocation, or denial of renewal. The hearing must be conducted under the conference contested case rules of the office of administrative hearings."

Page 10, line 17, delete "an" and insert "the Minneapolis-St. Paul International" and delete "subject" and insert ". The person also shall give the commissioner a list identifying each vehicle it intends to use to transport passengers to or from the Minneapolis-St. Paul International airport."

Page 10, delete line 18

Page 10, line 20, delete "an airport passenger carrier"

Page 10, line 21, delete "certificate of registration or"

Page 10, line 25, after the period, insert "If the registration statement indicates that the carrier intends to transport household goods or to transport passengers to or from the Minneapolis-St. Paul International airport, the registration receipt must clearly state that the service may be provided."

Page 10, after line 32, insert:

"Subd. 4. [AIRPORT SERVICE VEHICLE DECAL.] The commissioner shall design a distinctive decal to be issued to a motor carrier of passengers who has registered to transport passengers to or from the Minneapolis-St. Paul International airport. The commissioner shall issue a decal for each vehicle identified in the carrier's registration. A decal must be securely affixed to the windshield of the vehicle for which it is issued and may not be used on any other vehicle. No motor carrier, other than a regular route common carrier of passengers, may transport passengers to or from the Minneapolis-St. Paul International airport in a vehicle without a decal issued under this subdivision."

Page 10, line 33, delete "4" and insert "5"

Page 10, line 36, delete "5" and insert "6"

Page 11, line 9, delete "6" and insert "7"

Page 11, line 23, delete "an established place of"

Page 11, delete lines 24 to 26

Page 11, line 27, delete everything before "where" and insert "a designated office in Minnesota"

Page 11, line 29, delete everything after "and"

Page 11, line 30, delete everything before the semicolon and insert "shall be available for inspection by the commissioner"

Page 12, line 23, before "No" insert "Subdivision 1. [HOUSEHOLD GOODS MOVERS.]"

Page 12, after line 26, insert:

"Subd. 2. [AIRPORT SERVICE.] (a) No person may transport passengers for hire to or from the Minneapolis-St. Paul International airport except for:

(1) a motor carrier of passengers with a valid registration receipt issued under section 221.021 indicating that the person has registered to provide airport service;

(2) a regular route common carrier of passengers with a certificate issued under section 221.071;

(3) a limousine operator with a permit issued under section 221.84; or

(4) a taxicab regulated by a municipality under section 412.221, subdivision 20, or 368.01, subdivision 12.

Service provided from the airport under a registration receipt or limousine permit must be prearranged by a passenger or passenger's representative.

(b) The commissioner shall not issue a registration receipt authorizing the transportation of passengers to or from the Minneapolis-St. Paul International airport to any person who was not authorized to provide the transportation under a charter permit issued by the transportation regulation board before the effective date of this act. Service provided to or from the airport under a registration receipt may be provided only to the extent authorized by the charter permit.

Subd. 3. [METROPOLITAN AREA; USE OF SMALL VEHICLES RESTRICTED.] Except as provided in subdivision 4, a motor carrier of passengers with a registration receipt issued under section 221.021 may not use a vehicle that is designed to transport 15 persons or less, excluding the driver, to provide for-hire passenger service from one point to another point within the seven-county metropolitan area comprised of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington counties.

Subd. 4. [EXCEPTION.] A motor carrier of passengers may continue providing transportation described in subdivision 3 under a registration receipt to the extent that the transportation was authorized by a charter permit issued by the transportation regulation board before the effective date of this act."

Page 28, line 27, delete "\$50,000" and insert "\$10,000"

Page 29, after line 29, insert:

"Sec. 42. [221.178] [MOTOR CARRIERS OF PASSENGERS; CRIMINAL BACKGROUND CHECK REQUIRED.]

Subdivision 1. [CARRIER TO CONDUCT CHECK.] A motor carrier of passengers shall conduct, or cause to be conducted, an initial criminal record check of any person the carrier hires or with whom the carrier contracts whose duties include operating a vehicle used to transport passengers for hire. This record check must be completed before the person provides service for the carrier. A subsequent criminal record check shall be conducted every three years.

Subd. 2. [SCOPE OF CHECK.] A criminal record check must include a review of the state criminal records maintained by the Minnesota bureau of criminal apprehension for convictions entered during the five years before the check. If the applicant has resided in Minnesota for less than five years, the check also must include a criminal records check of information from the state law enforcement agencies in the states where the person resided during the five years before moving to Minnesota, and of the national criminal records repository including the criminal justice data communications network.

Subd. 3. [RECORDS.] A carrier shall keep a record, identified by the employee's name, of a criminal record check conducted under this section. A record must be made available to the commissioner upon request."

Page 35, after line 2, insert:

"Sec. 50. [PASSENGER TRANSPORTATION STUDY.]

The commissioner of transportation, with the assistance of an advisory panel, shall study and

report to the legislature by November 1, 1996, concerning recommended economic and functional regulation by state and local government of passenger transportation providers, including charter service, regular route service, taxicab service, airport passenger service, limousine service, and personal transportation service. The commissioner shall appoint to the advisory panel two consumers of passenger transportation services to represent the public and one representative each from the metropolitan council, metropolitan airports commission, league of Minnesota cities, association of counties, cities that regulate passenger service, charter providers, regular route providers, taxicab providers, airport service providers, and personal transportation service providers. The subcommittee on committees of the senate committee on rules and administration shall appoint two members of the senate, and the speaker shall appoint two members of the house of representatives, to serve on the advisory panel."

Page 37, line 29, before "Minnesota" insert "(a)"

Page 37, line 31, delete "8,"

Page 37, line 35, delete "219.85; 219.97, subdivision 7;"

Page 38, after line 7, insert:

"(b) Section 23, subdivisions 2, 3, and 4, are repealed effective July 1, 1997."

Page 38, delete line 9 and insert:

"Sections 1 to 49 and 51 to 55 are effective July 1, 1996. Section 50 is effective the day following final enactment."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Ms. Pappas then moved to amend H.F. No. 2704, as amended pursuant to Rule 49, adopted by the Senate March 22, 1996, as follows:

(The text of the amended House File is identical to S.F. No. 2169.)

Page 9, after line 12, insert:

"Sec. 18. Minnesota Statutes 1994, section 221.011, subdivision 23, is amended to read:

Subd. 23. [HOUSEHOLD GOODS.] "Household goods" means personal effects and property used or to be used by the owner in the owner's a dwelling; ~~furniture, fixtures, equipment and property of business places and institutions, public or private, when a part of the stock, equipment, supplies or property of such establishments, when a part of the equipment or supply of such dwelling, and similar property if the transportation of such effects or property is:~~

(1) arranged and paid for by the householder, including transportation of property from a factory or store when the property is purchased by the householder with intent to use it in his or her dwelling; or

(2) arranged and paid for by another person, excluding transportation of property from a factory or store when the property is purchased by the householder with intent to use it in the householder's dwelling.

Sec. 19. Minnesota Statutes 1994, section 221.011, is amended by adding a subdivision to read:

Subd. 23a. [HOUSEHOLD GOODS MOVER.] "Household goods mover" means a person who engages in the for-hire transportation of household goods."

Page 29, after line 16, insert:

"Sec. 45. [221.162] [HOUSEHOLD GOODS MOVERS; SCHEDULE OF RATES AND CHARGES.]

A household goods mover shall maintain a schedule of its rates and charges for transporting household goods and providing related services for which a charge is assessed. "Related services" may include conducting an inventory, giving a binding price or an estimate, delivery, storage, handling, packing, unpacking, loading, and unloading of household goods. The schedule shall set out the mover's rates, charges, rules, and other provisions used to determine the total charges for transporting household goods, including any related services, clearly and concisely in plain language. A mover's schedule of rates and charges must be made available to prospective shippers and to the department upon request. A shipper may agree to pay a rate or charge different from those in a household goods mover's schedule."

Page 29, after line 29, insert:

"Sec. 47. [221.173] [HOUSEHOLD GOODS MOVERS; BILLS OF LADING AND FREIGHT BILLS.]

Subdivision 1. [BILL OF LADING MUST BE ISSUED.] A household goods mover shall issue a bill of lading for each shipment of household goods it transports. A copy of the bill of lading, signed by the shipper, must be given to the shipper before the household goods mover begins loading the shipment.

Subd. 2. [INFORMATION REQUIRED.] A bill of lading for the transportation of household goods must include:

- (1) the number that the mover uses to identify the bill of lading;
- (2) the name and address of the household goods mover;
- (3) the date the shipment was tendered and received for transportation by the household goods mover;
- (4) the street addresses of origin and destination;
- (5) the names and addresses of any other household goods mover, when known, that will participate in the transportation of the shipment;
- (6) the name, address, and telephone number of the office of the household goods mover that should be contacted in relation to the transportation of the shipment;
- (7) the names and addresses of the shipper, consignee, and agent, if any;
- (8) the agreed date or period of time for pickup of the shipment and the agreed date or period of time for the delivery of the shipment;
- (9) the actual date of pickup;
- (10) the terms and conditions for payment of the total charges including notice of any minimum charges; and
- (11) a released rates valuation statement.

Subd. 3. [COPY TO ACCOMPANY SHIPMENT.] A copy of the bill of lading for a shipment shall accompany the shipment at all times while it is in the possession of a household goods mover. When a shipment is loaded on a vehicle for transportation, the bill of lading shall be in the possession of the driver responsible for the shipment.

Subd. 4. [FREIGHT BILLS.] A freight bill containing applicable rates and charges for transportation and related services shall be given to a shipper for the collection of the charges. A freight bill must contain all of the information shown on the bill of lading and, in addition, the rate assessed and total charges to be collected, including charges for extra labor or related or accessorial services, if any. A freight bill that contains hourly charges for detention, extra labor, or

other related or accessorial charges, must show the date and time of the beginning and ending of the services upon which the charges are based and any other information necessary for a complete explanation of the charges. This information may be shown on a document other than the freight bill if a copy of the document is attached to the freight bill.

Subd. 5. [COMBINING DOCUMENTS.] A household goods mover may elect to use a combination shipping document if it includes all of the information required in subdivisions 2 and 4 of this section.

Sec. 48. [221.176] [HOUSEHOLD GOODS MOVERS; BINDING PRICES; ESTIMATES.]

Subdivision 1. [BINDING PRICE.] A household goods mover may provide in its schedule of rates and charges for preparing and giving a binding price of the costs which a shipper will be required to pay for services. If a household goods mover agrees to prepare and furnish a binding price to a shipper:

(1) the shipper must be notified of the costs, if any, associated with preparing and giving the binding price in advance;

(2) the binding price must be given to the shipper or other person responsible for payment of the freight charges in writing;

(3) the document containing the binding price must clearly describe the shipment and all services to be provided under the binding price;

(4) all charges to be assessed for services provided under a binding price shall be identified clearly in the document containing the binding price; and

(5) the document containing the binding price must conspicuously state that it is binding and that the prices for the listed services are guaranteed.

Subd. 2. [NONBINDING ESTIMATES.] (a) A household goods mover may provide an estimate of the approximate costs that will be assessed for the transportation of household goods and related services to a shipper. Before providing an estimate, a household goods mover shall notify a shipper of the costs, if any, associated with providing the estimate in writing. An estimate is not binding on the household goods mover who provides the estimate. A nonbinding estimate must:

(1) be reasonably accurate and must clearly describe the shipment and the services to be provided; and

(2) have a clear statement on the face of the estimate stating that the estimate is not binding on the mover and that the charges shown are the approximate charges that will be assessed for the services identified in the estimate.

(b) If the total charges for articles and services listed in the nonbinding estimate exceed the estimated amount by more than ten percent or \$200, whichever is greater, the household goods mover shall relinquish possession of a shipment to the shipper or other person responsible for the payment of the freight charges upon payment of the estimated amount plus ten percent or \$200, whichever is greater, and payment for any services not shown on the estimate. This paragraph does not prohibit a household goods mover from collecting any remaining balance due from a shipper after the goods are relinquished.

Sec. 49. [221.177] [HOUSEHOLD GOODS MOVERS; PROVIDING INFORMATION TO SHIPPERS.]

Subdivision 1. [ADVERTISING.] A household goods mover shall include the following information on all advertisements published in the state:

(1) the name or trade name of the household goods mover as shown on the mover's registration receipt;

(2) the household goods mover's place of business, street address, and state; and

(3) the household goods mover's registration receipt number assigned by the department.

Subd. 2. [COMPLAINT RESOLUTION.] Before transporting any household goods for a shipper, a household goods mover shall give the shipper a description of any processes or procedures the household goods mover has established for responding to complaints and inquiries and resolving disputes with shippers over charges, damages, and services. The description must be in plain language and easy to read. At a minimum, it must include an explanation of:

(1) the provisions in section 221.251, regarding refunds for overcharges and claims for loss and damage;

(2) the provisions of applicable Minnesota rules relating to the period of time for filing claims and when suits may be instituted;

(3) how shippers may communicate with the appropriate office of the household goods mover by telephone regarding claims or disputes; and

(4) information necessary for processing claims.

Sec. 50. [221.178] [RECORDS OF COMPLAINTS.]

A household goods mover shall maintain records of any written complaint made against it for a period of three years following the complaint. The records shall include the name of the complaining party; the date of the complaint; the nature of the complaint; any mediation, arbitration, or litigation proceedings related to the complaint; a description of the resolution of the complaint; and proof of satisfaction of any judgment entered against the household goods mover. These records shall be made available to the department for audit upon request of the department."

Page 35, after line 29, insert:

"Sec. 59. [REPORT.]

On or before January 15, 1998, the department shall submit a report to the senate transportation and public transit committee and the house of representatives transportation and transit committee concerning complaints against household goods movers. The report shall include:

(1) the number and nature of consumer complaints received by the department since July 1, 1996;

(2) the number and nature of consumer complaints documented in carrier records audited by the department since July 1, 1996;

(3) an analysis of the resolution of the complaints and the means by which resolution was achieved; and

(4) recommendations concerning the need for legislative action to strengthen protection of consumers dealing with household goods movers and whether household goods movers should continue to be required to keep records of complaints."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Murphy moved to amend H.F. No. 2704, as amended pursuant to Rule 49, adopted by the Senate March 22, 1996, as follows:

(The text of the amended House File is identical to S.F. No. 2169.)

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1995 Supplement, section 15A.081, subdivision 1, is amended to read:

Subdivision 1. [SALARY RANGES.] The governor shall set the salary rate within the ranges listed below for positions specified in this subdivision, upon approval of the legislative coordinating commission and the legislature as provided by section 3.855:

Salary Range

\$57,500-\$78,500

Commissioner of finance;
 Commissioner of children, families, and learning;
 Commissioner of transportation;
 Commissioner of human services;
 Commissioner of revenue;
 Commissioner of public safety;
 Executive director, state board of investment;

\$50,000-\$67,500

Commissioner of administration;
 Commissioner of agriculture;
 Commissioner of commerce;
 Commissioner of corrections;
 Commissioner of economic security;
 Commissioner of employee relations;
 Commissioner of health;
 Commissioner of labor and industry;
 Commissioner of natural resources;
 Commissioner of trade and economic development;
 Chief administrative law judge; office of administrative hearings;
 Commissioner, pollution control agency;
 Director, office of environmental assistance;
 Commissioner, housing finance agency;
 Executive director, public employees retirement association;
 Executive director, teacher's retirement association;
 Executive director, state retirement system;

\$42,500-\$60,000

Commissioner of human rights;
 Commissioner, department of public service;
 Commissioner of veterans affairs;
 Commissioner, bureau of mediation services;
 Commissioner, public utilities commission;
~~Member, transportation regulation board;~~
 Ombudsman for corrections;
 Ombudsman for mental health and retardation.

Sec. 2. Minnesota Statutes 1994, section 168.013, subdivision 1e, is amended to read:

Subd. 1e. [TRUCKS; TRACTORS; COMBINATIONS; EXCEPTIONS.] On trucks and tractors except those in this chapter defined as farm trucks, on truck-tractor and semitrailer combinations except those defined as farm combinations, and on commercial zone vehicles, the tax based on total gross weight shall be graduated according to the Minnesota base rate schedule prescribed in this subdivision, but in no event less than \$120.

Minnesota Base Rate Schedule

Scheduled taxes include five percent surtax provided for in subdivision 14

TOTAL GROSS WEIGHT IN POUNDS		TAX
A	0 - 1,500	\$ 15
B	1,501 - 3,000	20
C	3,001 - 4,500	25
D	4,501 - 6,000	35
E	6,001 - 9,000	45
F	9,001 - 12,000	70
G	12,001 - 15,000	105
H	15,001 - 18,000	145
I	18,001 - 21,000	190
J	21,001 - 26,000	270
K	26,001 - 33,000	360
L	33,001 - 39,000	475
M	39,001 - 45,000	595
N	45,001 - 51,000	715
O	51,001 - 57,000	865
P	57,001 - 63,000	1015
Q	63,001 - 69,000	1185
R	69,001 - 73,280	1325
S	73,281 - 78,000	1595
T	78,001 - 81,000	1760

For purposes of the Minnesota base rate schedule, for vehicles with six or more axles in the "S" and "T" categories, the base rates are \$1,520 and \$1,620 respectively.

For each vehicle with a gross weight in excess of 81,000 pounds an additional tax of \$50 is imposed for each ton or fraction thereof in excess of 81,000 pounds, subject to subdivision 12.

Truck-tractors except those herein defined as farm and commercial zone vehicles shall be taxed in accord with the foregoing gross weight tax schedule on the basis of the combined gross weight of the truck-tractor and any semitrailer or semitrailers which the applicant proposes to combine with the truck-tractor.

Commercial zone trucks include only trucks, truck-tractors, and semitrailer combinations which are:

(1) ~~used by an authorized a local cartage carrier operating under a permit issued under section 221.296 and~~ whose gross transportation revenue consists of at least 60 percent obtained solely from local cartage carriage, and are operated solely within an area composed of two contiguous cities of the first class and municipalities contiguous thereto as defined by section 221.011, subdivision 17; or,

(2) operated by an interstate carrier registered under section 221.60, or by an authorized local cartage carrier or other carrier receiving operating authority under chapter 221, and operated solely within a zone exempt from regulation by the interstate commerce commission pursuant to United States Code, title 49, section 10526(b).

The license plates issued for commercial zone vehicles shall be plainly marked. A person operating a commercial zone vehicle outside the zone or area in which its operation is authorized is guilty of a misdemeanor and, in addition to the penalty therefor, shall have the registration of the vehicle as a commercial zone vehicle revoked by the registrar and shall be required to reregister the vehicle at 100 percent of the full annual tax prescribed in the Minnesota base rate schedule, and no part of this tax shall be refunded during the balance of the registration year.

On commercial zone trucks the tax shall be based on the total gross weight of the vehicle and during each of the first eight years of vehicle life shall be 75 percent of the Minnesota base rate schedule. During the ninth and succeeding years of vehicle life the tax shall be 50 percent of the Minnesota base rate schedule.

On trucks, truck-tractors and semitrailer combinations, except those defined as farm trucks and farm combinations, and except for those commercial zone vehicles specifically provided for in this subdivision, the tax for each of the first eight years of vehicle life shall be 100 percent of the tax imposed in the Minnesota base rate schedule, and during the ninth and succeeding years of vehicle life, the tax shall be 75 percent of the Minnesota base rate prescribed by this subdivision.

Sec. 3. [216A.10] [COMMISSIONER; FUNCTIONS AND POWERS; MOTOR AND RAIL CARRIERS.]

Subdivision 1. [POWERS GENERALLY.] For the purpose of implementing the provisions of chapters 218, 219, 221, and 222, the functions of the commissioner shall be legislative and quasi-judicial in nature. The commissioner may make such investigations and determinations, hold such hearings, prescribe such rules and issue such orders with respect to the control and conduct of the businesses coming within the commissioner's jurisdiction as the legislature itself might make but only as it shall from time to time authorize.

Subd. 2. [SPECIFIC FUNCTIONS AND POWERS.] The commissioner shall further hold hearings and issue orders in cases brought before the commissioner by either the commissioner of transportation or by a third party in the following areas:

(a) Adequacy of services which carriers are providing to the public, including the continuation, termination, or modification of services or facilities.

(b) The reasonableness of tariff of rates, fares, and charges, or a part or classification thereof. The commissioner may authorize motor carriers for hire to file tariffs of rates, fares, and charges, individually or by group. Carriers participating in group rate making have the free and unrestrained right to take independent action either before or after a determination arrived at through such procedure.

(c) The issuing of franchises, permits, or certificates of convenience and necessity.

Subd. 3. [SUBPOENA POWER.] The commissioner shall have subpoena power for the purpose of implementing chapters 218, 219, 221, and 222.

Subd. 4. [HEARINGS; NOTICE.] With respect to those matters within its jurisdiction the commissioner shall receive, hear, and determine all petitions filed with the commissioner in

accordance with the procedures established by law and may hold hearings and make determinations upon its own motion to the same extent, and in every instance, in which it may do so upon petition. Upon receiving petitions filed pursuant to sections 221.061, 221.081, 221.121, subdivision 1, 221.151, and 221.55, the commissioner shall give notice of the filing of the petition to representatives of associations or other interested groups or persons who have registered their names with the commissioner for that purpose and to whomever the commissioner deems to be interested in the petition. The commissioner may grant or deny the request of the petition 30 days after notice of the filing has been fully given. If the commissioner receives a written objection and notice of intent to appear at a hearing to object to the petition filed from any person within 20 days of the notice having been fully given, the request of the petition shall be granted or denied only after a contested case hearing has been conducted on the petition, unless the objection is withdrawn prior to the hearing. The commissioner may elect to hold a contested case hearing if no objections are received. If a timely objection is not received, or if received and withdrawn, and the request of the petition is denied without hearing, the petitioner may request within 30 days of receiving the notice of denial, and shall be granted, a contested case hearing on the petition.

Subd. 5. [OPERATION WITH REGARD TO FEDERAL LAW.] The commissioner is authorized to:

(a) Appear before the United States Department of Transportation and press a petition, whether or not filed by a resident of this state, charging a motor carrier or rail carrier with a violation of the Interstate Commerce Act of the United States, whenever the commissioner deems the matter to be in the public interest.

(b) To cooperate with all federal agencies for the purpose of harmonizing state and federal regulations within the state to the extent and in the manner advisable.

(c) To conduct joint hearings with any federal agency or commission when the commissioner considers such participation advisable and in the interest of the people of this state.

Sec. 4. [216A.11] [DEPARTMENT; ACTIONS.]

The department of public service may sue or be sued in connection with the actions taken pursuant to chapters 218, 219, 221, and 222.

Sec. 5. [216A.12] [HEARINGS.]

All hearings required to be conducted by the commissioner shall be conducted pursuant to sections 14.001 to 14.69.

Sec. 6. [216A.13] [APPEALS.]

An appeal from an order of the commissioner shall be in accordance with chapter 14.

Sec. 7. [216A.14] [CONTINUATION OF RULES.]

Orders and directives heretofore in force, adopted, issued, or promulgated by the public service commission, public utilities commission, the department of transportation, or the transportation regulation board under authority of chapters 174A, 218, 219, 221, and 222 are transferred to the department of public service and remain and continue in force and effect until repealed, modified, or superseded by duly authorized orders or directives of the commissioner. The commissioner shall review the transferred rules, orders, and directives and, when appropriate, develop, and adopt new rules, orders, or directives within 18 months of July 1, 1996.

Sec. 8. Minnesota Statutes 1994, section 218.031, subdivision 1, is amended to read:

Subdivision 1. [NOTICE, COMPLIANCE, FREIGHT TRANSFER, FACILITIES, RECORDS, ACCOUNTING.] Except as otherwise directed or authorized, it shall be the duty of every common carrier:

(1) To prescribe in the first instance, and to publish upon not less than 20 days' public notice in the case of new or increased rates or ten days' public notice in the case of reduced rates, in such

manner as may be required by the commissioner and law, all schedules of rates and charges and classifications thereof, together with the rules governing the same, and minimum weights for transportation of freight articles between points or stations in the state, and terminal and switching charges. A new or changed contract rate shall become effective in accordance with the provisions of United States Code, title 49, section 10713. The board may, for good cause, reduce the notice period specified in this clause.

(2) to comply with every duly authorized rule or directive of the commissioner or board except as the same may be stayed, pending appeal therefrom;

(3) To put into effect and observe all schedules of rates and charges and classifications and any amendments or changes therein duly ordered by the board, except as the same may be stayed, pending appeal.

(4) To maintain as may be directed by the commissioner for public inspection at stations and depots all schedules showing all classifications, rates and charges for transportation of freight currently in force applying from such station. Such schedules shall state the places between which property will be carried and show the classification of freight, the distance tariff, a table of distances between stations, any terminal charges and any rules in any way affecting the aggregate of such rates and charges.

(5) Upon request of an owner or consignor of freight to the initial company, whenever the initial line does not reach the place of destination, or the distance from the place of origin to destination may be shortened, to transfer such freight to a connecting line without change in cars if in carload lots, except such change be free of charge to the shipper and receiver; and to transfer with or without change in cars of less than carload lots at a reasonable joint through rate agreed upon by the connecting carriers or prescribed by the board, not greater than the maximum rates allowed by law, provided any unloading and reloading which is necessary shall be at cost and the charge for such transfer included in the joint rate.

(6) To provide the same switching, transfer and handling facilities for local as for interstate traffic.

(7) Upon written demand of the owner, to construct, maintain and operate side tracks and reasonable facilities connecting with any grain warehouse, dock, wharf, mill, coal yard, quarry, brick or lime kiln, sand or gravel pit, crushed rock or concrete plant or manufactory as may be required by the board, and on such terms as may be agreed upon, or, on failure of agreement, as may be prescribed by the board.

(8) (2) to issue receipts or bills of lading covering all property received for transportation from any point in the state to any other point in the state, and to respond for any loss, damage or injury to such the property caused by it or any carrier to whom such the property may be delivered or over whose line it may pass; and

(9) To refund all overcharges for freight, baggage or express, and pay for any loss, damage or injury to property while in its possession, within 90 days after the filing of a claim for such overcharge, loss or damage.

(10) (3) to keep its accounts so as to show, as far as practicable, the earnings derived from, and the expenses incurred in, handling intrastate business in such a form as the commissioner shall prescribe, including the separation of accounts for each operating division, wholly or partly within the state. Such These accounts shall must show:

(i) the total cost of operating through trains and the total cost of operating the local or distributing trains of each operating division, wholly or partly within the state, during the fiscal year to be fixed by the commissioner;

(ii) the total number of tons of revenue and nonrevenue freight;

(iii) the number of tons of each carried one mile on the through trains and on the local trains, respectively;

(iv) the number of tons and ton miles of revenue and nonrevenue freight carried on through or local trains ~~which that~~ are exclusively intrastate, ~~and;~~

(v) the gross tons and ton miles made by through and local trains on each division. ~~The accounts shall show;~~

(vi) the total revenue and nonrevenue train and engine miles ~~and;~~

(vii) the total revenue and nonrevenue car miles (~~which are the nonrevenue car miles to be shown loaded and empty separately~~), produced by ~~such that~~ railroad in the state in each operating division;

(viii) the number of each of the above train, engine, and car mileage produced in handling the through trains and in handling the local trains;

(ix) the total locomotive miles produced in switching on each division; ~~and such~~

(x) further information related to the income or cost of intrastate business as the commissioner may require. The commissioner may require ~~such these~~ accounts to be kept with reference to the intrastate passenger business of each carrier and the train, car, and engine mileage incurred in ~~such its~~ business in this state as the commissioner may ~~deem~~ consider necessary.

~~(11) During pendency of any litigation, when rates prescribed by the board have not been put into effect, to keep a correct account of every charge made by it for any services to which such rates apply in excess of the rates prescribed, showing in each case the difference between the amount actually charged and the amount allowed to be charged, the date of the transaction, the stations between which the business was carried and the names and addresses of the consignor and consignee, and to report such information in full to the board on its request.~~

Sec. 9. Minnesota Statutes 1994, section 218.031, subdivision 2, is amended to read:

Subd. 2. [INFORMATION FURNISHED COMMISSIONER.] Every common carrier shall furnish to the commissioner:

~~(1) All schedules of rates, fares and charges, every part and classification thereof, together with minimum weights and rules with respect thereto, and any and all amendments, modifications or changes therein.~~

~~(2) all information duly required in blanks and forms furnished by the commissioner;~~

~~(3) (2) a copy of all annual reports and valuation data furnished to the Interstate Commerce Commission not later than June 30th, covering the preceding calendar year, together with any additional information regarding valuation of its properties requested by the commissioner; and~~

~~(4) (3) a report of accidents, wrecks, and casualties occurring in this state in ~~such the~~ manner and, form, and at ~~such~~ times as prescribed by the commissioner. ~~All such,~~ provided that reports administered by the department of public safety shall must be received and administered in accordance with the provisions of section 169.09, subdivision 13. ~~and all other reports shall must~~ be open to public inspection but ~~shall are~~ not be admissible in evidence in any suit or action for damages growing out of ~~such the~~ accident, wreck or casualty.~~

~~(5) All tariff agreements or arrangements with other carriers.~~

~~(6) All joint schedules of rates, fares or classifications.~~

Sec. 10. Minnesota Statutes 1994, section 218.041, subdivision 5, is amended to read:

Subd. 5. [COMMISSIONER'S DUTIES.] The commissioner shall:

(1) investigate and determine whether any common carriers are ~~granting rebates or, in any other particular,~~ failing to comply with laws or with orders, rules, or directives of the commissioner ~~of the board~~ of transportation or commissioner of public service;

(2) appear and press before the ~~Interstate Commerce Commission~~ United States Department of Transportation any petition, whether filed by a resident of the state or otherwise, charging any common carrier doing business in this state with any violation of the Interstate Commerce Act of the ~~United States~~, whenever the department deems considers the matter to be one of public interest;

(3) institute and prosecute all actions and proceedings in the appropriate courts for the enforcement of the ~~provisions~~ of this chapter, or the orders, rules, and directives of the commissioner and the board issued thereunder and any violations thereof of transportation or commissioner of public service.

Sec. 11. Minnesota Statutes 1994, section 221.011, subdivision 7, is amended to read:

Subd. 7. [CERTIFICATE.] "Certificate" means the certificate of public convenience and necessity issued under section 221.071 to a regular route common carrier of passengers, ~~a class-I motor carrier, or a petroleum carrier.~~

Sec. 12. Minnesota Statutes 1994, section 221.011, subdivision 8, is amended to read:

Subd. 8. [PERMIT.] "Permit" means the license, or franchise, ~~which~~ that may be issued to motor carriers of passengers, other than regular route common carriers of passengers, ~~class-I common carriers, and petroleum carriers,~~ or household goods movers under the provisions of this chapter, authorizing the use of the highways of Minnesota for transportation for hire.

Sec. 13. Minnesota Statutes 1994, section 221.011, subdivision 9, is amended to read:

Subd. 9. [REGULAR ROUTE COMMON CARRIER OF PASSENGERS.] "Regular route common carrier of passengers" means a person who holds out to the public as willing, for hire, to transport passengers by motor vehicle between fixed termini over a regular route upon the public highways.

Sec. 14. Minnesota Statutes 1994, section 221.011, subdivision 14, is amended to read:

Subd. 14. [PERMIT CARRIER.] "Permit carrier" means a for-hire motor carrier of passengers or household goods mover embraced within this chapter other than a regular route common carriers carrier of passengers, ~~class-I carriers, and petroleum carriers.~~

Sec. 15. Minnesota Statutes 1994, section 221.011, is amended by adding a subdivision to read:

Subd. 47. [FOR-HIRE MOTOR CARRIER OF PASSENGERS.] "For-hire motor carrier of passengers" means a person engaged in the for-hire transportation of passengers, other than a limousine operator subject to section 221.84, a personal transportation service operator subject to section 221.85, or a taxicab regulated by a municipality pursuant to section 412.22, subdivision 20, or 368.01, subdivision 12.

Sec. 16. Minnesota Statutes 1994, section 221.011, is amended by adding a subdivision to read:

Subd. 48. [FOR-HIRE MOTOR CARRIER OF PROPERTY.] "For-hire motor carrier of property" means a motor carrier engaged in the for-hire transportation of property, other than household goods in Minnesota that has filed a registration statement with the commissioner.

Sec. 17. Minnesota Statutes 1994, section 221.011, is amended by adding a subdivision to read:

Subd. 51. [OPERATING AUTHORITY.] "Operating authority" means the certificate of registration, certificate, permit, license, or other credential issued by the commissioner of transportation or commissioner of public service that authorizes the transportation of property or passengers under this chapter.

Sec. 18. Minnesota Statutes 1994, section 221.011, is amended by adding a subdivision to read:

Subd. 52. [SAFETY RATING.] "Safety rating" means the rating assigned by the Federal Highway Administration.

Sec. 19. Minnesota Statutes 1994, section 221.021, is amended to read:

221.021 [~~OPERATION CERTIFICATE OR PERMIT~~ OPERATING AUTHORITY REQUIRED.]

~~No person may operate as a motor carrier or advertise or otherwise hold out as a motor carrier without a certificate or permit in effect.~~

Subdivision 1. [SUSPENSION OR REVOCATION.] A certificate or permit may be suspended or revoked upon conviction of violating a provision of sections 221.011 to 221.296 this chapter or an order or rule of the commissioner or board of transportation or commissioner of public service governing the operation of motor carriers, and upon a finding by the court that the violation was willful. The board commissioner of public service may, for good cause after a hearing, suspend or revoke a certificate or permit for a violation of a provision of sections 221.011 to 221.296 this chapter or an order issued or rule adopted by the commissioner or board of transportation or commissioner of public service under this chapter.

Subd. 2. [REGULAR ROUTE COMMON CARRIER OF PASSENGERS.] No person may advertise, hold out, or operate as a regular route common carrier of passengers in intrastate commerce in Minnesota without a certificate, issued by the commissioner of public service under section 221.071, in effect.

Subd. 3. [FOR-HIRE MOTOR CARRIER OF PASSENGERS AND HOUSEHOLD GOODS MOVER.] No person may advertise, hold out, or operate as a for-hire motor carrier of passengers or household goods mover in intrastate commerce in Minnesota without a permit, issued by the commissioner of public service under section 221.121, in effect.

Subd. 4. [FOR-HIRE MOTOR CARRIER OF PROPERTY.] No person may advertise, hold out, or operate as a for-hire motor carrier of property in intrastate commerce in Minnesota without a current certificate of registration, issued by the commissioner of transportation under section 221.135, in effect.

Sec. 20. Minnesota Statutes 1994, section 221.025, is amended to read:

221.025 [EXEMPTIONS.]

The provisions of this chapter requiring a ~~certificate or permit~~ operating authority to operate as a motor carrier do not apply to the intrastate transportation described below:

(a) the transportation of students to or from school or school activities in a school bus inspected and certified under section 169.451 and the transportation of children or parents to or from a Head Start facility or Head Start activity in a Head Start bus inspected and certified under section 169.451;

(b) the transportation of solid waste, as defined in section 116.06, subdivision 22, including recyclable materials and waste tires, except that the term "hazardous waste" has the meaning given it in section 221.011, subdivision 31;

(c) a commuter van as defined in section 221.011, subdivision 27;

(d) authorized emergency vehicles as defined in section 169.01, subdivision 5, including ambulances; and tow trucks equipped with proper and legal warning devices when picking up and transporting (1) disabled or wrecked motor vehicles or (2) vehicles towed or transported under a towing order issued by a public employee authorized to issue a towing order;

(e) the transportation of grain samples under conditions prescribed by the board;

(f) the delivery of agricultural lime;

(g) the transportation of dirt and sod within an area having a 50-mile radius from the home post office of the person performing the transportation;

(h) the transportation of sand, gravel, bituminous asphalt mix, concrete ready mix, concrete

blocks or tile and the mortar mix to be used with the concrete blocks or tile, or crushed rock to or from the point of loading or a place of gathering within an area having a 50-mile radius from that person's home post office or a 50-mile radius from the site of construction or maintenance of public roads and streets;

(i) the transportation of pulpwood, cordwood, mining timber, poles, posts, decorator evergreens, wood chips, sawdust, shavings, and bark from the place where the products are produced to the point where they are to be used or shipped;

(j) the transportation of fresh vegetables from farms to canneries or viner stations, from viner stations to canneries, or from canneries to canneries during the harvesting, canning, or packing season, or transporting sugar beets, wild rice, or rutabagas from the field of production to the first place of delivery or unloading, including a processing plant, warehouse, or railroad siding;

~~(k) the transportation of property or freight, other than household goods and petroleum products in bulk, entirely within the corporate limits of a city or between contiguous cities except as provided in section 221.296;~~

~~(l)~~ the transportation of unprocessed dairy products in bulk within an area having a 100-mile radius from the home post office of the person providing the transportation;

~~(m)~~ (l) the transportation of agricultural, horticultural, dairy, livestock, or other farm products within an area having a 25-mile radius from the person's home post office and the carrier may transport other commodities within the 25-mile radius if the destination of each haul is a farm;

~~(n)~~ (m) passenger transportation service that is not charter service and that is under contract to and with operating assistance from the department or the metropolitan council;

~~(o)~~ (n) the transportation of newspapers, as defined in section 331A.01, subdivision 5, telephone books, handbills, circulars, or pamphlets in a vehicle with a gross vehicle weight of 10,000 pounds or less; and

~~(p)~~ (o) transportation of potatoes from the field of production, or a storage site owned or otherwise controlled by the producer, to the first place of processing.

The exemptions provided in this section apply to a person only while the person is exclusively engaged in exempt transportation.

Sec. 21. Minnesota Statutes 1994, section 221.051, is amended by adding a subdivision to read:

Subd. 1a. [TIME SCHEDULES.] No regular route common carrier of passengers may alter or change its time schedules except upon order of the commissioner of public service. The order may be issued ex parte unless the commissioner of public service decides that the public interest requires that a hearing be held.

Sec. 22. [221.052] [INTERSTATE PASSENGER CARRIERS ENGAGED IN INTRASTATE TRANSPORTATION OVER INTERSTATE ROUTES.]

Subdivision 1. [DEFINITION.] For purposes of this section, "interstate passenger carrier" means an interstate motor common carrier of passengers that performs intrastate transportation of passengers over a route authorized by the United States Secretary of Transportation pursuant to United States Code, title 49, section 13902, subsection (b)(C)(3).

Subd. 2. [FILINGS.] Not later than 30 days after the date on which an interstate passenger carrier first begins providing intrastate transportation, the carrier shall take the following actions:

(1) file a copy of the authority granted by the United States Department of Transportation with the commissioner of public service; and

(2) file its rates, fares, charges, time schedules, and tariffs with the commissioner of transportation. Interstate passenger carriers shall file all subsequent amendments to its rates, fares, charges, time schedules, and tariffs with the commissioner before the effective date of the amendments.

Subd. 3. [REGISTRATION.] An interstate passenger carrier shall register as provided in section 221.602.

Subd. 4. [CHANGES IN TIME SCHEDULES.] An interstate passenger carrier shall give the commissioner of transportation notice of any time schedule changes involving intrastate service. The notice must be provided not less than 30 days before the effective date of the time schedule change unless the period of time is reduced by permission of the commissioner of public service.

Subd. 5. [ABANDONMENT, DISCONTINUANCE, OR REDUCTION OF SERVICE.] An interstate passenger carrier shall not abandon or discontinue any intrastate service, or reduce its level of intrastate service to a level that is less than one trip per day, excluding Saturdays and Sundays, without an order of the commissioner of public service, except in cases of emergency or conditions beyond its control.

Sec. 23. Minnesota Statutes 1994, section 221.071, subdivision 2, is amended to read:

Subd. 2. [VEHICLE REGISTRATION.] Certificate Regular route common carriers of passengers shall annually register each vehicle as provided in section 221.131, subdivision 3.

Sec. 24. Minnesota Statutes 1994, section 221.111, is amended to read:

221.111 [PERMITS TO OTHER MOTOR CARRIERS.]

Motor carriers other than certificated for-hire motor carriers and local cartage of property, regular route motor carriers of passengers, personal transportation service carriers, and limousine carriers, shall obtain a permit in accordance with section 221.121. The board commissioner of public service shall issue only the following kinds of permits:

- (1) ~~class H-T permits;~~
- (2) ~~class H-L permits;~~
- (3) ~~livestock carrier permits;~~
- (4) ~~contract carrier permits;~~
- (5) charter carrier permits; and
- (6) ~~courier service carrier permits;~~
- (7) ~~local cartage carrier permits;~~
- (8) (2) household goods mover permits;
- (9) ~~temperature-controlled commodities permits; and~~
- (10) ~~armored carrier permits.~~

Sec. 25. Minnesota Statutes 1994, section 221.124, subdivision 2, is amended to read:

Subd. 2. [PARTICIPATION REQUIRED.] A motor carrier that receives a certificate or permit operating authority from the board commissioner of public service for new authority on or after September 1, 1991, shall participate in the initial motor carrier contact program. A motor carrier required to participate in the program must have in attendance at least one motor carrier official having a substantial interest or control, directly or indirectly, in or over the operations conducted or to be conducted under the certificate or permit operating authority.

Sec. 26. Minnesota Statutes 1995 Supplement, section 221.131, subdivision 3, is amended to read:

Subd. 3. [CERTIFICATE CARRIERS REGULAR ROUTE COMMON CARRIER OF PASSENGERS; ANNUAL VEHICLE REGISTRATION.] Certificated passenger Regular route common carriers of passengers shall pay an annual registration fee of \$40 for each vehicle,

including pickup and delivery vehicles, operated during a calendar year. The commissioner shall issue distinguishing identification cards as provided in subdivision 2.

Sec. 27. Minnesota Statutes 1995 Supplement, section 221.132, is amended to read:

221.132 [PREPAID TEMPORARY VEHICLE IDENTIFICATION CARDS.]

The commissioner may issue a prepaid temporary vehicle identification card to a permit carrier or ~~certificate holder~~ regular route common carrier of passengers subject to section 221.131, subdivision 2 or 3, for a fee of \$5 per card. The card must be preprinted by the commissioner with the carrier's name, address, and permit or certificate number. The card may be used by the motor carrier to whom it is issued to identify a vehicle temporarily added to its fleet. The card must be executed by the motor carrier by dating and signing the card and describing the vehicle in which it will be carried. The identification card is valid for a period of ten days from the date the motor carrier places on the card when the card is executed. The card must be used within one year from the date of issuance by the commissioner. The card may not be used if the permit or certificate is not in full force and effect. The card may not be transferred. The commissioner may not refund the cost of unused prepaid temporary vehicle identification cards.

Sec. 28. [221.135] [FOR-HIRE MOTOR CARRIERS OF PROPERTY.]

Subdivision 1. [SCOPE.] This section applies to for-hire motor carriers of property.

Subd. 2. [REGISTRATION STATEMENT.] A person desiring to operate as a for-hire motor carrier of property shall file and complete an accurate registration statement with the commissioner of transportation. A registration statement must be on a form provided by the commissioner of transportation and include:

(1) the registrant's name, including an assumed or fictitious name used by the registrant in doing business;

(2) the registrant's mailing address and business telephone number;

(3) the registrant's federal employer identification number, Minnesota business identification number, and the identification numbers, if any, assigned to the registrant by the United States Department of Transportation, Federal Highway Administration, or the Environmental Protection Agency;

(4) the name, title, and telephone number of the individual who is principally responsible for the operation of the registrant's transportation business;

(5) the principal location from which the registrant conducts its transportation business and where the records required by this chapter will be kept;

(6) if different from clause (5), the location in Minnesota where the records required by this chapter will be available for inspection and copying by the commissioner of transportation;

(7) whether the registrant transports hazardous materials or hazardous waste;

(8) whether the registrant provides, or will be providing, armored carrier service;

(9) whether the registrant's business is a corporation, partnership, limited liability partnership, limited liability company, or sole proprietorship;

(10) if the registrant is a foreign corporation authorized to transact business in Minnesota, the state of incorporation and the name and address of its registered agent; and

(11) other information as the commissioner of transportation may require.

Subd. 3. [CERTIFICATE OF REGISTRATION; ISSUANCE.] (a) The commissioner of transportation shall issue a numbered certificate of registration bearing an effective date to a registrant who has filed a registration statement that complies with subdivisions 2 and 3, and paid the required fee, if the commissioner of transportation finds that the registrant: has complied with the financial responsibility requirements in section 221.141.

(b) The commissioner of transportation shall not issue a certificate of registration to a person if the commissioner of transportation determines that a registrant does not meet the requirements of paragraph (a), the registrant's conduct would constitute grounds for suspension or revocation under subdivision 7, or the registrant has an unsatisfactory safety rating.

Subd. 4. [DURATION.] A certificate of registration, once issued, continues in full force and effect until suspended, revoked, or canceled.

Subd. 5. [SUSPENSION; REVOCATION.] (a) The commissioner of transportation shall suspend or revoke a certificate of registration issued under this section if the commissioner of transportation determines that a carrier provided materially false information in its registration statement. A person whose certificate of registration is suspended or revoked may appeal the commissioner's decision in a contested case proceeding under chapter 14.

(b) The commissioner of transportation shall suspend a certificate of registration without a hearing for failure to maintain compliance with financial responsibility requirements in section 221.141. The suspension continues until the financial responsibility requirements are satisfied.

Subd. 6. [CERTIFICATE NOT ASSIGNABLE OR TRANSFERABLE.] A certificate of registration issued under this section may not be assigned or transferred.

Subd. 7. [OBLIGATION TO KEEP INFORMATION CURRENT.] A registrant shall notify the commissioner of transportation in writing of any change in the information described in subdivision 2.

Sec. 29. Minnesota Statutes 1994, section 221.141, subdivision 1, is amended to read:

Subdivision 1. [FINANCIAL RESPONSIBILITY OF CARRIERS.] No motor carrier and no interstate carrier shall operate a vehicle until it has obtained and has in effect the minimum amount of financial responsibility required by this section. Policies of insurance, surety bonds, other types of security, and endorsements must be continuously in effect and must remain in effect until canceled. Before providing transportation, the motor carrier or interstate carrier shall secure ~~and cause to be~~ have filed with the commissioner of transportation, and maintain in full effect, a certificate of insurance in a form required by the commissioner, ~~evidencing of transportation that evidences~~ public liability insurance in the amount prescribed. The insurance must cover injuries and damage to persons or property resulting from the operation or use of motor vehicles, regardless of whether each vehicle is specifically described in the policy. This insurance does not apply to injuries or death to the employees of the motor carrier or to property being transported by the carrier. The commissioner shall require cargo insurance for certificated carriers, except those carrying passengers exclusively. ~~The commissioner may require a permit carrier to file cargo insurance when the commissioner deems necessary to protect the users of the service.~~

Sec. 30. Minnesota Statutes 1994, section 221.161, subdivision 1, is amended to read:

Subdivision 1. [FILING; HEARING UPON BOARD COMMISSIONER INITIATIVE; ARMORED CARRIER EXEMPTION.] (a) ~~Except as provided in paragraph (b),~~ A permit carrier, ~~including a livestock carrier but not including a local cartage carrier,~~ ~~excluding personal transportation service carriers and limousine carriers,~~ shall file and ~~maintain with the~~ commissioner of transportation a tariff showing rates and charges for transporting persons or property. Tariffs must be prepared and filed in accordance with the rules of the commissioner. When tariffs are filed in accordance with the rules and accepted by the commissioner of transportation, the filing constitutes notice to the public and interested parties of the contents of the tariffs. ~~The commissioner of transportation shall not accept for filing tariffs that are unjust, unreasonable, unjustly discriminatory, unduly preferential or prejudicial, or otherwise in violation of this section or rules adopted under this section. If the tariffs appear to be unjust, unreasonable, unjustly discriminatory, unduly preferential or prejudicial, or otherwise in violation of this section or rules adopted under this section, after notification and investigation by the department of transportation, the board commissioner of public service may suspend and postpone the effective date of the tariffs and assign the tariffs for hearing upon notice to the permit carrier filing the proposed tariffs and to other interested parties, including users of the service and competitive carriers by motor vehicle and rail. At the hearing, the burden of proof is on the permit carrier filing~~

the proposed tariff to sustain the validity of the proposed schedule of rates and charges. ~~Tariffs for transporting livestock are not subject to rejection, suspension, or postponement by the board, except as provided in subdivisions 2 and 3.~~ The tariffs and subsequent supplements to them or reissues of them must state the effective date, which may not be less than ten days following the date of filing, unless the period of time is reduced by special permission of the commissioner of public service.

~~(b) A holder of an armored carrier permit is not required to file a tariff under this subdivision for the service authorized by the armored carrier permit.~~

Sec. 31. Minnesota Statutes 1994, section 221.171, subdivision 1, is amended to read:

Subdivision 1. [COMPENSATION FIXED BY SCHEDULES ON FILE.] No permit carrier shall charge or receive a greater, lesser, or different compensation for the ~~transportation of~~ transporting persons or property household goods, or for related service, than the rates and charges named in the carrier's schedule on file and in effect with the commissioner of public service, including any rate fixed by the ~~board~~ commissioner under section 221.161; nor shall a permit carrier refund or remit in any manner or by any device, directly or indirectly, the rates and charges required to be collected by the carrier under the carrier's schedules or under the rates, if any, fixed by the ~~board~~ commissioner of public service.

Sec. 32. Minnesota Statutes 1994, section 221.172, subdivision 3, is amended to read:

Subd. 3. [~~CLASS I, CLASS II, AND TEMPERATURE-CONTROLLED COMMODITIES CARRIERS; HOUSEHOLD GOODS MOVERS.~~] A ~~class I carrier, class II carrier, holder of a household goods mover, and a holder of a temperature-controlled commodities permit~~ shall keep a record of each shipment transported under a certificate or permit. A record may consist of one or more documents, including a bill of lading, freight bill, manifest, delivery receipt, or other document. If it consists of more than one document, the documents constituting a shipment record must be available for inspection together. A record must show the:

- (1) names of the consignor and consignee;
- (2) date of shipment;
- (3) origin and destination points;
- (4) ~~number of packages, if applicable to the rating of the freight or if the carrier's operating authority includes a package or article restriction, unless the shipment is transported by a household goods mover;~~
- (5) description of the freight property being transported;
- (6) (5) weight, volume, or measurement of the freight property, if applicable to the rating of the freight or if the carrier's operating authority includes a weight restriction;
- (7) (6) exact rate or rates assessed;
- (8) (7) total charges due, including the nature and amount of any charges for special service; and
- (9) (8) the name of each carrier participating in the transportation; ~~and~~
- (10) ~~after January 1, 1994, any terminals through which the shipment moved.~~

Sec. 33. Minnesota Statutes 1994, section 221.172, subdivision 9, is amended to read:

Subd. 9. [CHARTER TRANSPORTATION.] A charter carrier and a regular route common carrier of passengers with incidental charter operating authority shall keep a record of each charter it provides under a charter carrier permit or a certificate. A charter record may consist of one or more documents. If it consists of more than one document, the documents constituting a charter record must be available for inspection together. A charter record must show the:

- (1) name of the carrier;
- (2) names of the payor and organization, if any, for which the transportation is performed;
- (3) date or dates the transportation was performed;
- (4) origin, destination, and general routing of the trip;
- (5) identification and seating capacity of each vehicle requested or used;
- (6) number of persons transported;
- (7) mileage upon which charges are based, including any deadhead mileage, separately noted;
- (8) applicable rates per mile, hour, day, or other unit;
- (9) itemized charges for the transportation, including special services and fees; and
- (10) total charges assessed and collected.

A charter carrier ~~must~~ shall use the same method of computing its rates in billing for charter services as that shown in its tariff on file with the commissioner of transportation.

Sec. 34. Minnesota Statutes 1994, section 221.185, subdivision 1, is amended to read:

Subdivision 1. [GROUNDS FOR SUSPENSION.] Despite the provisions of section 221.021, operating authority to operate as a motor carrier under ~~sections 221.011 to 221.296~~ this chapter is suspended without a hearing, by order of the commissioner of transportation, for a period not to exceed 45 days upon the occurrence of any of the following and upon notice of suspension as provided in subdivision 2:

~~(a) (1) the motor carrier fails to maintain and file with the commissioner, the insurance or bond required by sections section 221.141 and 221.296 and rules of the commissioner of transportation;~~

~~(b) (2) the motor carrier fails to renew permits as required by section 221.131; or~~

~~(c) (3) the motor carrier fails to pay annual vehicle registration fees or renew permits as required by sections 221.071, and 221.131, and 221.296; or~~

~~(d) the motor carrier fails to maintain in good standing a protective agent's or private detective's license required under section 221.121, subdivision 6g, paragraph (b), or 221.153, subdivision 3.~~

Sec. 35. Minnesota Statutes 1994, section 221.185, subdivision 2, is amended to read:

Subd. 2. [NOTICE OF SUSPENSION.] (a) Failure to file and maintain insurance, to renew permits under section 221.131, or to pay annual vehicle registration fees, or to renew permits under section 221.071, or 221.131, or 221.296, or to maintain in good standing a protective agent's or private detective's license required under section 221.121, subdivision 6g, or 221.153, subdivision 3, suspends a motor carrier's permit or certificate two days after the commissioner of transportation sends notice of the suspension by certified mail, return receipt requested, to the last known address of the motor carrier.

(b) In order to avoid permanent cancellation of the permit or certificate, the motor carrier must do one of the following within 45 days from the date of suspension:

(1) comply with the law by filing insurance or bond, renewing permits, or paying vehicle registration fees; or

(2) request a hearing before the ~~board~~ commissioner of public service regarding the failure to comply with the law.

Sec. 36. Minnesota Statutes 1994, section 221.185, subdivision 4, is amended to read:

Subd. 4. [FAILURE TO COMPLY, CANCELLATION.] Except as provided in subdivision 5a, failure to comply with the requirements of sections 221.135 and 221.141 ~~and 221.296~~ relating to bonds and insurance, 221.131 relating to permit renewal, 221.071, or 221.131, ~~or 221.296~~ relating to annual vehicle registration or permit renewal, 221.121, ~~subdivision 6g, or 221.153, subdivision 3, relating to protective agent or private detective licensure,~~ or to request a hearing within 45 days of the date of suspension, is ~~deemed considered~~ an abandonment of the motor carrier's permit or certificate and the permit or certificate must be canceled by the commissioner of transportation.

Sec. 37. Minnesota Statutes 1994, section 221.185, subdivision 9, is amended to read:

Subd. 9. [NEW PETITION.] If the holder of a canceled permit or certificate seeks authority to operate as a motor carrier it shall file a petition with the commissioner of transportation for a permit or certificate as provided in section 221.061, or 221.121, ~~or 221.296,~~ whichever is applicable.

Sec. 38. Minnesota Statutes 1994, section 221.281, is amended to read:

221.281 [VIOLATIONS, PENALTIES.]

Any regular route common carrier ~~or petroleum carrier of passengers,~~ or any officer, agent or employee of ~~any such that carrier,~~ failing to comply with any final order, decision, rule, or directive, ~~or any part or provision thereof,~~ of the commissioner ~~or board of transportation or public service,~~ or any provision of sections ~~221.011 to 221.296~~ this chapter, shall be is subject to a penalty of \$50 for each and every day of ~~such~~ failure, to be recovered for the state in a civil action brought by the commissioner of transportation.

Any ~~such~~ regular route common carrier of passengers granting any special rate, rebate, drawback, or directly or indirectly charging, demanding, or collecting a greater or less ~~lesser~~ compensation than provided by its regular established schedule of rates and charges, shall must be punished by a fine not exceeding \$10,000 for each ~~such~~ offense.

Sec. 39. Minnesota Statutes 1994, section 221.291, subdivision 4, is amended to read:

Subd. 4. [OPERATING WITHOUT CERTIFICATE OR PERMIT OPERATING AUTHORITY.] A person who operates a motor carrier without obtaining required ~~certificates or permits~~ operating authority to operate as required by this chapter is guilty of a misdemeanor, and upon conviction shall be fined not less than the maximum fine which may be imposed for a misdemeanor for each violation.

Sec. 40. Minnesota Statutes 1994, section 231.01, subdivision 5, is amended to read:

Subd. 5. [WAREHOUSE OPERATOR.] The term "warehouse operator," as used in this chapter, means and includes every corporation, company, association, joint stock company or association, firm, partnership, or individual, their trustees, assignees, or receivers appointed by any court, controlling, operating, or managing within this state directly or indirectly, any building or structure, or any part thereof, or any buildings or structures, or any other property, and using the same for the storage or warehousing of goods, wares, or merchandise for compensation, or who shall hold itself out as being in the storage or warehouse business, or as offering storage or warehouse facilities, or advertise for, solicit or accept goods, wares, or merchandise for storage for compensation, but shall not include persons, corporations, or other parties (1) operating open-air storage facilities containing minerals, ores, steel, or rock products such as, but not limited to, aggregates, clays, railroad ballast, iron ore, copper ore, nickel ore, limestone, coal, and salt; (2) operating grain or cold storage warehouses; or (3) storing on a seasonal basis boats, boating accessories, recreational vehicles or recreational equipment or facilities in which the party storing goods rents and occupies space as a tenant and the entire risk of loss is with the tenant pursuant to written contract between the landlord and tenant.

Sec. 41. [CONVERSION OF PERMITS.]

The holder of a valid class I or petroleum carrier certificate, a class II, class II-T, class II-L, livestock carrier, contract carrier, courier services carrier, local cartage carrier,

temperature-controlled commodities or armored carrier permit, or a hazardous materials carrier who is registered under Minnesota Statutes, section 221.0355, on the effective date of this section, is deemed to have complied with Minnesota Statutes, section 221.0251. The commissioner shall issue a certificate of registration to any such certificate or permit holder or registered hazardous materials carrier. Upon the commissioner's issuance of a certificate of registration, the existing certificates or permits held become null and void, except hazardous materials permits.

Sec. 42. [PASSENGER TRANSPORTATION STUDY.]

The commissioner of transportation, with the assistance of an advisory panel, shall study and report to the legislature by November 1, 1996, concerning recommended economic and functional regulation by state and local government of passenger transportation providers, including charter service, regular route service, taxicab service, airport passenger service, limousine service, and personal transportation service. The commissioner shall appoint to the advisory panel two consumers of passenger transportation services to represent the public and one representative each from the metropolitan council, metropolitan airports commission, department of public service, league of Minnesota cities, association of counties, cities that regulate passenger service, charter providers, regular route providers, taxicab providers, airport service providers, and personal transportation providers. The subcommittee on committees of the senate committee on rules and administration shall appoint two members of the senate, and the speaker shall appoint two members of the house of representatives, to serve on the advisory panel.

Sec. 43. [HOUSEHOLD GOODS MOVERS STUDY.]

The commissioner of public service, with the assistance of an advisory panel, shall study, hear testimony from consumers, and report to the legislature by November 1, 1996, concerning recommended economic and functional regulation of intrastate household goods movers. The study and report must include recommendations concerning appropriate legislation and procedures to protect consumers of services provided by household goods movers. The commissioner shall appoint to the advisory panel one representative each from the department of transportation, the attorney general, and the department of public safety; and three representatives from household goods movers. The subcommittee on committees of the senate committee on rules and administration shall appoint two members of the senate, and the speaker shall appoint two members of the house of representatives, to serve on the advisory panel.

Sec. 44. [BOARD ABOLISHED.]

(a) The transportation regulation board is abolished. All powers and duties of the transportation regulation board in effect on June 30, 1996, and not otherwise repealed or amended under this act are transferred to the commissioner of public service. All assets and records of, and the unexpended balance of any appropriation to, the transportation regulation board as of June 30, 1996, must be transferred to the commissioner of public service under Minnesota Statutes, section 15.039.

(b) The classified and unclassified positions of the transportation regulation board, except positions to which members are appointed by the governor, are transferred with their incumbents to the department of public service. Personnel changes are effective on the effective date of this section. This subdivision does not change the rights enjoyed before that date under the managerial or commissioner's plan under Minnesota Statutes, section 43A.18, or the terms of an agreement between an exclusive representative of public employees and the state or one of its appointing authorities.

Sec. 45. [APPROPRIATIONS; UNEXPENDED FUNDS.]

\$206,000 is appropriated from the trunk highway fund to the commissioner of public service for fiscal year ending June 30, 1997, for the purpose of performing duties transferred to the commissioner under this act.

Sec. 46. [INSTRUCTION TO REVISOR.]

The revisor of statutes, in the next and subsequent editions of Minnesota Statutes, shall in chapters 218, 219, and 221:

(1) change the term "board" or "transportation regulation board" to "commissioner of public service," and make such other stylistic changes as are necessary, wherever they appear; and

(2) change the term "commissioner" and "department" to "commissioner of transportation" and "department of transportation" wherever they appear.

Sec. 47. [REPEALER.]

Minnesota Statutes 1994, sections 174A.01; 174A.02; 174A.03; 174A.04; 174A.05; 174A.06; 218.011, subdivision 7; 218.021; 218.025; 218.031, subdivision 7; 218.041, subdivision 7; 221.011, subdivisions 2b, 10, 12, 24, 25, 28, 35, 36, 38, 39, 40, 41, and 46; 221.072; 221.101; 221.121, subdivisions 3, 5, 6, 6c, 6d, 6e, 6f, and 6g; 221.151, subdivision 3; 221.152; 221.153; 221.172, subdivisions 4, 5, 6, 7, and 8; 221.296; 221.54; and 221.55, are repealed.

Sec. 48. [EFFECTIVE DATE.]

Sections 1 to 40 and 43 to 46 are effective July 1, 1996.

Sections 41 and 42 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to transportation; abolishing transportation regulation board and transferring duties and powers to commissioners of public service and transportation; modifying laws governing motor carriers; clarifying definition of warehouse operator; making technical changes; appropriating money; amending Minnesota Statutes 1994, sections 168.013, subdivision 1e; 218.031, subdivisions 1 and 2; 218.041, subdivision 5; 221.011, subdivisions 7, 8, 9, 14, and by adding subdivisions; 221.021; 221.025; 221.051, by adding a subdivision; 221.071, subdivision 2; 221.111; 221.124, subdivision 2; 221.141, subdivision 1; 221.161, subdivision 1; 221.171, subdivision 1; 221.172, subdivisions 3 and 9; 221.185, subdivisions 1, 2, 4, and 9; 221.281; 221.291, subdivision 4; and 231.01, subdivision 5; Minnesota Statutes 1995 Supplement, sections 15A.081, subdivision 1; 221.131, subdivision 3; and 221.132; proposing coding for new law in Minnesota Statutes, chapters 216A; and 221; repealing Minnesota Statutes 1994, sections 174A.01; 174A.02; 174A.03; 174A.04; 174A.05; 174A.06; 218.011, subdivision 7; 218.021; 218.025; 218.031, subdivision 7; 218.041, subdivision 7; 221.011, subdivisions 2b, 10, 12, 24, 25, 28, 35, 36, 38, 39, 40, 41, and 46; 221.072; 221.101; 221.121, subdivisions 3, 5, 6, 6c, 6d, 6e, 6f, and 6g; 221.151, subdivision 3; 221.152; 221.153; 221.172, subdivisions 4, 5, 6, 7, and 8; 221.296; 221.54; and 221.55."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 37, as follows:

Those who voted in the affirmative were:

Berglin	Janezich	Laidig	Murphy	Solon
Chandler	Johnson, D.J.	Larson	Novak	Stumpf
Cohen	Johnson, J.B.	Lessard	Price	Vickerman
Day	Johnston	Marty	Riveness	
Hanson	Kramer	Metzen	Sams	
Hottinger	Kroening	Moe, R.D.	Samuelson	

Those who voted in the negative were:

Anderson	Johnson, D.E.	Limmer	Pappas	Scheevel
Beckman	Kelly	Merriam	Pariseau	Spear
Belanger	Kiscaden	Mondale	Piper	Stevens
Berg	Kleis	Morse	Pogemiller	Terwilliger
Betzold	Knutson	Neuville	Ranum	Wiener
Fischbach	Krentz	Oliver	Reichgott Junge	
Flynn	Langseth	Olson	Robertson	
Frederickson	Lesewski	Ourada	Runbeck	

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

Mr. Terwilliger moved to amend H.F. No. 2704, as amended pursuant to Rule 49, adopted by the Senate March 22, 1996, as follows:

(The text of the amended House File is identical to S.F. No. 2169.)

Page 1, after line 41, insert:

"ARTICLE 1
TRANSPORTATION REGULATION BOARD"

Page 35, lines 29 and 35, delete "act" and insert "article"

Page 37, line 27, delete "act" and insert "article"

Page 38, line 9, delete "act" and insert "article"

Page 38, after line 9, insert:

"ARTICLE 2
SALARY AND COMPENSATION PLANS

Section 1. Minnesota Statutes 1995 Supplement, section 3.855, subdivision 3, is amended to read:

Subd. 3. [OTHER SALARIES AND COMPENSATION PLANS.] The commission shall also:

(1) review and approve, reject, or modify recommendations of the commissioner of employee relations for increasing salary rates under section 43A.17, subdivision 3a;

(2) review and approve, reject, or modify a plan for compensation and terms and conditions of employment prepared and submitted by the commissioner of employee relations under section 43A.18, subdivision 2, covering all state employees who are not represented by an exclusive bargaining representative and whose compensation is not provided for by chapter 43A or other law;

(2) (3) review and approve, reject, or modify a plan for total compensation and terms and conditions of employment for employees in positions identified as being managerial under section 43A.18, subdivision 3, whose salaries and benefits are not otherwise provided for in law or other plans established under chapter 43A; and

(3) review and approve, reject, or modify recommendations for salaries submitted by the governor under section 43A.18, subdivision 5, covering agency head positions listed in section 15A.081;

(4) review and approve, reject, or modify recommendations for salaries of officials of higher education systems under section 15A.081, subdivision 7b; and

(5) (4) review and approve, reject, or modify plans for compensation, terms, and conditions of employment proposed under section 43A.18, subdivisions 3a and 4.

Sec. 2. Minnesota Statutes 1994, section 15A.081, subdivision 8, is amended to read:

Subd. 8. [EXPENSE ALLOWANCE.] Notwithstanding any law to the contrary, positions listed in ~~subdivision 1~~ section 15A.0815, subdivisions 3 and 4, ~~and constitutional officers, and the commissioner of iron range resources and rehabilitation~~ are authorized an annual expense allowance not to exceed \$1,500 for necessary expenses in the normal performance of their duties for which no other reimbursement is provided. The expenditures under this subdivision are subject to any laws and rules relating to budgeting, allotment and encumbrance, preaudit and postaudit. The commissioner of finance may ~~promulgate~~ adopt rules to assure the proper expenditure of these funds; and to provide for reimbursement.

Sec. 3. [15A.0815] [SALARY LIMITS FOR CERTAIN EMPLOYEES.]

Subdivision 1. [SALARY LIMITS.] For purposes of subdivisions 2 to 5, the governor's salary is as established under section 15A.082.

The appointing authority, as defined in section 43A.02, subdivision 5, shall establish salaries for the positions within the prescribed limits as specified in subdivisions 2 to 5. In establishing individual salaries, the appointing authority shall consider the criteria established in section 43A.18, subdivision 8, and the performance of individual incumbents. The performance evaluation must include a review of an incumbent's progress toward attainment of affirmative action goals. If the appointing authority is not the governor, the salary proposed by the appointing authority is not effective unless approved by the commissioner of employee relations.

The appointing authority shall set the initial salary of a head of a new agency or a chair of a new metropolitan board or commission whose salary is not specifically prescribed by law. If the appointing authority is not the governor, the salary proposed by the appointing authority is not effective unless approved by the commissioner of employee relations. The amount of the new salary must be comparable to the salary of an agency head or commission chair having similar duties and responsibilities.

Subd. 2. [HIGHER EDUCATION SYSTEM LIMITS.] The salary of the chancellor of Minnesota state colleges and universities may not exceed 95 percent of the salary of the governor. For purposes of this subdivision, "salary" does not include:

(1) employee benefits that are also provided for the majority of all other full-time state employees, vacation and sick leave allowances, health and dental insurance, disability insurance, term life insurance, and pension benefits or like benefits the cost of which is borne by the employee or which is not subject to tax as income under the Internal Revenue Code of 1986;

(2) dues paid to organizations that are of a civic, professional, educational, or governmental nature;

(3) reimbursement for actual expenses incurred by the employee that the appointing authority determines to be directly related to the performance of job responsibilities, including any relocation expenses paid during the initial year of employment; or

(4) a housing allowance that is comparable to housing allowances provided to chancellors and university presidents in similar higher education systems nationwide.

Subd. 3. [GROUP I SALARY LIMITS.] The salaries for positions in this subdivision may not exceed 85 percent of the salary of the governor:

Commissioner of administration;

Commissioner of agriculture;

Commissioner of children, families, and learning;

Commissioner of commerce;

Commissioner of corrections;

Commissioner of economic security;

Commissioner of employee relations;

Commissioner of finance;

Commissioner of health;

Director, higher education services office;

Commissioner, housing finance agency;

Commissioner of human rights;

Commissioner of human services;
Executive director, state board of investment;
Commissioner of labor and industry;
Commissioner of natural resources;
Commissioner of office of strategic and long-range planning;
Commissioner, pollution control agency;
Commissioner of public safety;
Commissioner, department of public service;
Commissioner of revenue;
Commissioner of trade and economic development;
Commissioner of transportation;
Commissioner of veterans affairs;
Administrator of zoological gardens.

Subd. 4. [GROUP II SALARY LIMITS.] The salaries for positions in this subdivision may not exceed 75 percent of the salary of the governor:

Chief administrative law judge;
Executive director, agricultural utilization research institute;
Ombudsman for corrections;
Executive director of gambling control board;
Commissioner of iron range resources and rehabilitation board;
Commissioner, bureau of mediation services;
Ombudsman for mental health and retardation;
Executive director of pari-mutuel racing;
Executive director, public employees retirement association;
Commissioner, public utilities commission;
Executive director, state retirement system;
Executive director, teacher's retirement association;
Member, transportation regulation board.

Subd. 5. [GROUP III SALARY LIMITS.] The salary for a position in this subdivision may not exceed 25 percent of the salary of the governor:

Chair, metropolitan airports commission.

Sec. 4. Minnesota Statutes 1994, section 15A.083, subdivision 5, is amended to read:

Subd. 5. [TAX COURT.] ~~Salaries~~ The salary of judges a judge of the tax court ~~are~~ is the same as the base salary for a district judges court judge as set under section 15A.082, ~~subdivision 3.~~

Sec. 5. Minnesota Statutes 1994, section 43A.17, subdivision 1, is amended to read:

Subdivision 1. [SALARY LIMITS.] As used in subdivisions 1 to 9, "salary" means hourly, monthly, or annual rate of pay including any lump-sum payments and cost-of-living adjustment increases but excluding payments due to overtime worked, shift or equipment differentials, work out of class as required by collective bargaining agreements or plans established under section 43A.18, and back pay on reallocation or other payments related to the hours or conditions under which work is performed rather than to the salary range or rate to which a class is assigned. For presidents of state universities, "salary" does not include a housing allowance provided through a compensation plan approved under section 43A.18, subdivision 3a.

The salary, as established in section ~~15A.081~~ 15A.0815, of the head of a state agency in the executive branch is the upper limit of ~~compensation on the salaries of individual employees in the agency.~~ The salary of the commissioner of labor and industry is the upper limit of ~~compensation salaries of employees in the bureau of mediation services.~~ However, if an agency head is assigned a salary that is lower than the current salary of another agency employee, the employee retains the salary, but may not receive an increase in salary as long as the salary is above that of the agency head. The commissioner may grant exemptions from these upper limits as provided in subdivisions ~~3~~ 3a and 4.

Sec. 6. Minnesota Statutes 1994, section 43A.17, subdivision 3, is amended to read:

Subd. 3. [UNUSUAL EMPLOYMENT SITUATIONS.] Upon the request of the appointing authority, and when the commissioner determines that changes in employment situations create difficulties in attracting or retaining employees, the commissioner may approve an unusual employment situation increase to advance an employee within the compensation plan. Such action will be consistent with applicable provisions of collective bargaining agreements or plans pursuant to section 43A.18. The commissioner shall review each proposal giving due consideration to salary rates paid to other employees in the same class and agency and may approve any request which in the commissioner's judgment is in the best interest of the state. ~~If the commissioner determines that the position requires special expertise necessitating a higher salary to attract or retain qualified persons, the commissioner may grant an exemption not to exceed 120 percent of the base salary of the head of the agency.~~

Sec. 7. Minnesota Statutes 1994, section 43A.17, is amended by adding a subdivision to read:

Subd. 3a. [SALARY LIMIT WAIVERS.] The commissioner may increase the limitation for a position that the commissioner has determined requires special expertise necessitating a higher salary to attract or retain a qualified person. The commissioner shall review each proposed increase giving due consideration to salary rates paid to other persons with similar responsibilities in the state and nation. The commissioner may not increase the limitation until the increase has been approved by the legislative coordinating commission under section 3.855, subdivisions 2 and 3.

Sec. 8. Minnesota Statutes 1994, section 85A.02, subdivision 5a, is amended to read:

Subd. 5a. [EMPLOYEES.] (a) The board shall appoint an administrator who shall serve as the executive secretary and principal administrative officer of the board and, subject to its approval, ~~the administrator shall operate the Minnesota zoological garden and enforce all rules and policy decisions of the board. The administrator must be chosen solely on the basis of training, experience, and other qualifications appropriate to the field of zoo management and development. The board shall set the compensation for the administrator within the limits established for the commissioner of agriculture in section 15A.081, subdivision 1.~~ The administrator shall perform duties assigned by the board and ~~shall serve~~ serves in the unclassified service at the pleasure of the board. The administrator, with the participation of the board, shall appoint a development director in the unclassified service or contract with a development consultant to establish mechanisms to foster community participation in and community support for the Minnesota zoological garden. The board may employ other necessary professional, technical, and clerical personnel. Employees of the zoological garden are eligible for salary supplement in the same manner as employees of other state agencies. The commissioner of finance shall determine the amount of salary supplement based on available funds.

(b) The board may contract with individuals to perform professional services and may contract

for the purchases of necessary species exhibits, supplies, services, and equipment. The board may also contract for the construction and operation of entertainment facilities on the zoo grounds that are not directly connected to ordinary functions of the zoological garden. The zoo board ~~shall~~ may not enter into ~~any~~ a final agreement for construction of ~~any~~ an entertainment facility that is not directly connected to the ordinary functions of the zoo until after final construction plans have been submitted to the chairs of the senate finance and house appropriations committees for their recommendations.

The zoo may not contract for entertainment during the period of the Minnesota state fair that would directly compete with entertainment at the Minnesota state fair.

Sec. 9. Minnesota Statutes 1994, section 298.22, subdivision 1, is amended to read:

Subdivision 1. (1) ~~The office of governor shall appoint the commissioner of iron range resources and rehabilitation is created. The commissioner shall be appointed by the governor under the provisions of section 15.06.~~

(2) The commissioner may hold ~~such~~ other positions or appointments as that are not incompatible with duties as commissioner of iron range resources and rehabilitation. The commissioner may appoint a deputy commissioner. All expenses of the commissioner, including the payment of such assistance as may be necessary, ~~shall~~ must be paid out of the amounts appropriated by section 298.28. ~~The compensation of the commissioner shall be set by the legislative coordinating commission and may not exceed the maximum salary set for the commissioner of administration under section 15A.081, subdivision 1.~~

(3) When the commissioner ~~shall determine~~ determines that distress and unemployment exists or may exist in the future in any county by reason of the removal of natural resources or a possibly limited use ~~thereof~~ of natural resources in the future and the any resulting decrease in employment ~~resulting therefrom, now or hereafter~~, the commissioner may use such whatever amounts of the appropriation made to the commissioner of revenue in section 298.28 ~~as that are determined to be necessary and proper in the development of the remaining resources of said the county and in the vocational training and rehabilitation of its residents, except that the amount needed to cover cost overruns awarded to a contractor by an arbitrator in relation to a contract awarded by the commissioner or in effect after July 1, 1985, is appropriated from the general fund. For the purposes of this section, "development of remaining resources" includes, but is not limited to, the promotion of tourism.~~

Sec. 10. Minnesota Statutes 1995 Supplement, section 349A.02, subdivision 1, is amended to read:

Subdivision 1. [DIRECTOR.] A state lottery is established under the supervision and control of the director of the state lottery appointed by the governor with the advice and consent of the senate. The director must be qualified by experience and training in the operation of a lottery to supervise the lottery. The director serves in the unclassified service. The annual salary rate authorized for the director is equal to ~~80~~ 85 percent of the salary rate prescribed for the governor ~~as of the effective date of Laws 1993, chapter 146.~~

Sec. 11. [COMPENSATION COUNCIL RECOMMENDATIONS.]

(a) The salaries of constitutional officers and judges are increased on January 6, 1997, by the lesser of:

(1) the April 1, 1995, recommendation of the compensation council to take effect in 1997; or

(2) the average of the across-the-board increases for the fiscal year ending June 30, 1996, included in collective bargaining agreements and arbitration awards that have been ratified by the legislature in 1996. On July 1, 1996, the commissioner of employee relations shall calculate and report to the committee on finance of the senate and the ways and means committee of the house of representatives the average across-the-board increases that have been ratified by the legislature in 1996. The across-the-board increases must be weighted by the number of full-time-equivalent employees covered by the contract or arbitration award for the fiscal year ending June 30, 1996. This calculation must be used to determine the increases provided in this paragraph.

(b) The salaries of constitutional officers and judges are increased on January 1, 1998, by the lesser of:

(1) the April 1, 1995, recommendation of the compensation council to take effect in 1998; or

(2) the average of the across-the-board increases for the fiscal year ending June 30, 1997, included in collective bargaining agreements and arbitration awards that have been ratified by the legislature in 1996. On July 1, 1996, the commissioner of employee relations shall calculate and report to the committee on finance of the senate and the ways and means committee of the house of representatives the average across-the-board increases that have been ratified by the legislature in 1996. The across-the-board increases must be weighted by the number of full-time-equivalent employees covered by the contract or arbitration award for the fiscal year ending June 30, 1996. This calculation must be used to determine the increases provided in this paragraph.

Sec. 12. [REVISOR INSTRUCTION.]

The revisor of statutes shall substitute the reference "section 15A.0815" for each reference to sections 15A.081, subdivisions 1, 7, and 7b, and 43A.18, subdivision 5, wherever they occur in the next edition of Minnesota Statutes and Minnesota Rules.

Sec. 13. [REPEALER.]

Minnesota Statutes 1994, section 43A.18, subdivision 5; and Minnesota Statutes 1995 Supplement, section 15A.081, subdivisions 1, 7, and 7b, are repealed.

Sec. 14. [EFFECTIVE DATE.]

Sections 1 to 5, 8, and 9 are effective retroactively to July 1, 1995.

Sections 6, 7, and 10 to 13 are effective the day following final enactment."

Amend the title accordingly

Mr. Riveness moved to amend the Terwilliger amendment to H.F. No. 2704 as follows:

Page 9, lines 16 and 33, after "officers" insert ", legislators,"

The question was taken on the adoption of the Riveness amendment to the Terwilliger amendment.

The roll was called, and there were yeas 13 and nays 49, as follows:

Those who voted in the affirmative were:

Cohen	Kelly	Merriam	Price	Spear
Flynn	Kroening	Moe, R.D.	Riveness	
Janezich	Langseth	Pappas	Robertson	

Those who voted in the negative were:

Anderson	Hottinger	Laidig	Novak	Sams
Beckman	Johnson, D.E.	Larson	Oliver	Samuelson
Belanger	Johnson, D.J.	Lesewski	Olson	Scheevel
Berglin	Johnson, J.B.	Lessard	Ourada	Solon
Betzold	Johnston	Limmer	Pariseau	Stevens
Chandler	Kiscaden	Marty	Piper	Stumpf
Day	Kleis	Metzen	Pogemiller	Terwilliger
Fischbach	Knutson	Morse	Ranum	Vickerman
Frederickson	Kramer	Murphy	Reichgott Junge	Wiener
Hanson	Krentz	Neuville	Runbeck	

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

Mr. Morse moved to amend the Terwilliger amendment to H.F. No. 2704 as follows:

Page 2, line 25, after the period, insert "Effective January 1, 1999, the governor's salary also

includes the value, as determined by the commissioner of administration, of the housing and automobile furnished to the governor by the state."

The question was taken on the adoption of the Morse amendment to the Terwilliger amendment.

The roll was called, and there were yeas 35 and nays 29, as follows:

Those who voted in the affirmative were:

Anderson	Hottinger	Knutson	Morse	Riveness
Beckman	Janezich	Kramer	Murphy	Sams
Berglin	Johnson, D.J.	Krentz	Ourada	Scheevel
Betzold	Johnston	Kroening	Piper	Solon
Chandler	Kelly	Langseth	Price	Spear
Cohen	Kiscaden	Marty	Ranum	Vickerman
Flynn	Kleis	Merriam	Reichgott Junge	Wiener

Those who voted in the negative were:

Belanger	Johnson, D.E.	Limmer	Oliver	Runbeck
Berg	Johnson, J.B.	Metzen	Olson	Samuelson
Day	Laidig	Moe, R.D.	Pappas	Stevens
Fischbach	Larson	Mondale	Pariseau	Stumpf
Frederickson	Lesewski	Neuville	Pogemiller	Terwilliger
Hanson	Lessard	Novak	Robertson	

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

Mr. Hottinger moved to amend the Terwilliger amendment to H.F. No. 2704 as follows:

Page 5, after line 16, insert:

"Sec. 5. Minnesota Statutes 1994, section 15A.083, subdivision 6a, is amended to read:

Subd. 6a. [ADMINISTRATIVE LAW JUDGE; ~~MAXIMUM SALARY~~ SALARIES.] The ~~maximum~~ salary of an administrative law judge in the classified service employed by the office of administrative hearings is 90 percent of the salary of a district court ~~judges~~ judge as set under section 15A.082, ~~subdivision 3~~. ~~The salary of the chief administrative law judge is the same as the salary of a district court judge as set under section 15A.082. The salaries of the assistant chief administrative law judge and the administrative law judge supervisor are 95 percent of the salary of a district court judge as set under section 15A.082.~~

Sec. 6. Minnesota Statutes 1994, section 15A.083, subdivision 7, is amended to read:

Subd. 7. [WORKERS' COMPENSATION COURT OF APPEALS AND COMPENSATION JUDGES.] Salaries of judges of the workers' compensation court of appeals are the same as the salary for district judges as set under section 15A.082, ~~subdivision 3~~. Salaries of compensation judges are ~~75~~ 90 percent of the salary of district court judges. The chief workers' compensation settlement judge at the department of labor and industry may be paid an annual salary that is up to five percent greater than the salary of workers' compensation settlement judges at the department of labor and industry."

Page 10, after line 13, insert:

"Sec. 14. [PHASE-IN OF SALARY INCREASES.]

(a) Notwithstanding Minnesota Statutes, section 15A.083, subdivision 6a, the salary of an administrative law judge in the classified service employed by the office of administrative hearings is 85 percent of the salary of a district court judge as set under Minnesota Statutes, section 15A.082, effective July 1, 1996. After June 30, 1997, the salary of an administrative law judge in the classified service employed by the office of administrative hearings is governed by Minnesota Statutes, section 15A.083, subdivision 6a.

(b) Notwithstanding Minnesota Statutes, section 15A.083, subdivision 6a, the salary of the

assistant chief administrative law judge and the administrative law judge supervisor in the office of administrative hearings is 85 percent of the salary of a district court judge as set under Minnesota Statutes, section 15A.082, effective July 1, 1995, and 90 percent of that salary effective July 1, 1996. After June 30, 1997, the salary of the assistant chief administrative law judge and the administrative law judge supervisor is governed by Minnesota Statutes, section 15A.083, subdivision 6a.

(c) Notwithstanding Minnesota Statutes, section 15A.083, subdivision 7, the salary of compensation judges is 80 percent of the salary of a district court as set under Minnesota Statutes, section 15A.082, effective July 1, 1995, and 85 percent of that salary effective July 1, 1996. After June 30, 1997, the salary of compensation judges is governed by Minnesota Statutes, section 15A.083, subdivision 7."

Page 10, line 25, delete "5, 8, and 9" and insert "4, 7, 10, and 11"

Page 10, line 27, delete "6, 7, and 10 to 13" and insert "8, 9, and 12 to 16"

Renumber the sections in sequence and correct the internal references

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

Mr. Marty moved to amend the Terwilliger amendment to H.F. No. 2704 as follows:

Page 8, after line 5, insert:

"Sec. 9. Minnesota Statutes 1994, section 177.24, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT.] (a) For purposes of this subdivision, the terms defined in this paragraph have the meanings given them.

(1) "Large employer" means an enterprise whose annual gross volume of sales made or business done is not less than ~~\$362,500~~ \$500,000 (exclusive of excise taxes at the retail level that are separately stated) and covered by the Minnesota fair labor standards act, sections 177.21 to 177.35.

(2) "Small employer" means an enterprise whose annual gross volume of sales made or business done is less than ~~\$362,500~~ \$500,000 (exclusive of excise taxes at the retail level that are separately stated) and covered by the Minnesota fair labor standards act, sections 177.21 to 177.35.

(b) Except as otherwise provided in sections 177.21 to 177.35, every large employer must pay each employee wages at a rate of at least ~~\$4.25 an hour beginning January 1, 1991~~ \$5 an hour beginning September 1, 1996, and at least \$5.35 an hour beginning September 1, 1997. Every small employer must pay each employee at a rate of at least ~~\$4 an hour beginning January 1, 1991~~ \$4.75 an hour beginning September 1, 1996, and at least \$5.10 an hour beginning September 1, 1997.

(c) A large employer must pay each employee at a rate of at least the minimum wage set by this section or federal law without the reduction for training wage or full-time student status allowed under federal law."

Page 10, line 25, delete "9" and insert "10"

Page 10, line 27, delete "10 to 13" and insert "11 to 14"

Page 10, after line 28, insert:

"Section 9 is effective September 1, 1996."

Mr. Terwilliger questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Mr. Marty moved to amend the Terwilliger amendment to H.F. No. 2704 as follows:

Page 5, after line 10, insert:

"Sec. 4. Minnesota Statutes 1994, section 15A.082, is amended by adding a subdivision to read:

Subd. 4b. [GOVERNOR.] The compensation of the governor as set under this section may not exceed an amount equal to ten times the amount that would be earned by an employee working full-time at the minimum rate of compensation established by section 177.24, subdivision 1."

Page 8, after line 5, insert:

"Sec. 10. Minnesota Statutes 1994, section 177.24, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT.] (a) For purposes of this subdivision, the terms defined in this paragraph have the meanings given them.

(1) "Large employer" means an enterprise whose annual gross volume of sales made or business done is not less than \$362,500 (exclusive of excise taxes at the retail level that are separately stated) and covered by the Minnesota fair labor standards act, sections 177.21 to 177.35.

(2) "Small employer" means an enterprise whose annual gross volume of sales made or business done is less than \$362,500 (exclusive of excise taxes at the retail level that are separately stated) and covered by the Minnesota fair labor standards act, sections 177.21 to 177.35.

(3) "Compensation rate of the governor" means an hourly amount determined by dividing the compensation set for the governor under section 15A.082 by 2,080.

(b) Except as otherwise provided in sections 177.21 to 177.35, every large employer must pay each employee wages at a an hourly rate of at least \$4.25 ~~an hour ten percent of the compensation rate of the governor beginning January 1, 1991 1997. Every small employer must pay each employee at a rate of at least \$4 an hour beginning January 1, 1991.~~

(c) A large employer must pay each employee at a rate of at least the minimum wage set by this section or federal law without the reduction for training wage or full-time student status allowed under federal law."

Page 10, line 25, delete "5" and insert "4" and delete "8, and 9" and insert "9, and 11"

Page 10, line 27, delete "6, 7, and 10 to 13" and insert "7, 8, 9 and 11 to 15"

Mr. Terwilliger questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Mr. Marty appealed the decision of the President.

The question was taken on "Shall the decision of the President be the judgment of the Senate?"

The decision of the President was sustained.

Ms. Pappas moved to amend the Terwilliger amendment to H.F. No. 2704 as follows:

Page 5, line 5, delete the semicolon and insert a period

Page 5, delete line 6

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

The question recurred on the Terwilliger amendment, as amended.

The roll was called, and there were yeas 38 and nays 21, as follows:

Those who voted in the affirmative were:

Belanger	Johnson, J.B.	Metzen	Pappas	Solon
Berg	Kiscaden	Moe, R.D.	Pariseau	Spear
Betzold	Knutson	Mondale	Piper	Stevens
Cohen	Krentz	Morse	Pogemiller	Stumpf
Flynn	Kroening	Neuville	Reichgott Junge	Terwilliger
Frederickson	Laidig	Novak	Riveness	Wiener
Hottinger	Larson	Oliver	Robertson	
Johnson, D.E.	Merriam	Olson	Runbeck	

Those who voted in the negative were:

Anderson	Fischbach	Langseth	Price	Vickerman
Beckman	Johnson, D.J.	Lesewski	Ranum	
Berglin	Johnston	Lessard	Sams	
Chandler	Kleis	Limmer	Samuelson	
Day	Kramer	Ourada	Scheevel	

The motion prevailed. So the Terwilliger amendment, as amended, was adopted.

H.F. No. 2704 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 35 and nays 27, as follows:

Those who voted in the affirmative were:

Beckman	Johnson, D.E.	Merriam	Pappas	Runbeck
Belanger	Kiscaden	Moe, R.D.	Pariseau	Solon
Berg	Knutson	Mondale	Piper	Spear
Cohen	Krentz	Morse	Price	Stevens
Flynn	Kroening	Oliver	Reichgott Junge	Stumpf
Frederickson	Laidig	Olson	Riveness	Terwilliger
Hottinger	Lesewski	Ourada	Robertson	Wiener

Those who voted in the negative were:

Anderson	Janezich	Langseth	Murphy	Samuelson
Berglin	Johnson, D.J.	Larson	Neuville	Scheevel
Betzold	Johnson, J.B.	Lessard	Novak	Vickerman
Chandler	Johnston	Limmer	Pogemiller	
Day	Kleis	Marty	Ranum	
Fischbach	Kramer	Metzen	Sams	

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

MOTIONS AND RESOLUTIONS - CONTINUED

CONFIRMATION

Mr. Marty moved that the report from the Committee on Ethics and Campaign Reform, reported March 28, 1996, pertaining to appointments, be taken from the table. The motion prevailed.

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

Mr. Marty moved that in accordance with the report from the Committee on Ethics and Campaign Reform, reported March 28, 1996, the Senate, having given its advice, do now consent to and confirm the appointment of:

STATE ETHICAL PRACTICES BOARD

G. Barry Anderson, 1105 Jorgenson, Hutchinson, McLeod County, effective January 1, 1996, for a term expiring on the first Monday in January, 2000.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Janezich	Langseth	Neuville	Robertson
Beckman	Johnson, D.E.	Larson	Novak	Runbeck
Berg	Johnson, D.J.	Lesewski	Oliver	Sams
Berglin	Johnson, J.B.	Lessard	Olson	Samuelson
Betzold	Johnston	Limmer	Ourada	Scheevel
Chandler	Kiscaden	Marty	Pappas	Solon
Day	Kleis	Merriam	Pariseau	Spear
Fischbach	Knutson	Metzen	Piper	Stevens
Flynn	Kramer	Moe, R.D.	Pogemiller	Stumpf
Frederickson	Krentz	Mondale	Price	Terwilliger
Hanson	Kroening	Morse	Ranum	Vickerman
Hottinger	Laidig	Murphy	Reichgott Junge	Wiener

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Marty moved that in accordance with the report from the Committee on Ethics and Campaign Reform, reported March 28, 1996, the Senate, having given its advice, do now consent to and confirm the appointment of:

STATE ETHICAL PRACTICES BOARD

Elsa Carpenter, 4724 Emerson Ave. S., Minneapolis, Hennepin County, effective June 13, 1995, for a term expiring on the first Monday in January, 1999.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 48 and nays 9, as follows:

Those who voted in the affirmative were:

Anderson	Johnson, D.E.	Larson	Olson	Samuelson
Beckman	Johnson, D.J.	Lesewski	Ourada	Scheevel
Belanger	Johnston	Lessard	Pariseau	Solon
Berg	Kiscaden	Limmer	Piper	Stevens
Day	Kleis	Merriam	Pogemiller	Stumpf
Fischbach	Knutson	Moe, R.D.	Price	Terwilliger
Flynn	Kramer	Morse	Ranum	Vickerman
Frederickson	Krentz	Murphy	Robertson	Wiener
Hottinger	Laidig	Neuville	Runbeck	
Janezich	Langseth	Oliver	Sams	

Those who voted in the negative were:

Berglin	Johnson, J.B.	Metzen	Pappas	Spear
Betzold	Kroening	Novak	Reichgott Junge	

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Marty moved that in accordance with the report from the Committee on Ethics and Campaign Reform, reported March 28, 1996, the Senate, having given its advice, do now consent to and confirm the appointment of:

STATE ETHICAL PRACTICES BOARD

Sidney Pauly, 17450 W. 78th St., Eden Prairie, Hennepin County, effective March 1, 1996, for a term expiring on the first Monday in January, 2000.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Janezich	Larson	Novak	Sams
Beckman	Johnson, D.E.	Lesewski	Olson	Samuelson
Belanger	Johnson, D.J.	Lessard	Ourada	Scheevel
Berg	Johnson, J.B.	Limmer	Pappas	Solon
Berglin	Johnston	Marty	Pariseau	Spear
Betzold	Kleis	Merriam	Piper	Stevens
Chandler	Knutson	Metzen	Pogemiller	Stumpf
Day	Kramer	Moe, R.D.	Price	Terwilliger
Fischbach	Krentz	Mondale	Ranum	Vickerman
Flynn	Kroening	Morse	Reichgott Junge	Wiener
Frederickson	Laidig	Murphy	Robertson	
Hottinger	Langseth	Neuville	Runbeck	

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Marty moved that in accordance with the report from the Committee on Ethics and Campaign Reform, reported March 28, 1996, the Senate, having given its advice, do now consent to and confirm the appointment of:

STATE ETHICAL PRACTICES BOARD

Carolyn Rodriguez, 12815 Foliage Ave., Apple Valley, Dakota County, effective June 13, 1995, for a term expiring on the first Monday in January, 1999.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Beckman	Johnson, D.E.	Larson	Novak	Runbeck
Belanger	Johnson, D.J.	Lesewski	Oliver	Sams
Berg	Johnson, J.B.	Lessard	Olson	Samuelson
Berglin	Johnston	Limmer	Ourada	Scheevel
Betzold	Kiscaden	Marty	Pappas	Solon
Chandler	Kleis	Merriam	Pariseau	Spear
Day	Knutson	Metzen	Piper	Stevens
Fischbach	Kramer	Moe, R.D.	Pogemiller	Stumpf
Flynn	Krentz	Mondale	Price	Terwilliger
Frederickson	Kroening	Morse	Ranum	Vickerman
Hottinger	Laidig	Murphy	Reichgott Junge	Wiener
Janezich	Langseth	Neuville	Robertson	

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Marty moved that in accordance with the report from the Committee on Ethics and Campaign Reform, reported March 28, 1996, the Senate, having given its advice, do now consent to and confirm the appointment of:

STATE ETHICAL PRACTICES BOARD

Nancy G. Wilson, 5505 Sanibel Dr., Minnetonka, Hennepin County, effective July 11, 1995, for a term expiring on the first Monday in January, 1997.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 45 and nays 12, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Kroening	Murphy	Runbeck
Beckman	Hottinger	Langseth	Neuville	Sams
Belanger	Janezich	Larson	Oliver	Samuelson
Berg	Johnson, D.E.	Lessard	Olson	Scheevel
Betzold	Johnston	Limmer	Ourada	Solon
Chandler	Kiscaden	Merriam	Pariseau	Spear
Day	Kleis	Metzen	Price	Stevens
Fischbach	Knutson	Moe, R.D.	Reichgott Junge	Vickerman
Frederickson	Kramer	Morse	Robertson	Wiener

Those who voted in the negative were:

Berglin	Krentz	Novak	Piper	Ranum
Johnson, D.J.	Marty	Pappas	Pogemiller	Stumpf
Johnson, J.B.	Mondale			

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the name of Mr. Chmielewski be stricken as chief author, shown as a co-author and the name of Mr. Samuelson be shown as chief author to S.F. No. 221. The motion prevailed.

RECONSIDERATION

Mr. Moe, R.D. moved that the vote whereby the Conference Committee Report on H.F. No. 3243 was rejected by the Senate on March 29, 1996, be now reconsidered. The motion prevailed. So the vote was reconsidered.

H.F. No. 3243: A bill for an act relating to the organization and operation of state government; appropriating money for economic development and other purposes; providing for assessments against utilities; amending Minnesota Statutes 1994, sections 116G.151; 138.664, by adding a subdivision; 138.763, subdivision 1; 168.33, subdivision 2; and 469.303; Minnesota Statutes 1995 Supplement, sections 79.561, subdivision 3; 138.01, by adding a subdivision; Laws 1994, chapter 573, sections 1, subdivisions 6 and 7; 4; and 5, subdivisions 1 and 2; Laws 1995, chapters 231, article 1, section 33; and 224, sections 2, subdivision 2; and 5, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1994, sections 116J.873, subdivisions 1, 2, and 4; 138.662, subdivision 5; and 268.9783, subdivision 8; Minnesota Statutes 1995 Supplement, section 116J.873, subdivisions 3 and 5.

Mr. Moe, R.D. moved that H.F. No. 3243 be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 3012 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 3012: A bill for an act relating to metropolitan government; modifying a certain levy limitation for the metropolitan council; allowing for distribution of funds from the tax base revitalization account to development authorities; authorizing the metropolitan council to issue bonds; requiring a transfer between certain accounts of the council; amending Minnesota Statutes 1994, section 473.167, subdivision 2a; Minnesota Statutes 1995 Supplement, sections 473.167,

subdivisions 2 and 3; and 473.252; Laws 1989, chapter 279, section 7, subdivision 6; repealing Minnesota Statutes 1994, section 473.167, subdivision 5; Minnesota Statutes 1995 Supplement, section 473.167, subdivision 3a.

Mr. Mondale moved to amend H.F. No. 3012, as amended pursuant to Rule 49, adopted by the Senate March 18, 1996, as follows:

(The text of the amended House File is identical to S.F. No. 2365.)

Page 1, lines 30 to 32, delete the new language

Page 2, line 2, before the period, insert ", except that a local government in the metropolitan area must bring its zoning ordinance into conformance with the comprehensive plan as provided by section 473.858"

Page 7, line 24, delete "1995" and insert "1996"

Pages 7 and 8, delete section 6

Page 8, line 30, strike "section 473.167,"

Page 8, line 31, delete "3" and insert "4"

Page 11, line 33, after the period, insert "The obligations may be secured by taxes levied without limitation of rate or amount upon all taxable property in the metropolitan area."

Page 13, line 8, after "from" insert "the metropolitan council or"

Page 16, line 1, after the period, insert "To provide additional funds for the planning assistance grant and loan program authorized in Minnesota Statutes, section 473.867, the metropolitan council may transfer up to \$1,000,000 of the proceeds of solid waste bonds issued by the council under Minnesota Statutes, section 473.831, before its repeal."

Page 16, line 34, delete "and" and after "12" insert ", and 13"

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 12, delete "subdivisions 2a and 4" and insert "subdivision 2a"

The motion prevailed. So the amendment was adopted.

Mr. Pogemiller moved to amend H.F. No. 3012, as amended pursuant to Rule 49, adopted by the Senate March 18, 1996, as follows:

(The text of the amended House File is identical to S.F. No. 2365.)

Pages 12 to 15, delete section 11 and insert:

"Sec. 11. [BLOOMINGTON; TAX INCREMENT.]

Subdivision 1. [PUBLIC PURPOSE.] In 1985, the port authority of the city of Bloomington established a redevelopment tax increment financing district designated as tax increment financing district No. 1-G with boundaries consisting of a 31.9 acre parcel known as the Kelly property located at the northeast quadrant of 24th Avenue and East Old Shakopee Road in the city of Bloomington with the intention of financing certain redevelopment costs, including selected public improvements within the airport south industrial development district. The Kelly property was conveyed to the Mall of America Company by the port authority of the city of Bloomington, pursuant to the restated contract dated May 31, 1988, by and between the city of Bloomington, port authority of the city of Bloomington, and Mall of America Company, subject to the condition that the Mall of America Company commence construction of a subsequent phase of the Mall of America project on the site no later than 2002. If the Mall of America Company fails to

commence construction of a subsequent phase of development on the Kelly property by 2002, ownership of the property reverts to the port authority of the city of Bloomington. The Minneapolis-St. Paul International Airport long-term comprehensive plan proposes construction of a north-south runway to guaranty future operation of the airport in a safe, efficient manner. Public acquisition of the Kelly property by the metropolitan airports commission will be required to facilitate construction of the north-south runway.

Subd. 2. [AUTHORIZATION.] The port authority of the city of Bloomington may amend the redevelopment tax increment financing district consisting of the Kelly property so that it shall, instead, consist of the met center property as identified in Minnesota Statutes, section 473.551, subdivision 12, upon satisfaction of the following conditions precedent:

(1) sale of the met center property from the metropolitan council or a metropolitan agency to the Mall of America Company or an entity comprising at least one partner of the Mall of America Company or an affiliate of such partner;

(2) approval by the city of Bloomington, port authority of the city of Bloomington, and Mall of America Company of amendments to the restated contract dated May 31, 1988, which transfer development rights and contract obligations from the Kelly property to the met center property;

(3) approval by the Minnesota environmental quality board of an environmental impact statement for the met center property and approval by the Minnesota pollution control agency of an indirect source permit for the met center property;

(4) approval by the city of Bloomington and port authority of the city of Bloomington of a final development plan for the met center property;

(5) an agreement by the owner-developer of the met center property, in a form satisfactory to the city of Bloomington and port authority of the city of Bloomington, to dedicate to the city of Bloomington land for rights-of-way and other public improvements required for a subsequent phase of the Mall of America project on the met center property;

(6) the metropolitan airports commission and the Mall of America Company have either:

(i) entered into a purchase agreement for the sale of the Kelly property; or

(ii) agreed, in writing, on development restrictions for use of the Kelly property which:

(A) limit the cost of acquisition or purchase of development restrictions by the metropolitan airports commission to the per acre cost of the met center property minus the value of any development rights which the Mall of America Company retains on the property; and

(B) permit the metropolitan airports commission to delay acquisition or purchase of development rights on the Kelly property until it has obtained all necessary state and federal environmental approvals for the proposed north-south runway and has authorized construction of the runway; and

(7) an agreement by the Mall of America Company not to sue or claim any damages against either the city of Bloomington or port authority of the city of Bloomington arising out of rezoning of the Kelly property pursuant to Minnesota Statutes, sections 360.061 to 360.074, or an amendment to the comprehensive plan of the city of Bloomington relating to the Kelly property.

The requirements of Minnesota Statutes, section 469.175, subdivision 4, do not apply to modification of the plan to provide for the substitution of legal descriptions authorized hereby. The original net tax capacity of the district shall be recertified in accordance with Minnesota Statutes, section 469.177, subdivision 1, upon amendment of the geographic boundaries of the district. The district shall continue in existence from its original date of creation and the amendment of the geographic boundaries of the district and recertification of original net tax capacity of the district shall not cause the application to the district of any provisions of law which would not otherwise be applicable to the district.

Subd. 3. [SPECIAL RULES.] (a) Tax increment may not be captured by the port authority

from the tax increment financing district on the met center property after December 31 of the year in which tax increments, assessments, and other revenues from the district and the accumulated increments from the district consisting of the Kelly property exceed the permitted expenditures under paragraph (d). The provisions of this paragraph apply beginning with the first calendar year after the conditions precedent in subdivision 2 are satisfied and construction has begun on improvements on the met center site. No increments may, in any event, be collected from the tax increment financing district on the met center site after December 31, 2018.

(b) The provisions of Minnesota Statutes, section 273.1399, do not apply to the tax increment financing district on the met center property.

(c) The governing body of the city of Bloomington must elect the method of computation of tax increment specified in Minnesota Statutes, section 469.177, subdivision 3, paragraph (b), in the tax increment financing district on the met center property.

(d) Tax increments, assessments, and other revenues derived from the tax increment district on the met center property and any accumulated tax increments from the tax increment financing district on the Kelly property may be used to finance only the following:

(1) amounts that the city or port authority must pay to reimburse or otherwise pay the developer for public improvements because of certified counted value resulting from investment in property at the met center site under section 9.2(05) of the restated contract for purchase and private redevelopment of land, by and among the city of Bloomington, the port authority of the city of Bloomington, and the Mall of America Company, dated May 31, 1988;

(2) interest and other financing costs the city or port authority pays or incurs on, but that are not included in, the amounts under clause (1); and

(3) reasonable administrative expenses as provided under Minnesota Statutes, sections 469.174 to 469.178. The amounts permitted under clauses (1) and (2) must be used to determine the limit on administrative expenses under Minnesota Statutes, section 469.176, subdivision 3.

For purposes of determining the qualifying ratio percent for counted value under the formula in section 9.2(05) of the restated contract under clause (1), investment in property at the met center site is deemed to be after or in addition to all the investment at other sites covered by the restated contract.

Subd. 4. [ACQUISITION OF PROPERTY.] Notwithstanding any law to the contrary, the metropolitan airports commission is authorized to acquire or purchase the Kelly property consistent with the public purpose set forth in this law. This may be accomplished by an exchange of land, purchase of development rights, acquisition of easements, or other method to be negotiated with the landowner or by outright purchase or exercise of eminent domain, if necessary.

Subd. 5. [LIMITATION ON USE OF TAX INCREMENT.] If the port authority of the city of Bloomington amends the redevelopment tax increment financing district from the Kelly property to the met center property, the owner of the met center property shall be bound by the limitations on public reimbursement for qualified public improvements as set forth in section 9.2(05) of the restated contract dated May 31, 1988, by and between the city of Bloomington, port authority of the city of Bloomington, and Mall of America Company."

Mr. Mondale moved to amend the Pogemiller amendment to H.F. No. 3012 as follows:

Page 2, delete lines 28 to 36

Page 3, delete lines 1 to 3 and insert:

"(ii) agreed, in writing, to pay compensation based on the existing development rights for the use of the Kelly property in an amount not to exceed the total cost of acquiring the met center property; and"

Page 4, line 15, delete "certified"

Page 4, line 23, delete "and"

Page 4, delete lines 24 to 28 and insert:

"(3) interest and principal on qualified bonds to the extent that other available revenues and increments from other sources that are pledged to pay the bonds are insufficient. In determining whether other available revenues or increments are insufficient, spending of these revenues for only the following items reduce available revenues (all other revenues are deemed to be available):

(A) payment of debt service on bonds and obligations issued and sold before March 31, 1996;

(B) payments under binding written contracts in effect on March 31, 1996, to which the increments or other revenues are pledged; and

(C) reasonable administrative expenses, subject to the limits under Minnesota Statutes, section 469.176, subdivision 3; and

(4) reasonable administrative expenses as provided under Minnesota Statutes, sections 469.174 to 469.178. The amounts permitted under clauses (1) and (2) must be used to determine the limit or administrative expenses under Minnesota Statutes, section 469.176, subdivision 3. For the purposes of paragraph (d), "qualified bonds" means:

(i) bonds or other obligations issued and sold before March 31, 1996, to which increments from the tax increment financing district consisting of the Kelly property are pledged; and

(ii) bonds or other obligations that refund bonds described in (i), if the refunding bonds do not increase the present value of the debt service payments secured by the increments and are secured by a pledge of the same increments and other revenues as secured by the bonds to be refunded."

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

The question recurred on the adoption of the Pogemiller amendment, as amended. The motion prevailed. So the amendment, as amended, was adopted.

Mr. Oliver moved to amend H.F. No. 3012, as amended pursuant to Rule 49, adopted by the Senate March 18, 1996, as follows:

(The text of the amended House File is identical to S.F. No. 2365.)

Page 6, lines 19 to 23, reinstate the stricken language

Page 6, line 31, reinstate the stricken language

Page 6, line 32, reinstate everything before "shall"

Page 7, line 27, reinstate the stricken language

Page 7, line 28, reinstate the stricken "metropolitan livable communities fund, under section 473.251"

Page 8, line 6, reinstate the stricken language

Page 8, line 7, reinstate the stricken language and before "tax" insert "and"

Page 8, after line 15, insert:

"Sec. 7. Minnesota Statutes 1994, section 473.167, is amended by adding a subdivision to read:

Subd. 4a. [DEPOSIT OF TAX PROCEEDS.] The proceeds of the tax levied under subdivision 3 shall be deposited into the right-of-way acquisition loan fund and the metropolitan livable communities tax base revitalization account in the metropolitan livable communities fund in the amounts determined by the metropolitan council."

Page 9, delete lines 29 to 36

Page 10, delete lines 1 to 34

Page 16, line 34, delete "7, 10, and 12" and insert "8, 11, and 13"

Page 17, line 1, delete "10 and 12 to 14" and insert "11 and 13 to 15"

Page 17, line 3, delete "11" and insert "12"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

CALL OF THE SENATE

Ms. Reichgott Junge imposed a call of the Senate for the balance of the proceedings on H.F. No. 3012. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Oliver amendment.

The roll was called, and there were yeas 15 and nays 41, as follows:

Those who voted in the affirmative were:

Hanson	Krentz	Limmer	Olson	Scheevel
Johnston	Larson	Neuville	Pariseau	Stevens
Kramer	Lesewski	Oliver	Runbeck	Wiener

Those who voted in the negative were:

Anderson	Fischbach	Laidig	Pappas	Samuelson
Beckman	Flynn	Lessard	Piper	Solon
Belanger	Hottinger	Marty	Pogemiller	Spear
Berg	Janezich	Merriam	Price	Stumpf
Berglin	Johnson, D.E.	Metzen	Ranum	Vickerman
Betzold	Johnson, J.B.	Moe, R.D.	Reichgott Junge	
Chandler	Kleis	Mondale	Riveness	
Cohen	Knutson	Morse	Robertson	
Day	Kroening	Murphy	Sams	

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

Ms. Olson moved to amend H.F. No. 3012, as amended pursuant to Rule 49, adopted by the Senate March 18, 1996, as follows:

(The text of the amended House File is identical to S.F. No. 2365.)

Page 1, after line 20, insert:

"ARTICLE 1
METROPOLITAN COUNCIL AUTHORIZATION"

Page 17, after line 6, insert:

"ARTICLE 2
METROPOLITAN TRANSPORTATION INVESTMENT ACT

Section 1. [473.1465] [TRANSPORTATION POLICY.]

Subdivision 1. [DEFINITION.] For the purposes of this section and section 473.1466 "commuting area" means the metropolitan area and counties outside the metropolitan area in which five percent or more of the residents commute to employment in the metropolitan area.

Subd. 2. [REVISED TRANSPORTATION POLICY PLAN.] The metropolitan council shall adopt, after appropriate public comment, a revised transportation policy plan that:

- (1) is consistent with state law and council policy;
- (2) identifies and summarizes issues concerning commuting into and out of the seven-county area from the commuting area;
- (3) integrates and maximizes the efficiencies and effectiveness of all modes of transportation in the region; and
- (4) reflects and does not exceed current available resources.

The council shall adopt the revised transportation policy plan by December 31, 1996.

Subd. 3. [PROJECT EVALUATION.] As part of developing the revised transportation policy plan, the council shall evaluate all proposed and pending transportation projects that are subject to council review and report to the legislature the results of council's evaluation.

Sec. 2. [473.1466] [PERFORMANCE AUDIT.]

In 1997 and every four years thereafter, the council shall provide for an independent entity selected through a request for proposal process conducted nationwide to do a performance audit of the commuting area's transportation system as a whole. The performance audit must evaluate the commuting area's ability to meet the region's needs for effective and efficient transportation of goods and people, evaluate future trends and their impacts on the region's transportation system, and make recommendations for improving the system. The performance audit must recommend performance-funding measures. In 1997 and every two years thereafter, the council must evaluate the performance of the metropolitan transit system's operation in relationship to the regional transit performance standards developed by the council.

Sec. 3. Minnesota Statutes 1994, section 473.167, subdivision 1, is amended to read:

Subdivision 1. [CONTROLLED ACCESS HIGHWAYS AND TRANSIT FIXED-GUIDEWAYS; COUNCIL APPROVAL.] Before acquiring land for or constructing a controlled access highway or other highway that the Minnesota department of transportation functionally classifies as a principal arterial highway, or transit fixed-guideway in the area, the state transportation department or local government unit proposing the acquisition or construction shall submit to the council a statement describing the proposed project. The statement must be in the form and detail required by the council. The council shall review the statement to ascertain its consistency with its policy plan and the development guide. No project may be undertaken unless the council determines that it is consistent with the policy plan. This approval is in addition to the requirements of any other statute, ordinance or rule.

Sec. 4. [473.3875] [TRANSIT FOR LIVABLE COMMUNITIES.]

The council shall establish a transit for livable communities demonstration program fund. The council shall adopt guidelines for selecting and evaluating demonstration projects for funding. The selection guidelines must include provisions evaluating projects:

- (1) interrelating development or redevelopment and transit;
- (2) interrelating affordable housing and employment growth areas;
- (3) helping intensify land use that leads to more compact development or redevelopment;
- (4) coordinating school transportation and public transit service;
- (5) implementing recommendations of the transit redesign plan; or
- (6) otherwise promoting the goals of the metropolitan livable communities act.

Sec. 5. Minnesota Statutes 1994, section 473.388, is amended by adding a subdivision to read:

Subd. 7. [SERVICE INCENTIVE.] A replacement transit service shall receive an additional two percent of available local transit funds, as defined in subdivision 4, if the service increased its

ridership for trips that originate outside of the replacement transit service's member communities and serve the employment centers in those communities by at least five percent from the previous year, provided the service operates within regional performance standards. A replacement transit service that is receiving the maximum amount of available local transit funds may receive up to two percent over the maximum amount set in subdivision 4 if it increases its ridership as provided in this subdivision. The additional funding received under this subdivision may be reserved by the replacement transit service for future use.

Sec. 6. Minnesota Statutes 1995 Supplement, section 473.391, is amended to read:

473.391 [ROUTE PLANNING AND SCHEDULING.]

Subdivision 1. [CONTRACTS.] The council may contract with other operators or local governments for route planning and scheduling services in any configuration of new or reconfiguration of existing transit services and routes, including route planning and scheduling necessary for the test marketing program, the service bidding program, and the interstate highway described generally as legislative routes Nos. 10 and 107 between I-494 and the Hawthorne interchange in the city of Minneapolis, commonly known as I-394.

Subd. 2. [ROUTE ELIMINATION; SERVICE REDUCTION.] The council shall, before making a determination to eliminate or reduce service on existing transit routes, consider:

- (1) the level of subsidy per passenger on each route;
- (2) the availability and proximity of alternative transit routes; and
- (3) the percentage of transit dependent riders, including youth, elderly, low-income, and disabled riders currently using each route.

Sec. 7. Laws 1995, chapter 265, article 1, section 4, is amended to read:

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective upon metropolitan council approval of plans presented by the commissioner to:

- (1) construct one additional lane on each roadway of I-394 at or near its interchange with Penn Avenue;
- (2) preserve the existence of an additional lane eastbound between Penn Avenue and the Dunwoody Boulevard exit;
- (3) erect noise barriers adjacent to the westbound roadway of the highway continuously between Wirth Parkway and ~~Penn Avenue~~ the east end of bridge No. 27770, and on the eastbound roadway of the highway continuously between Madeira Avenue and Wirth Parkway, and extend the existing noise barriers easterly of France Avenue, all with the consent of all affected owners of commercial property;
- (4) adopt a goal of achieving an average occupancy rate on the highway of 1.6 persons per vehicle by 2000, and implement a five-year program in cooperation with the council intended to achieve that goal by, among other means, significantly increasing the use of high-occupancy lanes on the highway and the use of other roadways;
- (5) develop and implement, jointly with the commissioner of public safety, a plan and program for (i) enforcement of speed limits and other traffic laws and high-occupancy lane restrictions and the minimizing of late merging of traffic onto the eastbound highway, and (ii) demonstration of increased information and education through changeable message signs and the use of electronic detection to identify and warn traffic law violators; and
- (6) ensure that the highway has a bituminous surface and HOV lanes are ground or milled between June Avenue in Golden Valley and the highway's intersection with ~~marked interstate highway No. 94 in Minneapolis~~ the west end of the bridge approach to bridge No. 27770 or has a bituminous surface on the mixed use lanes within the same limits.

Sec. 8. [BEST PRACTICES REPORT.]

The legislative audit commission is requested to direct the legislative auditor to prepare and submit to the legislature by December 1, 1996, a best practices report on cooperative and integrated transit services that are effective and efficient. To the extent available, the report must include information on best practices for regular route public transit service, transit that links jobs and housing, integrating private transit services with public transit services, and integrating school transportation with public transit services.

Sec. 9. [METROPOLITAN TRANSIT REDESIGN.]

Subdivision 1. [1997 PLAN.] The metropolitan council shall present to the 1997 legislature a status report on the implementation plan for improved transit service for the region. The plan must be developed with the assistance of an advisory committee established by the council. At a minimum, the plan must:

- (1) utilize community-based transit services;
- (2) encourage local initiatives for improved transit service;
- (3) encourage coordination of various public transit services and private, for-profit, and nonprofit transit services that do not receive transit subsidies from the council;
- (4) establish performance measures that further transit goals for the region that are consistent with and promote the policies of the Regional Blueprint and the metropolitan livable communities act; and
- (5) include an operating and capital budget projection for the biennium ending June 30, 1999.

Subd. 2. [ADVISORY COMMITTEE.] The council shall utilize an advisory committee to assist the council in preparing the plan required under subdivision 1. Members of the committee must represent local community interests. Members of the advisory committee shall serve without compensation but may be reimbursed by the council for reasonable expenses.

Sec. 10. [STUDY; PAYING FOR NEW GROWTH.]

The metropolitan council shall identify means of insuring that new development pays the costs associated with the new development, including, but not limited to, the costs of infrastructure to accommodate the new development and the present value of services provided by public entities. The council shall report its findings to the legislature by February 1, 1997.

Sec. 11. [PERFORMANCE MEASURES TO BE MET.]

Subdivision 1. [METROPOLITAN COUNCIL.] If the metropolitan council is appropriated money from the general fund for public transit operations for fiscal year 1997, 1.5 percent shall be made available to the council after June 1, 1997, only if the commissioner of finance determines that metropolitan council transit operations passengers per revenue hour productivity has increased in a one-year period between the effective date of this section and June 1, 1997. Another 1.5 percent shall be made available to the council after June 1, 1997, only if the commissioner of finance determines that metropolitan council transit operations subsidy per passenger has decreased in a one-year period between the effective date of this section and June 1, 1997.

Subd. 2. [DEPARTMENT OF TRANSPORTATION.] If the commissioner of transportation is appropriated money from the trunk highway fund in 1996 for state road construction, five percent shall be made available to the commissioner after June 1, 1997, only if the commissioner of finance determines that the department of transportation's administrative costs have decreased as a percentage of construction costs in a one-year period between the effective date of this section and June 1, 1997.

Sec. 12. [PERFORMANCE AUDIT; DEADLINE.]

The metropolitan council's first performance audit report, required under section 2, must be submitted to the legislature by December 15, 1997.

Sec. 13. [APPLICATION.]

Sections 1 to 7, 9, 10, 11, subdivision 1, and 12 apply to the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 14. [EFFECTIVE DATE.]

This article is effective the day following final enactment."

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Pogemiller moved to amend H.F. No. 3012, as amended pursuant to Rule 49, adopted by the Senate March 18, 1996, as follows:

(The text of the amended House File is identical to S.F. No. 2365.)

Page 2, after line 32, insert:

"Sec. 2. Minnesota Statutes 1994, section 471.59, is amended by adding a subdivision to read:

Subd. 13. [JOINT POWERS BOARD FOR HOUSING.] (a) For purposes of implementing a federal court order or decree, two or more housing and redevelopment authorities, or public entities exercising the public housing powers of housing and redevelopment authorities, may by adoption of a joint powers agreement that complies with the provisions of subdivisions 1 to 5, establish a joint board for the purpose of acquiring an interest in, rehabilitating, constructing, owning, or managing low-rent public housing located in the metropolitan area, as defined in section 473.121, subdivision 2, and financed, in whole or in part, with federal financial assistance under Section 5 of the United States Housing Act of 1937. The joint board established pursuant to this subdivision shall:

(1) be composed of members designated by the governing bodies of the governmental units which established such joint board, and possess such representative and voting power provided by the joint powers agreement;

(2) constitute a public body, corporate, and politic; and

(3) notwithstanding the provisions of subdivision 1, requiring commonality of powers between parties to a joint powers agreement, and solely for the purpose of acquiring an interest in, rehabilitating, constructing, owning, or managing federally financed low-rent public housing, shall possess all of the powers and duties contained in sections 469.001 to 469.047 and, if at least one participant is an economic development authority, sections 469.090 to 469.1081, except (i) as may be otherwise limited by the terms of the joint powers agreement; and (ii) a joint board shall not have the power to tax pursuant to section 469.033, subdivision 6, nor shall it exercise the power of eminent domain. Every joint powers agreement establishing a joint board shall specifically provide which and under what circumstances the powers granted herein may be exercised by that joint board.

(b) If a housing and redevelopment authority exists in a city which intends to participate in the creation of a joint board pursuant to paragraph (a), such housing and redevelopment authority shall be the governmental unit which enters into the joint powers agreement unless it determines not to do so, in which event the governmental entity which enters into the joint powers agreement may be any public entity of that city which exercises the low-rent public housing powers of a housing and redevelopment authority.

(c) A joint board shall not make any contract with the federal government for low-rent public housing, unless the governing body or bodies creating the participating authority in whose jurisdiction the housing is located has, by resolution, approved the provision of that low-rent public housing.

(d) This section shall not apply to any housing and redevelopment authority, or public entity

exercising the powers of a housing and redevelopment authority, within the jurisdiction of a county housing and redevelopment authority which is actively carrying out a public housing program under Section 5 of the United States Housing Act of 1937. For purposes of this paragraph, a county, housing, and redevelopment authority shall be considered to be actively carrying out a public housing program under Section 5 of the United States Housing Act of 1937, if it (1) owns 200 or more public housing units constructed under Section 5 of the United States Housing Act of 1937, and (2) has applied for public housing development funds under Section 5 of the United States Housing Act of 1937, during the three years immediately preceding January 1, 1996.

(e) For purposes of sections 469.001 to 469.047, "city" means the city in which the housing units with respect to which the joint board was created are located and "governing body" or "governing body creating the authority" means the council of such city.

Page 16, line 34, delete "7, 10, and 12" and insert "8, 11, and 13"

Page 17, line 1, delete "10" and insert "11" and delete "12 to 14" and insert "13 to 15"

Page 17, line 3, delete "11" and insert "12"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Ms. Berglin moved to amend H.F. No. 3012, as amended pursuant to Rule 49, adopted by the Senate March 18, 1996, as follows:

(The text of the amended House File is identical to S.F. No. 2365.)

Page 1, after line 20, insert:

"Section 1. Minnesota Statutes 1994, section 203B.02, is amended by adding a subdivision to read:

Subd. 1b. [HENNEPIN COUNTY PROCEDURES.] Notwithstanding subdivision 1, the Hennepin county board may by resolution authorize any eligible voter in the county to vote by absentee ballot without qualification. The county auditor shall notify the secretary of state immediately after the adoption of the resolution by the county board.

The application for absentee ballots must include the voter's name, residence address in the county, address to which the ballots are to be mailed, the date of the request, and the voter's signature.

The county auditor shall maintain a record of the number of applications for absentee ballots submitted under this subdivision. No later than January 15, 1997, the secretary of state shall prepare a report to the legislature on the implementation of this subdivision.

Assistance to voters in marking absentee ballots is subject to section 204C.15, subdivision 1."

Page 16, after line 36, insert:

"Section 1 is effective the day after the governing body of Hennepin county complies with Minnesota Statutes, section 645.021, subdivision 3."

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "authorizing the Hennepin county board to authorize voting by absentee ballot without qualification;"

Page 1, line 11, after "sections" insert "203B.02, by adding a subdivision;"

Mr. Frederickson questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Mr. Mondale moved to amend H.F. No. 3012, as amended pursuant to Rule 49, adopted by the Senate March 18, 1996, as follows:

(The text of the amended House File is identical to S.F. No. 2365.)

Page 1, after line 20, insert:

"ARTICLE 1
METROPOLITAN COUNCIL AUTHORIZATION"

Page 17, after line 6, insert:

"ARTICLE 2
METROPOLITAN AIRPORT PROVISIONS"

Section 1. Minnesota Statutes 1994, section 473.155, is amended by adding a subdivision to read:

Subd. 5. [ZONING OF REAL PROPERTY.] The council shall not require a local government unit to continue a current use or to adopt a comprehensive plan designation or any change in zoning, zoning variance, or conditional use in order to ensure or preserve the availability of land for a new major airport.

Sec. 2. Minnesota Statutes 1994, section 473.608, subdivision 2, is amended to read:

Subd. 2. It may acquire by lease, purchase, gift, devise, or condemnation proceedings all necessary right, title, and interest in and to lands and personal property required for airports and all other real or personal property required for the purposes contemplated by sections 473.601 to 473.679, within the metropolitan area, pay therefor out of funds obtained as hereinafter provided, and hold and dispose of the same, subject to the limitations and conditions herein prescribed except that the corporation may not acquire by any means lands or personal property for a major new airport. Title to any such property acquired by condemnation or purchase shall be in fee simple, absolute, unqualified in any way, but any such real or personal property or interest therein otherwise acquired may be so acquired or accepted subject to any condition which may be imposed thereon by the grantor or donor and agreed to by the corporation, not inconsistent with the proper use of the property by the corporation for the purposes herein provided. Any properties, real or personal, acquired, owned, leased, controlled, used, and occupied by the corporation for any of the purposes of sections 473.601 to 473.679, are declared to be acquired, owned, leased, controlled, used, and occupied for public, governmental, and municipal purposes, and shall be exempt from taxation by the state or any of its political subdivisions. Nothing contained in sections 473.601 to 473.679, shall be construed as exempting properties, real or personal, leased from the metropolitan airports commission to a tenant or lessee who is a private person, association, or corporation from assessments or taxes.

Sec. 3. Minnesota Statutes 1994, section 473.608, subdivision 6, is amended to read:

Subd. 6. It may construct and equip new airports, with all powers of acquisition set out in subdivision 2, pay therefor out of the funds obtained as hereinafter provided, and hold, maintain, operate, regulate, police, and dispose of them or any of them as hereinafter provided. It may not construct or equip a major new airport to replace the existing Minneapolis-St. Paul International airport nor may it exercise any power for the purpose of future construction of a major new airport, including acquisition of any interest in land; borrowing, receipt, or payment of money; or entering into contracts.

Sec. 4. Minnesota Statutes 1994, section 473.608, subdivision 16, is amended to read:

Subd. 16. It may generally carry on the business of acquiring, establishing, developing, extending, maintaining, operating, and managing airports, with all powers incident thereto except it is expressly prohibited from exercising these powers for the purpose of future construction of a major new airport.

Sec. 5. Minnesota Statutes 1994, section 473.608, is amended by adding a subdivision to read:

Subd. 23. [PROHIBITION OF USE OF CERTAIN AIRCRAFT.] After complying with the publication and public comment requirements of United States Code, title 49, section 47524(b) and other applicable federal requirements, the corporation shall prohibit operation at Minneapolis-St. Paul International airport of aircraft not complying with stage 3 noise levels after December 31, 1999.

Sec. 6. Minnesota Statutes 1994, section 473.608, is amended by adding a subdivision to read:

Subd. 24. [IMPLEMENTATION OF LONG-TERM PLAN.] The corporation and other affected units of state and local government shall implement the Minneapolis-St. Paul International airport year 2010 long-term comprehensive plan.

Sec. 7. Minnesota Statutes 1994, section 473.608, is amended by adding a subdivision to read:

Subd. 25. [FINAL ENVIRONMENTAL IMPACT STATEMENT.] The corporation shall not be required to provide environmental or technical analysis of the new airport alternative in the dual track planning process final environmental impact statement.

Sec. 8. Minnesota Statutes 1994, section 473.608, is amended by adding a subdivision to read:

Subd. 26. [USE OF RELIEVER AIRPORTS.] The corporation shall develop and implement a plan to divert the maximum feasible number of general aviation operations from Minneapolis-St. Paul International airport to those airports designated by the federal aviation administration as reliever airports for Minneapolis-St. Paul International airport.

Sec. 9. Minnesota Statutes 1994, section 473.608, is amended by adding a subdivision to read:

Subd. 27. [PROHIBITION CONCERNING REPLACEMENT PASSENGER TERMINAL.] The corporation is prohibited from constructing a replacement passenger terminal on the west side of Minneapolis-St. Paul International airport without legislative approval.

Sec. 10. Minnesota Statutes 1994, section 473.608, is amended by adding a subdivision to read:

Subd. 28. [CONSTRUCTION OF THIRD PARALLEL RUNWAY.] The corporation must enter into a contract with affected cities, providing that, for valuable consideration received, the corporation shall not construct a third parallel runway at Minneapolis-St. Paul International airport without the approval of all affected cities. An "affected city" is any city that would experience an increase in the area located within the 60, 65, 70, or 75 Ldn noise contour as a result of operations using the third parallel runway.

Sec. 11. Minnesota Statutes 1994, section 473.614, is amended by adding a subdivision to read:

Subd. 2a. [ENVIRONMENTAL IMPACT REPORT.] Notwithstanding the provisions of subdivision 2, the commission shall prepare a report documenting the environmental effects of projects included in the MSP 2010 long-term comprehensive plan. Environmental effects of and costs associated with, noise impacts, noise mitigation measures, and land use compatibility measures must be evaluated according to alternative assumptions of 600,000, 650,000, 700,000, and 750,000 aircraft operations at Minneapolis-St. Paul International airport.

Sec. 12. Minnesota Statutes 1994, section 473.661, subdivision 4, is amended to read:

Subd. 4. [NOISE MITIGATION.] (a) According to the schedule in paragraph (b), commission funds must be dedicated (1) to supplement the implementation of corrective land use management measures approved by the Federal Aviation Administration as part of the commission's Federal Aviation Regulations, part 150 noise compatibility program, and (2) for soundproofing and

accompanying air conditioning of residences, schools, and other public buildings when there is a demonstrated need because of aircraft noise, regardless of the location of the building to be soundproofed, or any combination of the three.

(b) The noise mitigation program described in paragraph (a) shall be funded by the commission from whatever source of funds according to the following schedule:

In 1993, an amount equal to 20 percent of the passenger facilities charges revenue amount budgeted by the commission for 1993;

In 1994, an amount equal to 20 percent of the passenger facilities charges revenue amount budgeted by the commission for 1994;

In 1995, an amount equal to 35 percent of the passenger facilities charges revenue amount budgeted by the commission for 1995; and

In 1996, an amount equal to 40 percent of the passenger facilities charges revenue amount budgeted by the commission for 1996.

(c) From 1996 to 2002, the commission shall spend no less than \$185,000,000 from any source of funds for insulation and accompanying air conditioning of residences, schools, and other public buildings where there is a demonstrated need because of aircraft noise; and property acquisition within the noise impacted area.

(d) Before the commission constructs a new runway at Minneapolis-St. Paul International airport, the commission shall determine the probable levels of noise that will result in various parts of the metropolitan area from the operation of aircraft on the new runway and shall develop a program to mitigate noise in those parts of the metropolitan area that are located outside the 1996 65 Ldn contour but will be located within the 65 Ldn contour as established after the new runway is in operation. Based upon this determination, the commission shall reserve in its annual budget, until noise mitigation measures are completed, an amount of money necessary to implement this noise mitigation program in the newly impacted areas.

(e) The commission's capital improvement projects, program, and plan must reflect the requirements of this section. As part of the commission's report to the legislature under section 473.621, subdivision 1a, the commission must provide a description and the status of each noise mitigation project implemented under this section.

~~(d)~~ (f) Within 60 180 days of submitting the commission's and the metropolitan council's report and recommendations on major airport planning to the legislature as required by section 473.618, the commission, with the assistance of its sound abatement advisory committee, shall make a recommendation to the legislature state advisory council on metropolitan airport planning regarding proposed mitigation activities and appropriate funding levels for noise mitigation activities at Minneapolis-St. Paul International Airport and in the neighboring communities. The state advisory council on metropolitan airport planning shall review the recommendation and comment to the legislature within 60 days after the recommendation is submitted to the council.

Sec. 13. Minnesota Statutes 1994, section 473.621, is amended by adding a subdivision to read:

Subd. 1b. [ANNUAL REPORT TO LEGISLATURE.] The corporation shall report to the legislature by February 15 of each year concerning operations at Minneapolis-St. Paul International airport. The report must include the number of aircraft operations and passenger enplanements at the airport in the preceding year, current airport capacity in terms of operations and passenger enplanements, average length of delay statistics, and technological developments affecting aviation and their effect on operations and capacity at the airport. The report must include information in all the foregoing categories as it relates to operations at Wayne county metropolitan airport in Detroit. The report must compare the number of passenger enplanements and the number of aircraft operations with the 1993 metropolitan airport commission baseline forecasts of total passengers and total aircraft operations.

Sec. 14. Laws 1989, chapter 279, section 7, subdivision 6, is amended to read:

Subd. 6. [TERMINATION.] The advisory council ceases to exist when the actions required by ~~section 3, subdivision 3, and section 4~~ Laws 1996, chapter ..., sections 12 and 15, are completed.

Sec. 15. [ANALYSIS OF AVIATION SERVICES AND COMMERCIAL DEVELOPMENT.]

The metropolitan airports commission shall contract with the University of Minnesota to prepare an aviation service and facilities analysis. The commission shall utilize funds from any available source to pay the University of Minnesota an agreed amount not to exceed \$50,000 for the performance of the analysis. The analysis shall include:

(1) a description of various types and levels of aviation service and an examination of the relationship between aviation service levels and the level of commercial and industrial activity in the state; and

(2) an examination of the relationship between available levels of aviation service and the relocation of commercial and industrial enterprises to the state.

The commission shall report the results of the analysis to the state advisory council on metropolitan airport planning no later than February 10, 1997. The council shall review the report and analysis and comment to the legislature within 60 days after the results of the analysis are reported to the council.

Sec. 16. [REPEALER.]

Minnesota Statutes 1994, sections 473.1551, subdivision 2; 473.636; and 473.637, are repealed.

Sec. 17. [EFFECTIVE DATE.]

This article is effective the day following final enactment and applies to the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Amend the title accordingly

Mrs. Pariseau moved to amend the Mondale amendment to H.F. No. 3012 as follows:

Page 6, after line 27, insert:

"Sec. 14. Minnesota Statutes 1994, section 473.661, is amended by adding a subdivision to read:

Subd. 5. [GRANTS; LOSS OF DEVELOPMENT RIGHTS.] (a) \$15,000,000 of the funds the commission spends under subdivision 4, clause (c), must be in the form of grants on a per capita basis according to the most recent federal decennial census to the city councils and town boards of the following cities and towns in Dakota county: the cities of Coates, Hampton, Miesville, New Trier, Randolph, and Vermillion; the towns of Castle Rock, Douglas, Empire, Eureka, Greenvale, Hampton, Marshan, Nininger, Randolph, Ravenna, Sciata, Vermillion, and Waterford.

The city councils and town boards shall distribute the funds received from the commission under this subdivision in an amount and according to criteria developed by the city council or town board to city or town residents who have had developmental restrictions placed on their property because of inclusion in the new airport search area under section 473.1551, to compensate them for the loss of the development rights.

(b) The commission shall make an additional grant of \$9,000,000 that shall be disbursed as follows: \$6,000,000 to the Dakota county board; \$2,000,000 to the Hastings city council; and \$1,000,000 to the Eagan city council. The funds under this paragraph shall be forwarded upon request to the applicable governing body to be distributed in an amount and according to criteria developed by the governing body to county or city residents who have had developmental restrictions placed on their property because of inclusion in the new airport search area under section 473.1551, to compensate them for the loss of the development rights."

Renumber the sections in sequence and correct the internal references

The question was taken on the adoption of the Pariseau amendment to the Mondale amendment.

The roll was called, and there were yeas 27 and nays 32, as follows:

Those who voted in the affirmative were:

Belanger	Johnston	Larson	Oliver	Scheevel
Berg	Kiscaden	Lesewski	Olson	Solon
Day	Kleis	Lessard	Ourada	Stevens
Fischbach	Knutson	Limmer	Pariseau	
Frederickson	Kramer	Metzen	Robertson	
Johnson, D.E.	Laidig	Neuville	Runbeck	

Those who voted in the negative were:

Anderson	Hanson	Marty	Pogemiller	Spear
Beckman	Hottinger	Merriam	Price	Stumpf
Berglin	Janezich	Moe, R.D.	Ranum	Vickerman
Betzold	Johnson, J.B.	Morse	Reichgott Junge	Wiener
Chandler	Krentz	Murphy	Riveness	
Cohen	Kroening	Pappas	Sams	
Flynn	Langseth	Piper	Samuelson	

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

The question recurred on the adoption of the Mondale amendment. The motion prevailed. So the amendment was adopted.

H.F. No. 3012 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 40 and nays 20, as follows:

Those who voted in the affirmative were:

Beckman	Janezich	Laidig	Oliver	Sams
Belanger	Johnson, D.E.	Lesewski	Olson	Samuelson
Berg	Johnson, J.B.	Lessard	Ourada	Scheevel
Betzold	Kiscaden	Limmer	Pariseau	Solon
Day	Kleis	Metzen	Price	Stevens
Fischbach	Knutson	Mondale	Riveness	Stumpf
Frederickson	Kramer	Murphy	Robertson	Vickerman
Hanson	Krentz	Neuville	Runbeck	Wiener

Those who voted in the negative were:

Anderson	Flynn	Langseth	Moe, R.D.	Pogemiller
Berglin	Hottinger	Larson	Morse	Ranum
Chandler	Johnston	Marty	Pappas	Reichgott Junge
Cohen	Kroening	Merriam	Piper	Spear

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

MEMBERS EXCUSED

Messrs. Chmielewski and Finn were excused from the Session of today. Mr. Riveness was excused from the Session of today from 1:00 to 2:20 and 4:30 to 5:30 p.m. Mr. Novak was excused from the Session of today from 1:00 to 2:45 and at 5:45 p.m. Ms. Piper was excused from the Session of today from 2:00 to 2:35 p.m. Mr. Limmer was excused from the Session of today from 2:40 to 3:00 p.m. Mr. Dille was excused from the Session of today at 3:30 p.m. Mr. Kelly was excused from the Session of today at 4:50 p.m. Mr. Cohen was excused from the Session of today from 5:10 to 5:45 p.m. Mr. Johnson, D.J. was excused from the Session of today at 6:05 p.m. Mr. Sams was excused from the Session of today at 6:35 p.m. Mr. Johnson, D.E. was excused from the Session of today from 1:00 to 2:00 p.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 1:00 p.m., Monday, April 1, 1996.
The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

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