

STATE OF MINNESOTA

EIGHTY-FIFTH SESSION — 2008

 EIGHTY-FOURTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 3, 2008

The House of Representatives convened at 11:00 a.m. and was called to order by Margaret Anderson Kelliher, Speaker of the House.

Prayer was offered by the Reverend Michael Dobbins, Vasa Lutheran Church, Welch, Minnesota.

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

The roll was called and the following members were present:

Abeler	Dill	Hilstrom	Liebling	Otremba	Slocum
Anderson, B.	Dittrich	Hilty	Lieder	Ozment	Smith
Anderson, S.	Dominguez	Holberg	Lillie	Paulsen	Solberg
Anzels	Doty	Hoppe	Loeffler	Paymar	Swails
Atkins	Drazkowski	Hornstein	Madore	Pelowski	Thao
Beard	Eastlund	Hortman	Magnus	Peppin	Thissen
Benson	Eken	Hosch	Mahoney	Peterson, A.	Tillberry
Berns	Emmer	Howes	Mariani	Peterson, N.	Tingelstad
Bigham	Erhardt	Huntley	Marquart	Peterson, S.	Tschumper
Brod	Erickson	Jaros	Masin	Poppe	Urdahl
Brown	Fritz	Johnson	McFarlane	Rukavina	Wagenius
Brynaert	Gardner	Juhnke	McNamara	Ruth	Walker
Buesgens	Garofalo	Kahn	Moe	Ruud	Ward
Bunn	Gottwalt	Kalin	Morrow	Sailer	Wardlow
Carlson	Greiling	Knuth	Mullery	Scalze	Welti
Clark	Gunther	Koenen	Murphy, E.	Seifert	Westrom
Cornish	Hackbarth	Kohls	Murphy, M.	Sertich	Winkler
Davnie	Hamilton	Kranz	Nelson	Severson	Wollschlager
Dean	Hansen	Laine	Nornes	Shimanski	Zellers
DeLaForest	Hausman	Lanning	Norton	Simon	Spk. Kelliher
Demmer	Haws	Lenczewski	Olin	Simpson	
Dettmer	Heidgerken	Lesch	Olson	Slawik	

A quorum was present.

Bly and Faust were excused until 12:15 p.m. Morgan was excused until 1:20 p.m. Finstad was excused until 9:30 p.m.

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

PETITIONS AND COMMUNICATIONS

The following communication was received:

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

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives

The Honorable James P. Metzen
President of the Senate

I have the honor to inform you that the following enrolled Act of the 2008 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S. F. No.</i>	<i>H. F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 2008</i>	<i>Date Filed 2008</i>
2428		153	10:05 p.m. February 28	February 29

Sincerely,

MARK RITCHIE
Secretary of State

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Atkins from the Committee on Commerce and Labor to which was referred:

H. F. No. 766, A bill for an act relating to motor fuels; modifying motor fuel specifications, standards, and requirements; amending Minnesota Statutes 2006, sections 239.051, subdivision 15; 239.761, subdivisions 3, 4, 6, by adding subdivisions; 239.7911, subdivision 2; 296A.01, subdivisions 2, 23, 24, 25.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 239.051, subdivision 15, is amended to read:

Subd. 15. **Ethanol blender.** "Ethanol blender" means a person who blends and distributes, transports, sells, or offers to sell gasoline containing ~~ten percent~~ ethanol by volume.

Sec. 2. Minnesota Statutes 2007 Supplement, section 239.761, subdivision 4, is amended to read:

Subd. 4. **Gasoline blended with ethanol; general.** (a) Gasoline may be blended with ~~up to ten percent, by volume,~~ agriculturally derived, denatured ethanol that complies with the requirements of subdivision 5.

(b) A gasoline-ethanol blend must:

(1) comply with the volatility requirements in Code of Federal Regulations, title 40, part 80;

(2) comply with ASTM specification D4814-06, or the gasoline base stock from which a gasoline-ethanol blend was produced must comply with ASTM specification D4814-06; and

(3) not be blended with casinghead gasoline, absorption gasoline, condensation gasoline, drip gasoline, or natural gasoline after the gasoline-ethanol blend has been sold, transferred, or otherwise removed from a refinery or terminal.

Sec. 3. Minnesota Statutes 2007 Supplement, section 239.761, is amended by adding a subdivision to read:

Subd. 4a. **Gasoline blended with ethanol; standard combustion engines.** Gasoline combined with ethanol for use in standard combustion engines may be blended with up to ten percent agriculturally derived, denatured ethanol, by volume, or any percentage specifically authorized in a waiver granted by the United States Environmental Protection Agency under section 211(f)(4) of the Clean Air Act, United States Code, title 42, section 7545, subsection (f), paragraph (4). The gasoline-ethanol blend must comply with the general provisions in subdivision 4.

Sec. 4. Minnesota Statutes 2007 Supplement, section 239.761, is amended by adding a subdivision to read:

Subd. 4b. **Gasoline blended with ethanol; alternative fuel vehicles.** (a) Gasoline blended for use in an alternative fuel vehicle, as defined in section 296A.01, subdivision 5, may contain any percentage of agriculturally derived, denatured ethanol, by volume, not exceeding 85 percent. The gasoline-ethanol blend must comply with the general provisions in subdivision 4.

(b) The gasoline and ethanol may be blended by an ethanol blender or at the point of retail sale in an ethanol-blending fuel dispenser clearly labeled "FLEX-FUEL VEHICLES ONLY." If a person responsible for the product uses an ethanol-blending fuel dispenser to dispense both gasoline blended with ethanol for use in alternative fuel vehicles and gasoline blended with ethanol for use in standard combustion engines, the person must ensure that the gasoline blended with ethanol for use in standard combustion engines is dispensed from a fuel-dispensing hose and nozzle or other conveyance dedicated solely to gasoline blended with ethanol for use in standard combustion engines and clearly labeled as such. If blended by an ethanol blender, the percentage of ethanol in the resulting gasoline-ethanol blend must be clearly identified.

Sec. 5. Minnesota Statutes 2006, section 239.7911, subdivision 2, is amended to read:

Subd. 2. **Promotion of renewable liquid fuels.** (a) The commissioner of agriculture, in consultation with the commissioners of commerce and the Pollution Control Agency, shall identify and implement activities necessary for the widespread use of renewable liquid fuels in the state. Beginning November 1, 2005, and continuing through 2015, the commissioners, or their designees, shall work with representatives from the renewable fuels industry, petroleum retailers, refiners, automakers, small engine manufacturers, and other interested groups, to develop annual recommendations for administrative and legislative action.

(b) The activities of the commissioners under this subdivision shall include, but not be limited to:

(1) developing recommendations for incentives for retailers to install equipment necessary for dispensing renewable liquid fuels to the public and obtaining regulatory approval for, and private product safety certification of, liquid fuel dispensers that offer Minnesota consumers a wider variety of renewable fuel blends, including but not limited to fuel pumps that dispense several gasoline-ethanol and diesel-biodiesel blends;

(2) expanding the renewable-fuel options available to Minnesota consumers by obtaining federal approval for the use of E20, E30, E40, E50, E60, and E70 as gasoline;

(3) developing recommendations for ensuring that motor vehicles and small engine equipment have access to an adequate supply of fuel;

(4) working with the owners and operators of large corporate automotive fleets in the state to increase their use of renewable fuels; and

(5) working to maintain an affordable retail price for liquid fuels.

Sec. 6. Minnesota Statutes 2006, section 296A.01, subdivision 2, is amended to read:

Subd. 2. **Agricultural alcohol gasoline.** "Agricultural alcohol gasoline" means a gasoline-ethanol blend ~~of up to ten percent agriculturally derived fermentation~~ satisfying the provisions of section 239.761, subdivision 4a or 4b, with ethanol derived from agricultural products, such as potatoes, cereal, grains, cheese whey, sugar beets, forest products, or other renewable resources, that:

(1) meets the specifications in ASTM specification D4806-04a; and

(2) is denatured as specified in Code of Federal Regulations, title 27, parts 20 and 21.

Sec. 7. Minnesota Statutes 2007 Supplement, section 296A.01, subdivision 25, is amended to read:

Subd. 25. **Gasoline blended with ethanol.** "Gasoline blended with ethanol" means ~~gasoline blended with up to 20 percent, by volume, agriculturally derived, denatured ethanol. The blend must comply with the volatility requirements in Code of Federal Regulations, title 40, part 80. The blend must also comply with ASTM specification D4814-06, or the gasoline base stock from which a gasoline ethanol blend was produced must comply with ASTM specification D4814-06; and the gasoline ethanol blend must not be blended with casinghead gasoline, absorption gasoline, condensation gasoline, drip gasoline, or natural gasoline after the gasoline ethanol blend has been sold, transferred, or otherwise removed from a refinery or terminal. The blend need not comply with ASTM specification D4814-06 if it is subjected to a standard distillation test. For a distillation test, a gasoline ethanol blend is not required to comply with the temperature specification at the 50 percent liquid recovery point, if the gasoline from which the gasoline ethanol blend was produced complies with all of the distillation specifications a~~ gasoline-ethanol blend satisfying the provisions of section 239.761, subdivision 4a or 4b."

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

Mariani from the Committee on E-12 Education to which was referred:

H. F. No. 2624, A bill for an act relating to education; establishing an advisory task force on improving teacher quality and identifying institutional structures and strategies for effectively integrating secondary and postsecondary academic and career education.

Reported the same back with the following amendments:

Page 1, line 16, delete "chancellor of the Minnesota System of Colleges and Universities" and insert "commissioner of education"

Page 1, line 17, delete "chancellor's" and insert "commissioner's"

Page 1, line 23, after "Development," insert "the Minnesota Association of Career and Technical Administrators, the Minnesota Association of Career and Technical Educators,"

Page 2, line 1, delete "chancellor of"

Page 2, line 2, delete "the Minnesota System of Colleges and Universities" and insert "commissioner of education"

Page 2, line 9, delete "chancellor of the Minnesota System of Colleges and"

Page 2, line 10, delete "Universities" and insert "commissioner of education"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Finance.

The report was adopted.

Atkins from the Committee on Commerce and Labor to which was referred:

H. F. No. 2721, A bill for an act relating to insurance; regulating auto insurance; regulating certain claims practices; amending Minnesota Statutes 2006, section 65B.54, by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 10, delete "chiropractic" and insert "licensed health care providers"

Page 2, line 11, after "relatives" insert "of the provider"

With the recommendation that when so amended the bill pass.

The report was adopted.

Eken from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2737, A bill for an act relating to natural resources; providing wetland bank credit under certain state-held conservation easements; proposing coding for new law in Minnesota Statutes, chapter 103G.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[103G.2251] STATE CONSERVATION EASEMENTS; WETLAND BANK CREDIT.**

In greater than 80 percent areas, preservation of wetlands subsequently protected by a state conservation easement may be eligible for wetland banking credits, according to rules adopted by the board."

Delete the title and insert:

"A bill for an act relating to natural resources; authorizing wetland bank credit under certain state-held conservation easements; proposing coding for new law in Minnesota Statutes, chapter 103G."

With the recommendation that when so amended the bill pass.

The report was adopted.

Mariani from the Committee on E-12 Education to which was referred:

H. F. No. 2782, A bill for an act relating to education; requiring all K-12 athletic coaches to undergo criminal history background checks; amending Minnesota Statutes 2006, section 123B.03, subdivision 1.

Reported the same back with the following amendments:

Page 3, line 1, after "services" insert "or other extracurricular or cocurricular services"

Page 3, line 3, delete "athletic coaching"

With the recommendation that when so amended the bill pass.

The report was adopted.

Otremba from the Committee on Agriculture, Rural Economies and Veterans Affairs to which was referred:

H. F. No. 2928, A bill for an act relating to agriculture; authorizing farm use of certain anhydrous ammonia tanks; providing for refilling; authorizing rules to provide safety and environmental safeguards; proposing coding for new law in Minnesota Statutes, chapter 18C.

Reported the same back with the following amendments:

Page 1, line 7, before "Other" insert "(a)"

Page 1, after line 11, insert:

"(b) All tanks under this section must conform to U.S. Department of Transportation cargo tank specifications in Code of Federal Regulations, title 49, part 173, and must be maintained, tested, and inspected as required in Code of Federal Regulations, title 49, parts 173 and 180. All loading and unloading of the tanks must conform to requirements of Code of Federal Regulations, title 49, parts 173 and 177."

With the recommendation that when so amended the bill pass and be re-referred to the Transportation Finance Division.

The report was adopted.

Atkins from the Committee on Commerce and Labor to which was referred:

H. F. No. 2964, A bill for an act relating to horse racing; providing for sharing of purse set-aside and breeder's fund revenue; modifying certain restrictions on simulcasting; amending Minnesota Statutes 2006, sections 240.06, subdivision 5a, by adding a subdivision; 240.13, subdivision 6.

Reported the same back with the following amendments:

Page 3, line 33, delete "paragraph (b)."

Page 3, after line 36, insert:

"Sec. 4. **EFFECTIVE DATE.**

This act is effective the day following final enactment."

With the recommendation that when so amended the bill pass.

The report was adopted.

Mullery from the Committee on Public Safety and Civil Justice to which was referred:

H. F. No. 2991, A bill for an act relating to data practices; modifying provisions of the safe at home program; amending Minnesota Statutes 2006, sections 5B.02; 5B.03, subdivision 1; 5B.07; 171.06, subdivision 3; 171.07, subdivisions 1, 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 5B.02, is amended to read:

5B.02 DEFINITIONS.

(a) For purposes of this chapter and unless the context clearly requires otherwise, the definitions in this section have the meanings given them.

(b) "Address" means a residential street address, school address, or work address of an individual, as specified on the individual's application to be a program participant under this chapter.

(c) "Applicant" means an adult, a parent or guardian acting on behalf of an eligible minor, or a guardian acting on behalf of an incapacitated person, as defined in section 524.5-102.

(d) "Domestic violence" means an act as defined in section 518B.01, subdivision 2, paragraph (a), and includes a threat of such acts committed against an individual in a domestic situation, regardless of whether these acts or threats have been reported to law enforcement officers.

(e) "Eligible person" means an adult, a minor, or an incapacitated person, as defined in section 524.5-102 for whom there is good reason to believe (i) that the eligible person is a victim of domestic violence, sexual assault, or stalking, or (ii) that the eligible person fears for his or her safety or the safety of persons on whose behalf the application is made.

(f) "Mail" means first class letters and flats delivered via the United States Postal Service, including priority, express, and certified mail, and excluding packages, parcels, periodicals, and catalogues, unless they are clearly identifiable pharmaceuticals or clearly indicate that they are sent by a government agency.

(g) "Program participant" means an individual certified as a program participant under section 5B.03.

~~(g)~~ (h) "Stalking" means acts criminalized under section 609.749 and includes a threat of such acts committed against an individual, regardless of whether these acts or threats have been reported to law enforcement officers.

EFFECTIVE DATE. This section is effective June 1, 2008.

Sec. 2. Minnesota Statutes 2006, section 5B.03, subdivision 1, is amended to read:

Subdivision 1. **Application.** The secretary of state shall certify an eligible person as a program participant when the secretary receives an application that must contain:

(1) the name of the eligible person;

(2) a statement by the applicant that the applicant has good reason to believe (i) that the eligible person listed on the application is a victim of domestic violence, sexual assault, or stalking, (ii) that the eligible person fears for the person's safety or the safety of persons on whose behalf the application is made, and (iii) that the eligible person is not applying for certification as a program participant in order to avoid prosecution for a crime;

(3) a designation of the secretary of state as agent for purposes of service of process and for the purpose of receipt of mail;

(4) the mailing address where the eligible person can be contacted by the secretary of state, and the phone number or numbers where the applicant or eligible person can be called by the secretary of state;

(5) the physical address or addresses of the eligible person, disclosure of which will increase the risk of domestic violence, sexual assault, or stalking;

(6) a statement whether the eligible person would like information on becoming an ongoing absentee ballot recipient pursuant to section 5B.06; ~~and~~

(7) a statement from the eligible person that gives the secretary of state consent to confirm the eligible person's participation in Safe at Home to a third party who provides the program participant's first and last name and Safe at Home lot number listed on the program participant's card;

(7) (8) the signature of the applicant, an indicator of the applicant's authority to act on behalf of the eligible person, if appropriate, the name and signature of any individual or representative of any person who assisted in the preparation of the application, and the date on which the application was signed; and

(9) any other information as required by the secretary of state, to the extent permitted by rule.

EFFECTIVE DATE. This section is effective June 1, 2008.

Sec. 3. Minnesota Statutes 2006, section 5B.07, is amended to read:

5B.07 DATA CLASSIFICATION.

Subdivision 1. **Classification of data.** All data related to applicants, eligible persons and program participants is private data as defined by section 13.02, subdivision 12. A consent for release of ~~information~~ the address from an applicant, eligible person, or program participant is not effective.

Subd. 2. **Release of data.** (a) Upon a request from the Bureau of Criminal Apprehension, the secretary of state may share private data with the Bureau of Criminal Apprehension when the secretary of state, in consultation with the Bureau of Criminal Apprehension, determines that release will promote public safety. Private data received by the Bureau of Criminal Apprehension may be released to a law enforcement agency upon verification that release will aid the law enforcement agency in responding to an emergency situation or criminal complaint or investigation.

(b) Data maintained by the secretary of state, the Bureau of Criminal Apprehension, and law enforcement agencies related to the process for data sharing under this section are nonpublic data but may be shared with those agencies. All data maintained related to requests received from law enforcement agencies and the Bureau of Criminal Apprehension for not public data under this section are private or nonpublic data.

EFFECTIVE DATE. This section is effective June 1, 2008.

Sec. 4. Minnesota Statutes 2006, section 13.82, is amended by adding a subdivision to read:

Subd. 30. **Data on Safe at Home participants.** Data on applicants, eligible persons, and program participants released to a law enforcement agency under section 5B.07 is private data.

EFFECTIVE DATE. This section is effective June 1, 2008.

Sec. 5. Minnesota Statutes 2006, section 171.06, subdivision 3, is amended to read:

Subd. 3. **Contents of application; other information.** (a) An application must:

(1) state the full name, date of birth, sex, and either (i) the residence address of the applicant, or (ii) the designated address under section 5B.05;

(2) as may be required by the commissioner, contain a description of the applicant and any other facts pertaining to the applicant, the applicant's driving privileges, and the applicant's ability to operate a motor vehicle with safety;

(3) state:

(i) the applicant's Social Security number; or

(ii) if the applicant does not have a Social Security number and is applying for a Minnesota identification card, instruction permit, or class D provisional or driver's license, that the applicant certifies that the applicant does not have a Social Security number;

(4) contain a space where the applicant may indicate a desire to make an anatomical gift according to paragraph (b); and

(5) contain a notification to the applicant of the availability of a living will/health care directive designation on the license under section 171.07, subdivision 7.

(b) If the applicant does not indicate a desire to make an anatomical gift when the application is made, the applicant must be offered a donor document in accordance with section 171.07, subdivision 5. The application must contain statements sufficient to comply with the requirements of the Uniform Anatomical Gift Act (1987), sections 525.921 to 525.9224, so that execution of the application or donor document will make the anatomical gift as provided in section 171.07, subdivision 5, for those indicating a desire to make an anatomical gift. The application must be accompanied by information describing Minnesota laws regarding anatomical gifts and the need for and benefits of anatomical gifts, and the legal implications of making an anatomical gift, including the law governing revocation of anatomical gifts. The commissioner shall distribute a notice that must accompany all applications for and renewals of a driver's license or Minnesota identification card. The notice must be prepared in conjunction with a Minnesota organ procurement organization that is certified by the federal Department of Health and Human Services and must include:

(1) a statement that provides a fair and reasonable description of the organ donation process, the care of the donor body after death, and the importance of informing family members of the donation decision; and

(2) a telephone number in a certified Minnesota organ procurement organization that may be called with respect to questions regarding anatomical gifts.

(c) The application must be accompanied also by information containing relevant facts relating to:

(1) the effect of alcohol on driving ability;

(2) the effect of mixing alcohol with drugs;

(3) the laws of Minnesota relating to operation of a motor vehicle while under the influence of alcohol or a controlled substance; and

(4) the levels of alcohol-related fatalities and accidents in Minnesota and of arrests for alcohol-related violations.

EFFECTIVE DATE. This section is effective June 1, 2008.

Sec. 6. Minnesota Statutes 2006, section 171.07, subdivision 1, is amended to read:

Subdivision 1. **License; contents.** (a) Upon the payment of the required fee, the department shall issue to every qualifying applicant a license designating the type or class of vehicles the applicant is authorized to drive as applied for. This license must bear a distinguishing number assigned to the licensee; the licensee's full name; and date of birth; ~~and~~; either (1) the licensee's residence address, or (2) the designated address under section 5B.05; a description

of the licensee in a manner as the commissioner deems necessary; and the usual signature of the licensee. No license is valid unless it bears the usual signature of the licensee. Every license must bear a colored photograph or an electronically produced image of the licensee.

(b) If the United States Postal Service will not deliver mail to the applicant's residence address as listed on the license, then the applicant shall provide verification from the United States Postal Service that mail will not be delivered to the applicant's residence address and that mail will be delivered to a specified alternate mailing address. When an applicant provides an alternate mailing address under this subdivision, the commissioner shall use the alternate mailing address in lieu of the applicant's residence address for all notices and mailings to the applicant.

(c) Every license issued to an applicant under the age of 21 must be of a distinguishing color and plainly marked "Under-21."

(d) The department shall use processes in issuing a license that prohibit, as nearly as possible, the ability to alter or reproduce a license, or prohibit the ability to superimpose a photograph or electronically produced image on a license, without ready detection.

(e) A license issued to an applicant age 65 or over must be plainly marked "senior" if requested by the applicant.

EFFECTIVE DATE. This section is effective June 1, 2008.

Sec. 7. Minnesota Statutes 2006, section 171.07, subdivision 3, is amended to read:

Subd. 3. **Identification card; fee.** (a) Upon payment of the required fee, the department shall issue to every qualifying applicant a Minnesota identification card. The department may not issue a Minnesota identification card to an individual who has a driver's license, other than a limited license. The card must bear a distinguishing number assigned to the applicant; a colored photograph or an electronically produced image of the applicant; the applicant's full name; and date of birth, ~~and~~; either (1) the licensee's residence address, or (2) the designated address under section 5B.05; a description of the applicant in the manner as the commissioner deems necessary; and the usual signature of the applicant.

(b) If the United States Postal Service will not deliver mail to the applicant's residence address as listed on the Minnesota identification card, then the applicant shall provide verification from the United States Postal Service that mail will not be delivered to the applicant's residence address and that mail will be delivered to a specified alternate mailing address. When an applicant provides an alternate mailing address under this subdivision, the commissioner shall use the alternate mailing address in lieu of the applicant's residence address for all notices and mailings to the applicant.

(c) Each identification card issued to an applicant under the age of 21 must be of a distinguishing color and plainly marked "Under-21."

(d) Each Minnesota identification card must be plainly marked "Minnesota identification card - not a driver's license."

(e) The fee for a Minnesota identification card is 50 cents when issued to a person who is developmentally disabled, as defined in section 252A.02, subdivision 2; a physically disabled person, as defined in section 169.345, subdivision 2; or, a person with mental illness, as described in section 245.462, subdivision 20, paragraph (c).

EFFECTIVE DATE. This section is effective June 1, 2008."

Delete the title and insert:

"A bill for an act relating to data practices; modifying provisions of the safe at home program; amending Minnesota Statutes 2006, sections 5B.02; 5B.03, subdivision 1; 5B.07; 13.82, by adding a subdivision; 171.06, subdivision 3; 171.07, subdivisions 1, 3."

With the recommendation that when so amended the bill pass.

The report was adopted.

Mullery from the Committee on Public Safety and Civil Justice to which was referred:

H. F. No. 3000, A bill for an act relating to public safety; making technical correction to provision relating to financing the statewide public safety radio system; amending Minnesota Statutes 2006, section 373.47, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Eken from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 3068, A bill for an act relating to natural resources; providing a uniform expiration date for snowmobile registrations and trail stickers; extending effective period of temporary permits for snowmobiles, off-highway motorcycles, all-terrain vehicles, and watercraft; modifying temporary permit information requirements for snowmobiles; amending Minnesota Statutes 2006, sections 84.788, subdivision 3; 84.82, subdivision 2, by adding a subdivision; 84.922, subdivision 2; 86B.401, subdivision 2; Minnesota Statutes 2007 Supplement, section 84.8205, subdivision 1.

Reported the same back with the following amendments:

Page 4, after line 24, insert:

"(c) A temporary registration permit issued by a dealer under section 84.82, subdivision 2, may include a snowmobile state trail sticker if the trail sticker fee is included with the registration application fee."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations, Reform, Technology and Elections.

The report was adopted.

Atkins from the Committee on Commerce and Labor to which was referred:

H. F. No. 3085, A bill for an act relating to real estate; requiring that existing statutory implied residential construction warranties be made as express warranties and be provided to the buyer in writing; prohibiting waivers of the warranty; amending Minnesota Statutes 2006, sections 327A.04; 327A.06; 327A.07; 327A.08.

Reported the same back with the following amendments:

Page 2, line 26, delete "contracts entered into" and insert "construction of dwellings or home improvements completed"

Page 3, line 13, strike "home improvement"

Page 3, line 19, delete "home improvement"

With the recommendation that when so amended the bill pass.

The report was adopted.

Atkins from the Committee on Commerce and Labor to which was referred:

H. F. No. 3092, A bill for an act relating to real estate; prohibiting discontinuance of investigations of residential building contractors due to the homeowner making a warranty claim; amending Minnesota Statutes 2007 Supplement, section 326B.082, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Public Safety and Civil Justice.

The report was adopted.

Mullery from the Committee on Public Safety and Civil Justice to which was referred:

H. F. No. 3099, A bill for an act relating to state government; requiring emergency management training for certain executive branch employees; amending Minnesota Statutes 2006, section 12.09, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 8, delete "develop" and insert "maintain"

With the recommendation that when so amended the bill pass.

The report was adopted.

Atkins from the Committee on Commerce and Labor to which was referred:

H. F. No. 3115, A bill for an act relating to insurance; regulating first party good faith insurance practices; providing remedies; amending Minnesota Statutes 2006, section 471.982, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 604.

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

The report was adopted.

Otremba from the Committee on Agriculture, Rural Economies and Veterans Affairs to which was referred:

H. F. No. 3139, A bill for an act relating to veterinary medicine; recognizing Program for the Assessment of Veterinary Education Equivalence certification; limiting use of certain drugs; changing certain requirements; regulating prescription of drugs; amending Minnesota Statutes 2006, sections 156.001, by adding a subdivision; 156.02, subdivisions 1, 2; 156.04; 156.072, subdivision 2; 156.073; 156.12, subdivisions 2, 4, 6; 156.15, subdivision 2; 156.16, subdivisions 3, 10; 156.18, subdivisions 1, 2; 156.19.

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

The report was adopted.

Otremba from the Committee on Agriculture, Rural Economies and Veterans Affairs to which was referred:

H. F. No. 3145, A bill for an act relating to farming; modifying licensing requirements for operating historic farm machinery; amending Minnesota Statutes 2006, section 183.411, subdivision 3.

Reported the same back with the following amendments:

Page 1, line 9, strike "18" and insert "16"

Page 1, after line 22, insert:

"EFFECTIVE DATE. This section is effective the day following final enactment."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Commerce and Labor.

The report was adopted.

Eken from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 3238, A bill for an act relating to waters; providing for sustainable water use; requiring conservation rate structures; requiring drinking water emergency ordinance; requiring sharing groundwater information; creating Pollution Control Agency ombudsman for groundwater pollution education and assistance; increasing certain fees; requiring conservation pricing for industrial and commercial users; requiring a report; amending Minnesota Statutes 2006, sections 103G.101, subdivision 1; 103G.291, by adding a subdivision; 144.3831, subdivision 1; 444.075, subdivisions 1, 3, 3a; Minnesota Statutes 2007 Supplement, section 103G.291, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 103G; 103H; 116.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 103G.101, subdivision 1, is amended to read:

Subdivision 1. **Development.** The commissioner shall develop a water resources conservation program for the state. The program must include conservation, allocation, and development of waters of the state ~~for the best interests of the people~~ to ensure sustainable water use. "Sustainable water use" means use of water resources that maintains or enhances the current economic and community well-being while protecting and restoring the natural environment. Sustainable water use meets the needs of the present without compromising the ability of future generations to meet their own needs.

Sec. 2. Minnesota Statutes 2007 Supplement, section 103G.291, subdivision 3, is amended to read:

Subd. 3. **Water supply plans; demand reduction.** (a) Every public water supplier serving more than 1,000 people must submit a water supply plan to the commissioner for approval by January 1, 1996. In accordance with guidelines developed by the commissioner, the plan must address projected demands, adequacy of the water supply system and planned improvements, existing and future water sources, natural resource impacts or limitations, emergency preparedness, water conservation, supply and demand reduction measures, and allocation priorities that are consistent with section 103G.261. Public water suppliers must update their plan and, upon notification, submit it to the commissioner for approval every ten years.

(b) The water supply plan in paragraph (a) is required for all communities in the metropolitan area, as defined in section 473.121, with a municipal water supply system and is a required element of the local comprehensive plan required under section 473.859. Water supply plans or updates submitted after December 31, 2008, must be consistent with the metropolitan area master water supply plan required under section 473.1565, subdivision 1, paragraph (a), clause (2).

(c) Public water suppliers serving more than 1,000 people must employ water use demand reduction measures, including a conservation rate structure, as defined in subdivision 4, paragraph (a), unless exempted under subdivision 4, paragraph (c), before requesting approval from the commissioner of health under section 144.383, paragraph (a), to construct a public water supply well or requesting an increase in the authorized volume of appropriation. Demand reduction measures must include evaluation of conservation rate structures and a public education program that may include a toilet and showerhead retrofit program.

(d) Public water suppliers serving more than 1,000 people must submit records that indicate the number of connections and amount of use by customer category and volume of water unaccounted for with the annual report of water use required under section 103G.281, subdivision 3.

(e) For the purposes of this ~~subdivision~~ section, "public water supplier" means an entity that owns, manages, or operates a public water supply, as defined in section 144.382, subdivision 4.

Sec. 3. Minnesota Statutes 2006, section 103G.291, is amended by adding a subdivision to read:

Subd. 4. **Conservation rate structure required.** (a) For the purposes of this section, "conservation rate structure" means a rate structure that encourages conservation by increasing the rate the higher the level of use or during certain time periods and may include increasing block rates, seasonal rates, time of use rates, individualized goal rates, or excess use rates.

(b) To encourage conservation, a public water supplier serving more than 1,000 people in the metropolitan area, as defined in section 473.121, subdivision 2, shall use a conservation rate structure by January 1, 2010. All remaining public water suppliers serving more than 1,000 people shall use a conservation rate structure by January 1, 2013.

(c) A public water supplier without the proper measuring equipment to track the amount of water used by its users is exempt from this subdivision and the conservation rate structure requirement under subdivision 3, paragraph (c).

Sec. 4. **[103G.292] DRINKING WATER EMERGENCY MANAGEMENT PLAN.**

Subdivision 1. **Model plan.** The commissioner of natural resources, in cooperation with the commissioners of health and the Pollution Control Agency, shall develop a model drinking water emergency management plan that can be adapted for use by cities and counties to meet the requirement in subdivision 2. The model plan must address procedures during a drinking water emergency or other emergency that would affect drinking water supplies, such as a water shortage or contamination, natural disaster, or pandemic, and must include procedures for:

(1) the use of alternative supplies of water;

(2) the use of alternative water treatment options;

(3) prioritization of water use;

(4) implementation of conservation measures;

(5) communication responsibilities and procedures so that public communication during emergency situations is accomplished in a timely and efficient manner;

(6) identification of local, state, and federal responsibilities; and

(7) coordination between local, state, and federal authorities.

Subd. 2. **Plan required.** By January 1, 2011, all counties and statutory and home rule charter cities shall adopt an emergency drinking water plan that addresses the procedures listed in subdivision 1 and submit the plan to the commissioner of natural resources.

Sec. 5. **[103H.176] GROUNDWATER INFORMATION STANDARD.**

(a) The commissioner of health, in cooperation with the commissioners of natural resources, agriculture, and the Pollution Control Agency, shall develop a standardized format for groundwater information. The format must allow easy transfer of information between state and local units of government and include a means for collecting and transferring information collected from wells, including well location, such as a well's global positioning system coordinates, and the unique well number.

(b) A state or local unit of government collecting groundwater information shall share the information, upon request, with other state and local units of government.

(c) For the purposes of this section, a "local unit of government" is a county, statutory or home rule charter city, or town.

Sec. 6. Minnesota Statutes 2006, section 103I.236, is amended to read:

103I.236 CONTAMINATED WELL DISCLOSURE IN WASHINGTON COUNTY.

(a) Before signing an agreement to sell or transfer real property in ~~Washington County~~ that is not served by a municipal water system, the seller must state in writing to the buyer whether, to the seller's knowledge, the property is located within a special well construction area designated by the commissioner of health under Minnesota Rules,

part 4725.3650. If the disclosure under section 103I.235, subdivision 1, paragraph (a), states that there is an unsealed well on the property, the disclosure required under this clause must be made regardless of whether the property is served by a municipal water system.

(b) Before signing an agreement to sell or transfer real property that is not served by a municipal water system, the seller must state in writing to the buyer whether, to the seller's knowledge, the property contains a well known to be contaminated.

Sec. 7. **[116.20] OMBUDSMAN FOR GROUNDWATER POLLUTION EDUCATION AND ASSISTANCE.**

Subdivision 1. **Appointment.** The Pollution Control Agency shall appoint an ombudsman for groundwater pollution education and assistance in the classified service.

Subd. 2. **Duties.** The ombudsman's duties include, but are not limited to:

- (1) providing education and assistance to the general public on any aspect of groundwater pollution;
- (2) disseminating information on the financing and program funding sources for cleanup and restoration of groundwater pollution;
- (3) monitoring, reviewing, and providing comments and recommendations to federal, state, and local groundwater quality authorities on laws and regulations;
- (4) providing information to federal, state, and local groundwater quality authorities and the public on the requirements of the Clean Water Act;
- (5) disseminating information concerning proposed state groundwater quality regulations, control technologies, and other information to small businesses, property owners, and other interested parties;
- (6) participating in and sponsoring meetings and conferences concerning groundwater quality laws and regulations with state and local regulatory officials, industry groups, and the public;
- (7) investigating and assisting in the resolution of complaints and disputes from the public against state or local groundwater quality authorities or responsible parties;
- (8) arranging for and assisting in the preparation of groundwater quality program guideline documents to ensure that the language is readily understandable by the lay person;
- (9) establishing cooperative programs with trade associations and small businesses to promote and achieve voluntary compliance with federal and state groundwater quality laws and regulations; and
- (10) performing the ombudsman's duties in cooperation and coordination with governmental entities and private organizations as appropriate so as to eliminate overlap and duplication to the extent practicable.

Subd. 3. **Independence of action.** In carrying out the duties under this section, the ombudsman may act independently of the Pollution Control Agency in providing testimony to the legislature, contacting and making periodic reports to federal and state officials as necessary to carry out the duties under this section, and addressing problems of concern to the public.

Subd. 4. **Qualifications.** The ombudsman must be knowledgeable about federal and state water quality laws and regulations, control technologies, and federal and state legislative and regulatory processes. The ombudsman must be experienced in dealing with both private enterprise and governmental entities, arbitration and negotiation, interpretation of laws and regulations, investigation, record keeping, report writing, public speaking, and management.

Subd. 5. **Office support.** The Pollution Control Agency shall provide the ombudsman with the necessary office space, supplies, equipment, and clerical support to effectively perform the duties under this section.

Sec. 8. Minnesota Statutes 2006, section 473.1565, subdivision 2, is amended to read:

Subd. 2. **Advisory committee.** (a) A Metropolitan Area Water Supply Advisory Committee is established to assist the council in its planning activities in subdivision 1. The advisory committee has the following membership:

- (1) the commissioner of agriculture or the commissioner's designee;
- (2) the commissioner of health or the commissioner's designee;
- (3) the commissioner of natural resources or the commissioner's designee;
- (4) the commissioner of the Pollution Control Agency or the commissioner's designee;
- (5) two officials of counties that are located in the metropolitan area, appointed by the governor;
- (6) five officials of noncounty local governmental units that are located in the metropolitan area, appointed by the governor; and
- (7) the chair of the Metropolitan Council or the chair's designee, who is chair of the advisory committee.

A local government unit in each of the seven counties in the metropolitan area must be represented in the seven appointments made under clauses (5) and (6).

(b) Members of the advisory committee appointed by the governor serve at the pleasure of the governor. Members of the advisory committee serve without compensation but may be reimbursed for their reasonable expenses as determined by the Metropolitan Council. The advisory committee expires December 31, ~~2008~~ 2010.

(c) The council must consider the work and recommendations of the advisory committee when the council is preparing its regional development framework.

Sec. 9. **APPLICATION.**

Section 8 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Delete the title and insert:

"A bill for an act relating to waters; providing for sustainable water use; requiring conservation rate structures; requiring drinking water emergency management plan; requiring disclosure of contaminated wells; requiring sharing groundwater information; creating Pollution Control Agency ombudsman for groundwater pollution education and assistance; extending the expiration date for the Metropolitan Area Water Supply Advisory Committee; amending

Minnesota Statutes 2006, sections 103G.101, subdivision 1; 103G.291, by adding a subdivision; 103I.236; 473.1565, subdivision 2; Minnesota Statutes 2007 Supplement, section 103G.291, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 103G; 103H; 116."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Eken from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 3281, A bill for an act relating to natural resources; modifying age exemption from snowmobile safety certificate requirement; amending Minnesota Statutes 2006, section 84.862, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 84.862, is amended by adding a subdivision to read:

Subd. 4. **Violation.** A person found in violation of this section shall have 30 days to either prove that they have taken the snowmobile safety training or take the required snowmobile safety training. After 30 days, a person found in violation of this section who has failed to either prove that they have taken the training or take the training shall be in violation of this section and subject to any applicable penalties."

Delete the title and insert:

"A bill for an act relating to natural resources; modifying snowmobile training provisions; amending Minnesota Statutes 2006, section 84.862, by adding a subdivision."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Public Safety and Civil Justice.

The report was adopted.

Eken from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 3284, A bill for an act relating to natural resources; prohibiting the enforcement of federal laws by state employees in the state's navigable waters of Voyageurs National Park; proposing coding for new law in Minnesota Statutes, chapter 84B.

Reported the same back with the following amendments:

Page 1, line 7, after "laws" insert "pertaining to the use of all-terrain vehicles, snowmobiles, or aircraft"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Public Safety and Civil Justice.

The report was adopted.

Atkins from the Committee on Commerce and Labor to which was referred:

H. F. No. 3289, A bill for an act relating to auctioneers; exempting auctioneers from certain requirements applicable to professional fund-raisers; amending Minnesota Statutes 2006, section 309.515, subdivision 1.

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

The report was adopted.

Atkins from the Committee on Commerce and Labor to which was referred:

H. F. No. 3306, A bill for an act relating to securities; modifying the Minnesota Securities Act; regulating registrations, filings, and fees; making various technical changes; amending Minnesota Statutes 2006, sections 80A.40; 80A.41; 80A.46; 80A.50; 80A.52; 80A.54; 80A.55; 80A.56; 80A.57; 80A.58; 80A.60; 80A.65, subdivision 2, by adding a subdivision; 80A.66; 80A.67; 80A.76; 80A.82; 80A.83; 80A.85; 80A.87.

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

The report was adopted.

Mariani from the Committee on E-12 Education to which was referred:

H. F. No. 3329, A bill for an act relating to education; establishing state measures of academic success; amending Minnesota Statutes 2006, sections 120B.31, as amended; 120B.35, as amended; 120B.36, as amended; 120B.362; Minnesota Statutes 2007 Supplement, section 120B.30; proposing coding for new law in Minnesota Statutes, chapter 120B.

Reported the same back with the following amendments:

Page 1, line 24, delete "the Minnesota Assessment Group and the Local Assessment"

Page 1, line 25, delete "and Accountability Advisory Committee," and insert "a recognized Minnesota assessment group composed of assessment and evaluation directors and staff and researchers"

Page 9, line 15, after "year" insert ", consistent with section 120B.299, subdivision 6, initially benchmarking the state growth norm to 2007-2008 school year data"

Page 9, line 16, after "growth" insert "at and"

Page 11, line 15, after "students" insert "at and"

Page 13, line 7, delete "the Minnesota Assessment Group and the"

Page 13, line 8, delete "Local Assessment and Advisory Committee" and insert "a recognized Minnesota assessment group composed of assessment and evaluation directors and staff and researchers"

Page 13, line 9, delete "and" and after "teachers" insert ", and parents"

Page 14, line 1, delete "develop" and insert "propose to the education policy and finance committees of the legislature by February 1, 2009,"

Page 14, line 3, after "system" insert "proposal"

Page 14, line 5, after "must" insert "propose to"

Page 15, line 9, delete the second "Minnesota"

Page 15, line 10, delete "Assessment Group" and insert "recognized Minnesota assessment group composed of assessment and evaluation directors and staff and researchers under Minnesota Statutes, section 120B.299, subdivision 6,"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Finance.

The report was adopted.

Atkins from the Committee on Commerce and Labor to which was referred:

H. F. No. 3356, A bill for an act relating to commerce; requiring Explore Minnesota Tourism to study vacation rental lodging; creating definitions; requiring a report.

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

The report was adopted.

Eken from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 3366, A bill for an act relating to environment; modifying Petrofund program; amending Minnesota Statutes 2006, sections 115C.04, subdivision 3; 115C.09, subdivision 3h, by adding a subdivision; repealing Minnesota Statutes 2006, section 115C.09, subdivision 3j.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Commerce and Labor.

The report was adopted.

Hilty from the Energy Finance and Policy Division to which was referred:

H. F. No. 3368, A bill for an act relating to utilities; setting filing deadline for certain reports; regulating customer payment arrangements during cold weather period; regulating payment agreements for certain utility services; prohibiting disconnections of services if certain medical conditions exist; amending Minnesota Statutes 2006, section 216B.098, subdivisions 3, 5, by adding a subdivision; Minnesota Statutes 2007 Supplement, sections 216B.091; 216B.096, subdivisions 5, 10.

Reported the same back with the following amendments:

Page 3, line 4, before the period, insert "taking into consideration customer availability, employee availability, and construction and related activity required for reconnection of service"

Page 3, delete section 5

Page 4, delete section 6

Amend the title as follows:

Page 1, line 4, delete everything after the semicolon

Page 1, line 5, delete everything before "amending"

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

Thissen from the Committee on Health and Human Services to which was referred:

H. F. No. 3390, A bill for an act relating to public health; establishing a public health access fund; establishing a program to monitor BMI in children; establishing a statewide health improvement program; increasing the tobacco impact fees; appropriating money; amending Minnesota Statutes 2006, sections 16A.725, subdivision 1; 256.9658, subdivisions 3, 9; Minnesota Statutes 2007 Supplement, section 120B.021, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 16A; 120B; 145.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2007 Supplement, section 120B.021, subdivision 1, is amended to read:

Subdivision 1. **Required academic standards.** (a) The following subject areas are required for statewide accountability:

(1) language arts;

(2) mathematics;

(3) science;

(4) social studies, including history, geography, economics, and government and citizenship;

(5) health, nutrition, and physical education, for which locally developed academic standards apply; and

(6) the arts, for which statewide or locally developed academic standards apply, as determined by the school district. Public elementary and middle schools must offer at least three and require at least two of the following four arts areas: dance; music; theater; and visual arts. Public high schools must offer at least three and require at least one of the following five arts areas: media arts; dance; music; theater; and visual arts.

(b) The commissioner must submit proposed standards in science and social studies to the legislature by February 1, 2004.

For purposes of applicable federal law, the academic standards for language arts, mathematics, and science apply to all public school students, except the very few students with extreme cognitive or physical impairments for whom an individualized education plan team has determined that the required academic standards are inappropriate. An individualized education plan team that makes this determination must establish alternative standards.

(c) A school district, no later than the 2007-2008 school year, must adopt graduation requirements that meet or exceed state graduation requirements established in law or rule. A school district that incorporates these state graduation requirements before the 2007-2008 school year must provide students who enter the 9th grade in or before the 2003-2004 school year the opportunity to earn a diploma based on existing locally established graduation requirements in effect when the students entered the 9th grade. District efforts to develop, implement, or improve instruction or curriculum as a result of the provisions of this section must be consistent with sections 120B.10, 120B.11, and 120B.20.

(d) The commissioner must include the contributions of Minnesota American Indian tribes and communities as they relate to the academic standards during the review and revision of the required academic standards.

EFFECTIVE DATE. This section is effective for the 2008-2009 school year and later.

Sec. 2. **[120B.0215] BMI MONITORING IN CHILDREN AND YOUTH.**

By July 1, 2009, the commissioners of education and health shall collaboratively establish and implement a cost-effective program to monitor rates of overweight and obese children in the state by collecting and analyzing Body Mass Index (BMI) data. To the extent possible, in establishing this BMI monitoring program, the commissioners shall use existing child and youth monitoring systems or surveys. The BMI data collected must be used to measure progress in reducing the percentage of overweight and obese children in the state, and must be used to accurately target intervention and prevention services throughout the state. To the extent necessary for implementation and analysis, the Departments of Education and Health may share data collected under this program, consistent with the requirements in chapter 13. Analysis of the data collected and trends in overweight and obese children in the state must be reported according to section 3.195 to the legislature every other year, starting January 15, 2010. By January 1, 2009, the commissioners must report to the legislature on the proposed design of the BMI monitoring program, and any local or statewide cost considerations.

Sec. 3. **[145.986] STATEWIDE HEALTH IMPROVEMENT PROGRAM.**

Subdivision 1. **Goals.** The initial goals of the public health improvement program are to reduce the percentage of Minnesotans who are obese or overweight to less than half by the year 2020 and to reduce tobacco smoking by two percent annually starting in 2011. By 2011, and considering available funding, the commissioner of health, in consultation with the State Community Health Advisory Committee established in section 145A.10, subdivision 10, and other stakeholders, may make recommendations as to future goals related to alcohol use and illegal drug use.

Subd. 2. **Funding local communities.** Beginning January 1, 2009, the commissioner of health must provide funding to community health boards to convene, coordinate, and lead locally developed programs targeted at achieving measurable health improvement goals. Funding to each community health board will be distributed based on a per capita formula, with a base allocation of \$50,000 to each community health board that receives funding. By January 15, 2011, the commissioner of health must recommend whether additional funding should be distributed to community health boards based on health disparities demonstrated in the populations served.

Subd. 3. **Outcomes.** (a) The commissioner of health must set performance measures and annually review the progress of local communities in improving the performance measures. The commissioner may provide technical assistance and corrective action plans to ensure that local communities are making sufficient progress.

(b) The commissioner must measure current public health data, using existing measures and data collection systems when available, to determine baseline data against which progress shall be monitored.

Subd. 4. **Media campaign.** The commissioner of health must conduct a statewide marketing campaign using public media to reinforce local efforts at addressing health improvement goals. The commissioner must develop the statewide campaigns and determine the timing of these campaigns in consultation with local public health representatives.

Sec. 4. HEALTH, NUTRITION, AND PHYSICAL EDUCATION ADVISORY COUNCIL.

(a) The commissioner of education shall convene an advisory council to develop and make recommendations related to health, nutrition, and physical education in schools. This advisory council is governed by Minnesota Statutes, section 15.059.

(1) The advisory council shall include the following members appointed by the commissioner of education:

(i) a curriculum specialist;

(ii) a person familiar with the requirements of Title IX, Education Amendments of 1972;

(iii) a representative of the school food service industry;

(iv) a nutritionist;

(v) a health educator; and

(vi) a physical fitness educator.

(2) The advisory council shall, also, include members appointed by the following entities:

(i) the Minnesota School Boards Association may appoint one member;

(ii) the Board of Teaching may appoint one member;

(iii) the School Nurse Organization of Minnesota may appoint one member;

(iv) the American Heart Association may appoint one member;

(v) the Minnesota Elementary School Principals' Association may appoint one member;

(vi) the Minnesota Association of Secondary School Principals may appoint one member;

(vii) the Local Public Health Association of Minnesota may appoint one member; and

(viii) the commissioner of health may appoint one health promotion representative.

(b) The advisory council shall develop and make recommendations for statewide curriculum standards that should be adopted for health, nutrition, and physical education. The goal of these standards must be to promote the understanding of the health habits that will serve students throughout their lifetimes, by promoting health and avoiding health risks, encouraging increased activity and cardiovascular health, and supporting improved nutrition.

The advisory council shall develop and make recommendations for a wide range of options for meeting the goal of having students in kindergarten through grade 12 experience at least 30 minutes of physical activity per day, of which 90 minutes per week must be cardiovascular fitness.

The advisory council shall develop and make recommendations for school nutrition improvements that reduce consumption of refined sugars, saturated fats, and processed foods, including recommendations as to the feasibility of using locally grown products in school nutrition programs.

(c) The commissioner of education shall report the recommendations to the legislature according to Minnesota Statutes, section 3.195, by January 15, 2009.

Sec. 5. **APPROPRIATIONS.**

(a) \$...... is appropriated from the general fund in fiscal year 2009 to the commissioner of health to implement the statewide health improvement program under Minnesota Statutes, section 145.986. Beginning January 1, 2009, the commissioner of health shall provide funding to community health boards to implement local public health programs.

(b) \$...... is appropriated from the general fund in fiscal year 2009 depending on availability of funds to the commissioner of health for a statewide public health media campaign. Subject to the availability of funding, the funds shall be made available to the commissioner of health beginning January 1, 2009."

Delete the title and insert:

"A bill for an act relating to public health; adding nutrition as a required academic standard; requiring a BMI monitoring program for children and youth; establishing a statewide health improvement program; establishing a health, nutrition, and physical education advisory council; requiring reports; appropriating money; amending Minnesota Statutes 2007 Supplement, section 120B.021, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 120B; 145."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on E-12 Education.

The report was adopted.

Eken from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 3437, A bill for an act relating to natural resources; providing a process for designating star lakes or rivers; creating a Star Lake Board as a nonprofit corporation; allowing for the placement of star lake or river signs on highways; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 103B; 173.

Reported the same back with the following amendments:

Page 4, line 35, after "may" insert "request the Department of Transportation to" and delete everything after "signs" and insert "under section 161.139."

Page 5, line 1, delete everything before "One"

Page 5, line 2, after "to" insert "a" and delete "access areas"

Page 5, line 3, after "passes" insert "over the lake or river in the Department of Transportation's eight-county metropolitan district or" and before the period, insert "in greater Minnesota"

Page 5, line 5, delete everything after "sign" and insert "by the Department of Transportation under section 161.139."

Page 5, delete line 6

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations, Reform, Technology and Elections.

The report was adopted.

Mariani from the Committee on E-12 Education to which was referred:

H. F. No. 3470, A bill for an act relating to education; directing the Minnesota Department of Education to collaboratively establish, maintain, and revise statewide technology standards and guidelines for school districts to use in improving the academic achievement of all students; proposing coding for new law in Minnesota Statutes, chapter 125B.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Governmental Operations, Reform, Technology and Elections.

The report was adopted.

Atkins from the Committee on Commerce and Labor to which was referred:

H. F. No. 3582, A bill for an act relating to insurance; homeowners; regulating flood insurance coverage; requiring disclosures of noncoverage; proposing coding for new law in Minnesota Statutes, chapter 65A.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 766, 2721, 2737, 2782, 2964, 2991, 3000, 3085, 3099, 3115, 3139, 3289, 3306, 3356, 3368 and 3582 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Eastlund, Rukavina, McFarlane, Brynaert, Ruth, Erickson, Gunther and Nornes introduced:

H. F. No. 3628, A bill for an act relating to higher education; requiring a common course numbering system for the Minnesota State Colleges and Universities.

The bill was read for the first time and referred to the Higher Education and Work Force Development Policy and Finance Division.

Slocum; Bly; Peterson, S.; Swails; Heidgerken; Greiling and Madore introduced:

H. F. No. 3629, A bill for an act relating to education; establishing a temporary, three-year appeals process for high school seniors who do not receive a passing score on the state GRAD test; directing the education commissioner to evaluate this process and make recommendations; amending Minnesota Statutes 2006, section 120B.36, by adding a subdivision.

The bill was read for the first time and referred to the Committee on E-12 Education.

DeLaForest introduced:

H. F. No. 3630, A bill for an act relating to civil actions; providing that a contract for commuter rail may not include tort immunity for a class I railroad; amending Minnesota Statutes 2006, section 174.82.

The bill was read for the first time and referred to the Committee on Public Safety and Civil Justice.

DeLaForest and Kahn introduced:

H. F. No. 3631, A bill for an act relating to commerce; removing the statutory prohibition against certain sales of motor vehicles on Sunday; repealing Minnesota Statutes 2006, section 168.275.

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

DeLaForest introduced:

H. F. No. 3632, A bill for an act proposing an amendment to the Minnesota Constitution, article X, section 1, by adding a section; article XI, sections 4, 6, 7; prohibiting the imposition of ad valorem taxes.

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

Swails, Bunn, Benson, Brown and Slocum introduced:

H. F. No. 3633, A bill for an act relating to education; establishing course preparation and continuing education requirements for school administrators and teachers working with gifted and talented students; amending Minnesota Statutes 2006, sections 122A.14, by adding subdivisions; 122A.18, by adding subdivisions.

The bill was read for the first time and referred to the Committee on E-12 Education.

Gunther introduced:

H. F. No. 3634, A bill for an act relating to capital improvements; appropriating money for the Adolescent Treatment Center-Winnebago (ATCW); authorizing the sale and issuance of state bonds.

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

Hosch, Eken, Fritz, Finstad and Murphy, E., introduced:

H. F. No. 3635, A bill for an act relating to human services; providing additional rate adjustments for nursing facilities and community-based long-term care providers; amending Minnesota Statutes 2007 Supplement, section 256B.434, subdivision 19; Laws 2007, chapter 147, article 7, section 71.

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

Hosch; Murphy, E.; Eken; Fritz; Erickson and Finstad introduced:

H. F. No. 3636, A bill for an act relating to human services; modifying the phase-in of rebased nursing facility operating cost payment rates; amending Minnesota Statutes 2007 Supplement, section 256B.441, subdivisions 1, 55.

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

Madore, Bly, Greiling, Laine and Hausman introduced:

H. F. No. 3637, A bill for an act relating to human services; modifying Medicare special needs plans; amending Minnesota Statutes 2006, section 256B.69, subdivision 28.

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

Madore, Bly, Laine, Hausman and Greiling introduced:

H. F. No. 3638, A bill for an act relating to human services; modifying Medicare special needs plans; amending Minnesota Statutes 2006, section 256B.69, subdivision 28.

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

Madore, Laine, Bly, Slocum, Hausman and Greiling introduced:

H. F. No. 3639, A bill for an act relating to human services; modifying Medicare special needs plans; requiring a mandated report; amending Minnesota Statutes 2006, section 256B.69, subdivision 28.

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

Madore; Anderson, B.; Nornes and Gardner introduced:

H. F. No. 3640, A bill for an act relating to the Board of Medical Practice; changing criteria for removal from the board; amending Minnesota Statutes 2006, section 147.01, subdivision 1, by adding a subdivision.

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

Howes introduced:

H. F. No. 3641, A bill for an act relating to natural resources; mandating classification of Mississippi Headwaters State Forest.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Madore, Laine, Bly, Hausman and Greiling introduced:

H. F. No. 3642, A bill for an act relating to human services; modifying Medicare special needs plans; amending Minnesota Statutes 2006, section 256B.69, subdivision 28.

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

Poppe, Erickson, Moe, McNamara and Peterson, A., introduced:

H. F. No. 3643, A bill for an act relating to environment; modifying licensing requirements for individual sewage treatment system professionals; amending Minnesota Statutes 2007 Supplement, section 115.56, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Hornstein, Huntley and Howes introduced:

H. F. No. 3644, A bill for an act relating to local government; extending and changing the terms of guaranteed energy savings contracts under the uniform municipal contracting law; amending Minnesota Statutes 2007 Supplement, section 471.345, subdivision 13.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Marquart introduced:

H. F. No. 3645, A bill for an act relating to taxation; property; modifying certification of proposed levies for purposes of truth in taxation; amending Minnesota Statutes 2006, section 275.065, by adding a subdivision.

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

Marquart introduced:

H. F. No. 3646, A bill for an act relating to local government; changing the contract threshold amounts subject to certain requirements of the Uniform Municipal Contracting Law; amending Minnesota Statutes 2006, sections 103E.705, subdivisions 5, 6, 7; 471.345, subdivisions 3, 4; Minnesota Statutes 2007 Supplement, section 471.345, subdivisions 3a, 4a, 5.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

McNamara and Garofalo introduced:

H. F. No. 3647, A bill for an act relating to education finance; appropriating money to Independent School District No. 200, Hastings, for school bus leasing expenses.

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

Hosch introduced:

H. F. No. 3648, A bill for an act relating to health; making changes to nursing home moratorium provisions; amending Minnesota Statutes 2006, section 144A.073, as amended.

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

Hosch introduced:

H. F. No. 3649, A bill for an act relating to health; changing information required for filing a complaint with a health plan company; amending Minnesota Statutes 2006, section 62Q.69, subdivision 2.

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

Zellers; Paulsen; DeLaForest; Atkins; Lillie; Dean; Bigham; Murphy, M.; Kahn; Hilty; Hilstrom; Hosch; Simpson; Dettmer; Drazkowski and Tingelstad introduced:

H. F. No. 3650, A bill for an act relating to consumer protection; prohibiting retail sales of toys that have been recalled for safety reasons; proposing coding for new law in Minnesota Statutes, chapter 325F.

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

Fritz introduced:

H. F. No. 3651, A bill for an act relating to health; allowing commissioner discretion in revoking or suspending a nursing home license under certain conditions; amending Minnesota Statutes 2006, section 144A.11, subdivision 2.

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

Fritz introduced:

H. F. No. 3652, A bill for an act relating to health; changing provisions for nursing facility case mix classifications; amending Minnesota Statutes 2006, section 144.0724, subdivision 7.

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

Winkler introduced:

H. F. No. 3653, A bill for an act relating to health; changing provisions governing the operation of public pools, spas, and swimming pools; amending Minnesota Statutes 2006, section 144.1222, subdivision 1a, by adding subdivisions.

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

Winkler introduced:

H. F. No. 3654, A bill for an act relating to health; creating the Minnesota Responds Medical Reserve Corps; amending Minnesota Statutes 2006, sections 145A.04, by adding subdivisions; 145A.06, by adding subdivisions; 176.011, subdivision 9; proposing coding for new law in Minnesota Statutes, chapter 192.

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

Liebling, Laine, Tschumper, Thissen, Scalze and Murphy, E., introduced:

H. F. No. 3655, A bill for an act relating to human services; requiring the commissioner of human services to establish and administer a universal prescription drug program and prescription drug bulk purchasing program; establishing a dedicated fund; appropriating money from the dedicated fund to the commissioner; requiring mandated reports; proposing coding for new law as Minnesota Statutes, chapter 256N.

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

Tschumper introduced:

H. F. No. 3656, A bill for an act relating to taxation; providing a sales tax exemption of materials, supplies, and equipment used in constructing a wastewater treatment facility in the city of Fountain; appropriating money; amending Minnesota Statutes 2006, sections 297A.71, by adding a subdivision; 297A.75, subdivisions 1, 2, 3.

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

Hoppe and Kohls introduced:

H. F. No. 3657, A bill for an act relating to Carver County; making the library board advisory to the county board.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Slawik introduced:

H. F. No. 3658, A bill for an act relating to health; changing enrollment requirements for MinnesotaCare; amending Minnesota Statutes 2006, section 256L.07, subdivision 3.

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

Benson and Greiling introduced:

H. F. No. 3659, A bill for an act relating to education; modifying sponsor fees assessed to charter schools; amending Minnesota Statutes 2006, section 124D.10, subdivision 15.

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

Dettmer, Gottwalt, Haws and Simpson introduced:

H. F. No. 3660, A bill for an act relating to the military; prohibiting discrimination in employment against the immediate family member of any service member; permitting civil actions; providing penalties; amending Minnesota Statutes 2006, section 192.34.

The bill was read for the first time and referred to the Committee on Agriculture, Rural Economies and Veterans Affairs.

Hilty introduced:

H. F. No. 3661, A bill for an act relating to energy; creating coordinated process for reducing greenhouse gas emissions; proposing coding for new law in Minnesota Statutes, chapter 216H.

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

Hilty introduced:

H. F. No. 3662, A bill for an act relating to local government; providing for a public hearing and public testimony before making an appointment to fill a vacancy on a county board or city council; changing the time period in which an appointment may be made; amending Minnesota Statutes 2006, sections 375.101, by adding a subdivision; 412.02, subdivision 2a, by adding a subdivision; Minnesota Statutes 2007 Supplement, section 375.101, subdivision 4.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Hilty; Murphy, M.; Kahn and Kalin introduced:

H. F. No. 3663, A bill for an act relating to elections; requiring captioning for deaf and hard-of-hearing viewers on certain campaign communications; proposing coding for new law in Minnesota Statutes, chapter 10A.

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections.

Erickson introduced:

H. F. No. 3664, A bill for an act relating to game and fish; modifying the dates and times fish houses, dark houses, and other shelters may be left on the ice; amending Minnesota Statutes 2006, section 97C.355, subdivision 7.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Sailer introduced:

H. F. No. 3665, A bill for an act relating to state auditor; requiring employees and officers of local public pension plans to report unlawful actions; amending Minnesota Statutes 2006, section 609.456, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections.

Dean introduced:

H. F. No. 3666, A bill for an act relating to transportation; restricting weight limits on the Stillwater Lift Bridge.

The bill was read for the first time and referred to the Transportation Finance Division.

Mullery introduced:

H. F. No. 3667, A bill for an act relating to data practices; permitting data sharing between the Department of Education and the Minnesota Office of Higher Education; amending Minnesota Statutes 2006, section 13.32, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Public Safety and Civil Justice.

Severson, Haws, Wardlow, Tingelstad and Koenen introduced:

H. F. No. 3668, A bill for an act relating to taxes; individual income; allowing a subtraction for military retirement benefits; amending Minnesota Statutes 2006, section 290.091, subdivision 2; Minnesota Statutes 2007 Supplement, section 290.01, subdivision 19b.

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

Kalin; Hilty; Peterson, A.; Sailer; Beard and Tingelstad introduced:

H. F. No. 3669, A bill for an act relating to energy; creating program for government energy conservation investments; amending Minnesota Statutes 2006, section 216C.09; proposing coding for new law in Minnesota Statutes, chapter 216C; repealing Laws 2007, chapter 57, article 2, section 30.

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

Mullery and Haws introduced:

H. F. No. 3670, A bill for an act relating to public safety; requiring screening of certain defendants in criminal cases for posttraumatic stress disorder; authorizing mitigated dispositions for certain offenders suffering from posttraumatic stress disorder who receive treatment; requiring legislative reports and the collection of summary data; requiring the preparation and distribution of an informational pamphlet; proposing coding for new law in Minnesota Statutes, chapter 609.

The bill was read for the first time and referred to the Committee on Public Safety and Civil Justice.

Norton; Liebling; Murphy, E.; Thissen and Huntley introduced:

H. F. No. 3671, A bill for an act relating to human services; increasing reimbursements to primary care physicians; determining areas of the state in need of primary care physicians; appropriating money for primary care education initiatives; proposing coding for new law in Minnesota Statutes, chapter 256B.

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

Severson, Haws, Wardlow, Dettmer, Koenen, Shimanski and Tingelstad introduced:

H. F. No. 3672, A bill for an act relating to veterans; designating July 27 as Korean War Veterans Day; proposing coding for new law in Minnesota Statutes, chapter 197.

The bill was read for the first time and referred to the Committee on Agriculture, Rural Economies and Veterans Affairs.

Murphy, M., by request; Huntley; Jaros; Thissen and Smith introduced:

H. F. No. 3673, A bill for an act relating to retirement; Duluth Teachers Retirement Fund Association; extending the rule of 90 benefit tier to post-1989 hires; amending Minnesota Statutes 2006, sections 354A.011, subdivision 15a; 354A.12, subdivisions 1, 2a; 354A.31, subdivisions 1, 4a, 6, 7.

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections.

Otremba and Simpson introduced:

H. F. No. 3674, A bill for an act relating to capital improvements; appropriating money for a highway overpass in the city of Staples; authorizing the sale and issuance of state bonds.

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

Erickson introduced:

H. F. No. 3675, A bill for an act relating to game and fish; modifying fish house licensing requirements; amending Minnesota Statutes 2006, section 97C.355, subdivisions 4, 7a; Minnesota Statutes 2007 Supplement, section 97C.355, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Heidgerken introduced:

H. F. No. 3676, A bill for an act relating to game and fish; providing possession and daily limits for northern pike; authorizing spearing of northern pike statewide; requiring rulemaking; amending Minnesota Statutes 2006, section 97C.401, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 97C.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Hortman introduced:

H. F. No. 3677, A bill for an act relating to solid waste; requiring manufacturers of fluorescent or high-intensity discharge lamps to organize collection and recycling programs for household generators; providing civil penalties; appropriating money; amending Minnesota Statutes 2006, section 13.7411, subdivision 4; Minnesota Statutes 2007 Supplement, section 216B.241, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 115A.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Juhnke introduced:

H. F. No. 3678, A bill for an act relating to game and fish; allowing a nonresident to take fish by spearing from a dark house; amending Minnesota Statutes 2006, section 97C.371, by adding a subdivision; Minnesota Statutes 2007 Supplement, section 97A.475, subdivision 7.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Magnus, Gunther, Simpson and Abeler introduced:

H. F. No. 3679, A bill for an act relating to taxation; providing motor fuel and sales tax exemptions for providers of special transportation services; amending Minnesota Statutes 2006, sections 296A.07, subdivision 4; 296A.08, subdivision 3; 297A.67, by adding a subdivision.

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

Westrom introduced:

H. F. No. 3680, A bill for an act relating to transportation; regulating registration and operation of mini trucks; amending Minnesota Statutes 2006, sections 168.011, subdivision 7; 168A.03, subdivision 1; 169.01, subdivision 3a, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 169.

The bill was read for the first time and referred to the Transportation Finance Division.

Kahn, DeLaForest, Berns and Thao introduced:

H. F. No. 3681, A bill for an act relating to commerce; authorizing off-sale intoxicating liquor sales on Sunday; removing the statutory prohibition against certain sales of motor vehicles on Sunday; amending Minnesota Statutes 2006, section 340A.504, subdivision 4; repealing Minnesota Statutes 2006, section 168.275.

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

Kahn, DeLaForest, Berns and Thao introduced:

H. F. No. 3682, A bill for an act relating to liquor; authorizing off-sale intoxicating liquor sales on Sunday; amending Minnesota Statutes 2006, section 340A.504, subdivision 4.

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

Hilstrom introduced:

H. F. No. 3683, A bill for an act relating to public safety; providing for an e-charging service; requiring fingerprinting; amending Minnesota Statutes 2006, sections 13.871, by adding a subdivision; 299C.10, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 299C.

The bill was read for the first time and referred to the Committee on Public Safety and Civil Justice.

Slocum; Murphy, E.; Hornstein and Loeffler introduced:

H. F. No. 3684, A bill for an act relating to employment; appropriating money for the Hennepin-Carver Workforce Investment Board.

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

Moe introduced:

H. F. No. 3685, A bill for an act relating to environment; modifying toxic chemical release reporting requirements; amending Minnesota Statutes 2006, section 299K.08, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Tingelstad, Dettmer, Haws, Koenen and Severson introduced:

H. F. No. 3686, A bill for an act relating to the military; providing for a stay of certain proceedings against the businesses of National Guard and reserve members who have been mobilized into active military service; proposing coding for new law in Minnesota Statutes, chapter 192.

The bill was read for the first time and referred to the Committee on Agriculture, Rural Economies and Veterans Affairs.

Simon introduced:

H. F. No. 3687, A bill for an act relating to state lands; requiring private sale of certain surplus state land bordering public water in Cass County.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Dominguez and Kelliher introduced:

H. F. No. 3688, A bill for an act relating to liquor; authorizing the city of Minneapolis to issue an on-sale intoxicating liquor license.

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

Pelowski introduced:

H. F. No. 3689, A bill for an act relating to state government; reestablishing the Health Care Peer Review Committee relating to quality of care and treatment of offenders; reestablishing advisory committees for the Minnesota Breeders fund; amending Minnesota Statutes 2006, section 241.021, by adding a subdivision; Minnesota Statutes 2007 Supplement, section 240.18, subdivision 4; Laws 2007, chapter 133, article 2, section 13.

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections.

Kalin, Paymar and Mullery introduced:

H. F. No. 3690, A bill for an act relating to corrections; making technical corrections and amendments to certain youth correction, county jail, adult offender supervision, and fingerprinting provisions; changing date for annual report of Advisory Council on Interstate Adult Offender Supervision; amending Minnesota Statutes 2006, sections 241.301; 243.1606, subdivision 3; 609.117, subdivision 3; 641.09; 641.18; repealing Minnesota Statutes 2006, sections 242.193, subdivision 1; 242.39; 260B.241; 260C.207.

The bill was read for the first time and referred to the Committee on Public Safety and Civil Justice.

Anzels and Dill introduced:

H. F. No. 3691, A bill for an act relating to natural resources; establishing a task force and requiring a plan for the management of the Rainy/Lake of the Woods Watershed; appropriating money.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Loeffler, Kahn and Dominguez introduced:

H. F. No. 3692, A bill for an act relating to the city of Minneapolis; authorizing the creation of a nonprofit riverfront revitalization corporation; requiring a report.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Masin introduced:

H. F. No. 3693, A bill for an act relating to motor vehicles; authorizing issuance of special veteran contribution plate for motorcycles; amending Minnesota Statutes 2006, section 168.1255, subdivisions 1, 3, by adding a subdivision.

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

Hilstrom introduced:

H. F. No. 3694, A bill for an act relating to taxation; property tax; repealing a property classification for certain low-income housing; amending Minnesota Statutes 2006, section 273.13, subdivision 25; repealing Minnesota Statutes 2006, section 273.128.

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

Sailer introduced:

H. F. No. 3695, A bill for an act relating to state lands; authorizing the public sale of tax-forfeited land in Clearwater County.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Kahn introduced:

H. F. No. 3696, A bill for an act relating to retirement; general employees retirement plan of the Public Employees Retirement Association; permitting the purchase of service credit for Hennepin County elected service.

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections.

Tschumper introduced:

H. F. No. 3697, A bill for an act relating to sales and use tax; providing a sales tax exemption of materials, supplies, and equipment used in constructing wastewater treatment facility in the city of Fountain; appropriating money; amending Minnesota Statutes 2006, section 297A.71, by adding a subdivision.

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

Cornish introduced:

H. F. No. 3698, A bill for an act relating to education finance; increasing equalizing factors and threshold rates in the debt service equalization program; improving ability of school districts to improve school buildings and facilities; reducing property taxes; amending Minnesota Statutes 2006, section 123B.53, subdivisions 4, 5.

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

Hilty introduced:

H. F. No. 3699, A bill for an act relating to elections; providing for discretionary partial recounts; specifying certain recount and postelection review procedures; amending Minnesota Statutes 2006, sections 204C.35, subdivisions 1, 2, by adding a subdivision; 204C.36, subdivision 2, by adding a subdivision; 206.89, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections.

Hilty introduced:

H. F. No. 3700, A bill for an act relating to elections; establishing districting principles for legislative and congressional plans; providing for appointment of a commission to recommend the boundaries of legislative and congressional districts; limiting redistricting to once per decade; amending Minnesota Statutes 2006, section 2.021; proposing coding for new law in Minnesota Statutes, chapter 2; repealing Minnesota Statutes 2006, section 2.031.

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections.

Simon introduced:

H. F. No. 3701, A bill for an act relating to public safety; classifying background check data on individuals as private; amending Minnesota Statutes 2006, section 13.87, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Public Safety and Civil Justice.

Kalin and Swails introduced:

H. F. No. 3702, A bill for an act relating to elections; providing for assessment and payment of certain costs; amending Minnesota Statutes 2006, section 211B.37.

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections.

Madore introduced:

H. F. No. 3703, A bill for an act relating to human services; prohibiting the use of a broker or coordinator for dispatching nonemergency medical transportation; amending Minnesota Statutes 2006, section 256B.0625, subdivision 17a.

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

Bunn, Ruth, Mahoney, Winkler, Berns, Peppin and Masin introduced:

H. F. No. 3704, A bill for an act relating to taxation; franchise; modifying the credit for increasing research activities; appropriating money; amending Minnesota Statutes 2006, section 290.068, subdivisions 1, 3, by adding a subdivision.

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

Madore introduced:

H. F. No. 3705, A bill for an act relating to human services; modifying Medicare special needs plans; amending Minnesota Statutes 2006, section 256B.69, subdivision 28.

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

Severson introduced:

H. F. No. 3706, A bill for an act relating to motor vehicles; repealing surcharge for special veteran license plates; repealing Minnesota Statutes 2006, section 168.123, subdivision 2a.

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

Hortman, Gunther, Mahoney, Ruth and Rukavina introduced:

H. F. No. 3707, A bill for an act relating to economic development; appropriating money for industry sector training initiatives.

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

Murphy, E., introduced:

H. F. No. 3708, A bill for an act relating to health; changing licensing requirements for certain health professions; amending Minnesota Statutes 2006, sections 148.512, subdivisions 10b, 20; 148.5161, subdivisions 2, 3; 148.5175; 148.519, subdivision 3; 148.5194, subdivisions 7, 8; 148.5195, subdivision 3; 148.6425; 148.6428; 148.6440; 148.6443, subdivisions 1, 3; 148.6445, subdivision 11; 153A.13, subdivision 4; 153A.14, subdivisions 2i, 4a, 11; 153A.175; Minnesota Statutes 2007 Supplement, section 148.515, subdivision 2.

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

Koenen introduced:

H. F. No. 3709, A bill for an act relating to state lands; authorizing the conveyance of certain surplus state land bordering public water in Chippewa County.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Huntley; Thissen; Murphy, M.; Jaros and Bunn introduced:

H. F. No. 3710, A bill for an act relating to health; permitting hospital records to be transferred to electronic image; amending Minnesota Statutes 2006, sections 145.30; 145.31; Minnesota Statutes 2007 Supplement, section 145.32, subdivision 1.

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

Lesch introduced:

H. F. No. 3711, A bill for an act relating to human services; changing the standard of evidence in a disqualification to clear and convincing evidence; amending Minnesota Statutes 2006, sections 245C.29, subdivision 2; 256.045, subdivisions 3, 3b; Minnesota Statutes 2007 Supplement, sections 245C.14, subdivision 1; 245C.15, subdivisions 2, 3, 4; 245C.24, subdivision 3; 245C.27, subdivision 1.

The bill was read for the first time and referred to the Committee on Public Safety and Civil Justice.

Walker introduced:

H. F. No. 3712, A bill for an act relating to human services; clarifying eligibility for the MFIP consolidated fund; amending Minnesota Statutes 2007 Supplement, section 256J.626, subdivision 3.

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

Nelson introduced:

H. F. No. 3713, A bill for an act relating to retirement; providing for the amount of duty disability pension for injured police officers and firefighters; requiring employers to make reasonable efforts to provide less hazardous duty for injured employees; amending Minnesota Statutes 2007 Supplement, sections 353.031, by adding a subdivision; 353.656, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections.

Abeler introduced:

H. F. No. 3714, A bill for an act relating to health; prohibiting the substitution of a prescription for an immunosuppressant drug; amending Minnesota Statutes 2006, section 151.21, by adding a subdivision.

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

Nelson introduced:

H. F. No. 3715, A bill for an act relating to retirement; volunteer firefighter relief associations; allowing for an increase in the maximum service pension amounts; amending Minnesota Statutes 2006, section 424A.02, subdivision 3.

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections.

Ozment, Smith and Nelson introduced:

H. F. No. 3716, A bill for an act relating to firefighters; adding duties to the Board of Firefighter Standards and Training; authorizing rulemaking; creating licensing standards; amending Minnesota Statutes 2006, sections 299F.012, subdivision 2; 299N.01; 299N.02, as amended; proposing coding for new law in Minnesota Statutes, chapter 299N.

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections.

Kalin; Hilty; Knuth; Ozment; Peterson, A.; Gunther; Bly and Morrow introduced:

H. F. No. 3717, A bill for an act relating to energy; requiring advance notice to certain local units of government of intent to file certificate of need for construction of large energy facility; amending Minnesota Statutes 2006, section 216B.243, by adding a subdivision.

The bill was read for the first time and referred to the Energy Finance and Policy Division.

Hornstein introduced:

H. F. No. 3718, A bill for an act relating to energy; proposing the Business Energy Accountability Act of 2008; providing for a voluntary inventory of business energy use; proposing coding for new law in Minnesota Statutes, chapter 216C.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Huntley introduced:

H. F. No. 3719, A bill for an act relating to human services; modifying requirements for county-based purchasing plans; removing exemptions from the premium tax and provider surcharge; requiring a study of county-based purchasing and taxpayer risk; amending Minnesota Statutes 2006, sections 256.9657, subdivision 3; 256B.692, subdivisions 1, 2, 5; 297I.05, subdivision 5.

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

Wollschlager introduced:

H. F. No. 3720, A bill for an act relating to human services; designating certain nursing facilities in Goodhue County as metro for purposes of determining reimbursement rates; amending Minnesota Statutes 2006, section 256B.431, by adding a subdivision.

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

Dittrich, Ward, Swails, Ruud, Scalze, Moe, Knuth, Benson and Masin introduced:

H. F. No. 3721, A bill for an act relating to insurance; requiring certain health insurers to offer small employers the option to purchase certain flexible benefits plans; amending Minnesota Statutes 2006, section 62L.056.

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

Rukavina, Doty, Olin, Mahoney and Slocum introduced:

H. F. No. 3722, A bill for an act relating to unemployment insurance; providing for extended unemployment benefits under certain circumstances; amending Minnesota Statutes 2007 Supplement, section 268.115, subdivision 1.

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

Kahn introduced:

H. F. No. 3723, A bill for an act relating to local government finance; permitting Minneapolis Park and Recreation Board to retain proceeds from the condemnation of park lands necessary for the reconstruction and expansion of marked Interstate Highway 35W at the Mississippi River.

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

Zellers introduced:

H. F. No. 3724, A bill for an act relating to traffic regulations; providing that certain misdemeanor traffic offenses do not constitute grounds for revocation or suspension of a person's driver's license; amending Minnesota Statutes 2006, sections 169.13, subdivision 2; 169.791, subdivisions 2, 6; 169.792, subdivision 7; 169.89, subdivision 1; 169A.35, subdivisions 2, 3, 4; 171.08; 171.24, subdivisions 1, 2, 3.

The bill was read for the first time and referred to the Committee on Public Safety and Civil Justice.

Hornstein and Madore introduced:

H. F. No. 3725, A bill for an act relating to transportation; authorizing urban partnership agreements to provide for user fees for use of high-occupancy vehicle lanes and dynamic shoulder lanes; exempting commissioner of transportation from rulemaking regarding urban partnership agreements, toll facilities, and final layouts for

highways; imposing penalties; appropriating money; amending Minnesota Statutes 2006, sections 160.02, by adding a subdivision; 169.01, subdivision 31, by adding a subdivision; 169.306; proposing coding for new law in Minnesota Statutes, chapter 160.

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections.

Hornstein, Haws, Davnie, Brown and Brynaert introduced:

H. F. No. 3726, A bill for an act relating to traffic regulations; limiting use of wireless communications devices while operating a motor vehicle; amending Minnesota Statutes 2006, section 169.01, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 169.

The bill was read for the first time and referred to the Transportation Finance Division.

Madore, Ruth, Ward and Hortman introduced:

H. F. No. 3727, A bill for an act relating to traffic regulations; establishing minimum requirements for city's permit program for long-term disability parking; amending Minnesota Statutes 2006, section 169.346, subdivision 5.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Paulsen, Greiling, McFarlane, Garofalo, Erickson and Gottwalt introduced:

H. F. No. 3728, A bill for an act relating to education; supporting new and existing K-12 world languages programs; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124D.

The bill was read for the first time and referred to the Committee on E-12 Education.

Hilty, Hornstein, Magnus, Wagenius and Ruud introduced:

H. F. No. 3729, A bill for an act relating to energy; establishing Legislative Energy Commission; abolishing Legislative Electric Energy Task Force; making conforming correction; amending Minnesota Statutes 2006, section 216B.2424, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 3; repealing Minnesota Statutes 2006, section 216C.051, subdivisions 3, 4a, 6, 7, 8; Minnesota Statutes 2007 Supplement, section 216C.051, subdivisions 2, 8a, 9.

The bill was read for the first time and referred to the Energy Finance and Policy Division.

Kalin, Slawik, Lieder, Slocum and Swails introduced:

H. F. No. 3730, A bill for an act relating to libraries; providing for access to electronic library for Minnesota databases; proposing coding for new law in Minnesota Statutes, chapter 134.

The bill was read for the first time and referred to the Committee on E-12 Education.

Walker and Greiling introduced:

H. F. No. 3731, A bill for an act relating to education; creating a responsible family life and sexuality education program; proposing coding for new law in Minnesota Statutes, chapter 121A.

The bill was read for the first time and referred to the Committee on E-12 Education.

Slawik introduced:

H. F. No. 3732, A bill for an act relating to education; establishing an Office of Early Learning; creating school readiness assessments; reducing the basic sliding fee waiting list; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 4.

The bill was read for the first time and referred to the Committee on E-12 Education.

Peterson, S.; Ward; Tillberry; Slocum and Laine introduced:

H. F. No. 3733, A bill for an act relating to education; clarifying alternative teacher professional pay system provisions and establishing oversight; amending Minnesota Statutes 2006, section 122A.414, subdivisions 1, 2.

The bill was read for the first time and referred to the Committee on E-12 Education.

Drazkowski introduced:

H. F. No. 3734, A bill for an act relating to public schools; requiring the Department of Education to examine educational programs throughout Minnesota to determine if a general, uniform, thorough, and efficient system of public schools exists; requiring a report; appropriating money.

The bill was read for the first time and referred to the Committee on E-12 Education.

Kalin introduced:

H. F. No. 3735, A bill for an act relating to state government; changing provisions of the Commission of Deaf, Deaf-blind and Hard-of-Hearing Minnesotans; amending Minnesota Statutes 2006, section 256C.28, as amended.

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

Masin introduced:

H. F. No. 3736, A bill for an act relating to mortuary science; changing a provision for the transportation of dead human bodies; allowing use of funeral conveyance requested by decedent; amending Minnesota Statutes 2007 Supplement, sections 149A.80, subdivision 1; 149A.93, subdivision 6.

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

Solberg, Carlson, Juhnke and Rukavina introduced:

H. F. No. 3737, A bill for an act relating to finance; improving access to budget information by members of the legislature; requiring a forecast of cash flow for the general fund; providing deadline for modifying budget after February forecast; specifying format for detailed budget estimates of expenditures; imposing deadline for notice of deficiency requests; providing for an increase in the budget reserve; eliminating obsolete requirements; amending Minnesota Statutes 2006, sections 3.885, subdivision 5, by adding subdivisions; 13.605, subdivision 1; 16A.10, by adding a subdivision; 16A.11, subdivisions 1, 3, by adding a subdivision; Minnesota Statutes 2007 Supplement, section 16A.152, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 16A; repealing Minnesota Statutes 2006, sections 16A.152, subdivision 1b; 16A.1522, subdivision 4.

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

Slawik introduced:

H. F. No. 3738, A bill for an act relating to early childhood education; proposing a grant program; appropriating money.

The bill was read for the first time and referred to the Committee on E-12 Education.

Rukavina, Westrom and Hilty introduced:

H. F. No. 3739, A bill for an act relating to communications; repealing a sunset provision; repealing Laws 2005, chapter 81, section 7.

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

Swails and Bunn introduced:

H. F. No. 3740, A bill for an act relating to physical therapists; creating an exemption from the examination requirement for licensure.

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

Dettmer, Severson, Haws, Koenen and Simpson introduced:

H. F. No. 3741, A bill for an act relating to power of attorney; changing certain requirements and the statutory short form; amending Minnesota Statutes 2006, section 523.23, subdivision 1.

The bill was read for the first time and referred to the Committee on Public Safety and Civil Justice.

Poppe, Erickson, Hansen, Olson and Peterson, A., introduced:

H. F. No. 3742, A bill for an act relating to occupations and professions; requiring accreditation of subsurface sewage treatment system training programs offered by private sponsors.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Nelson; Peterson, S.; Bigham; Davnie and Dittrich introduced:

H. F. No. 3743, A bill for an act relating to teacher retirement savings; requiring collective bargaining over the number of tax-sheltered annuity vendors a school district permits for payroll deduction; amending Minnesota Statutes 2006, section 123B.02, subdivision 15.

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections.

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Madam Speaker:

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

S. F. Nos. 2379 and 2564.

PATRICE DWORAK, First Assistant Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 2379, A bill for an act relating to eminent domain; amending provisions concerning reestablishment costs limit; amending Minnesota Statutes 2006, sections 117.51; 117.52, subdivision 1a.

The bill was read for the first time and referred to the Committee on Public Safety and Civil Justice.

S. F. No. 2564, A bill for an act relating to human services; modifying TANF maintenance of effort programs; amending Laws 2007, chapter 147, article 19, section 3, subdivision 1.

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

CONSENT CALENDAR

H. F. No. 2788, A bill for an act relating to the city of Nashwauk; increasing the membership of the Nashwauk Public Utilities Commission from three to five members.

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

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dill	Hilstrom	Liebling	Otremba	Slocum
Anderson, B.	Dittrich	Hilty	Lieder	Ozment	Smith
Anderson, S.	Dominguez	Holberg	Lillie	Paulsen	Solberg
Anzelc	Doty	Hoppe	Loeffler	Paymar	Swails
Atkins	Draskowski	Hornstein	Madore	Pelowski	Thao
Beard	Eastlund	Hortman	Magnus	Peppin	Thissen
Benson	Eken	Hosch	Mahoney	Peterson, A.	Tillberry
Berns	Emmer	Howes	Mariani	Peterson, N.	Tingelstad
Bigham	Erhardt	Huntley	Marquart	Peterson, S.	Tschumper
Brod	Erickson	Jaros	Masin	Poppe	Urdahl
Brown	Fritz	Johnson	McFarlane	Rukavina	Wagenius
Brynaert	Gardner	Juhnke	McNamara	Ruth	Walker
Buesgens	Garofalo	Kahn	Moe	Ruud	Ward
Bunn	Gottwalt	Kalin	Morrow	Sailer	Wardlow
Carlson	Greiling	Knuth	Mullery	Scalze	Welti
Clark	Gunther	Koenen	Murphy, E.	Seifert	Westrom
Cornish	Hackbarth	Kohls	Murphy, M.	Sertich	Winkler
Davnie	Hamilton	Kranz	Nelson	Severson	Wollschlager
Dean	Hansen	Laine	Nornes	Shimanski	Zellers
DeLaForest	Hausman	Lanning	Norton	Simon	Spk. Kelliher
Demmer	Haws	Lenczewski	Olin	Simpson	
Dettmer	Heidgerken	Lesch	Olson	Slawik	

The bill was passed and its title agreed to.

FISCAL CALENDAR

Pursuant to rule 1.22, Lenczewski requested immediate consideration of H. F. No. 3201.

H. F. No. 3201 was reported to the House.

CALL OF THE HOUSE

On the motion of Buesgens and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abeler	Brod	DeLaForest	Emmer	Hackbarth	Hornstein
Anderson, B.	Brown	Demmer	Erhardt	Hamilton	Hortman
Anderson, S.	Brynaert	Dettmer	Erickson	Hansen	Hosch
Anzelc	Buesgens	Dill	Faust	Hausman	Howes
Atkins	Bunn	Dittrich	Fritz	Haws	Huntley
Beard	Carlson	Dominguez	Gardner	Heidgerken	Jaros
Benson	Clark	Doty	Garofalo	Hilstrom	Johnson
Berns	Cornish	Draskowski	Gottwalt	Hilty	Juhnke
Bigham	Davnie	Eastlund	Greiling	Holberg	Kahn
Bly	Dean	Eken	Gunther	Hoppe	Kalin

Knuth	Magnus	Norton	Poppe	Slawik	Walker
Koenen	Mariani	Olin	Rukavina	Slocum	Ward
Kohls	Marquart	Olson	Ruth	Smith	Wardlow
Kranz	Masin	Otremba	Ruud	Solberg	Wolti
Laine	McFarlane	Ozment	Sailer	Swails	Westrom
Lanning	McNamara	Paulsen	Scalze	Thao	Winkler
Lenczewski	Moe	Paymar	Seifert	Thissen	Wollschlager
Lesch	Morrow	Pelowski	Sertich	Tillberry	Zellers
Liebling	Murphy, E.	Peppin	Severson	Tingelstad	Spk. Kelliher
Lieder	Murphy, M.	Peterson, A.	Shimanski	Tschumper	
Loeffler	Nelson	Peterson, N.	Simon	Urdahl	
Madore	Nornes	Peterson, S.	Simpson	Wagenius	

Sertich moved that further proceedings of the roll call be suspended and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

Lenczewski moved to amend H. F. No. 3201, the second engrossment, as follows:

Page 6, line 15, after "2011" insert "and by an additional \$75,000 in calendar years 2009 to 2014"

Page 6, line 16, after "only" insert "and by \$75,000 in calendar year 2009 only"

Page 7, line 1, strike "\$25,000" and insert "\$30,000" and strike "2006 only" and insert "2009 and thereafter"

Page 7, after line 26, insert:

"(v) The city aid base for a city is increased by \$30,000 in 2009 only, and the maximum total aid it may receive under section 477A.013, subdivision 9, is also increased by \$30,000 in calendar year 2009, only if the city had a population in 2005 of less than 3,000 and the city's boundaries as of 2007 were formed by the consolidation of two cities and one township in 2002.

(w) The city aid base for a city is increased by \$100,000 in 2009 and thereafter, and the maximum total aid it may receive under section 477A.013, subdivision 9, is also increased by \$100,000 in calendar year 2009, only if the city had a city net tax capacity for aids payable in 2007 of less than \$150 per capita, and the city experienced flooding on March 14, 2007, that resulted in evacuation of at least 40 homes.

(x) The city aid base for a city is increased by \$200,000 in 2009 through 2013, and the maximum total aid it may receive under section 477A.013, subdivision 9, is also increased by \$200,000 in calendar year 2009 only if the city:

(i) is located outside of the Minneapolis-St. Paul standard metropolitan statistical area;

(ii) has a 2005 population greater than 7,000 but less than 8,000; and

(iii) has a 2005 net tax capacity per capita of less than \$500."

Page 54, line 36, after ";" insert "and"

Page 55, line 1, delete "; and" and insert a period

Page 55, delete lines 2 to 5

Page 55, line 6, delete "Clause (19)" and insert "This section"

Page 55, line 8, delete everything after "act" and insert a period

Page 63, after line 11, insert:

"Sec. 4. Minnesota Statutes 2006, section 290.01, subdivision 19c, is amended to read:

Subd. 19c. **Corporations; additions to federal taxable income.** For corporations, there shall be added to federal taxable income:

(1) the amount of any deduction taken for federal income tax purposes for income, excise, or franchise taxes based on net income or related minimum taxes, including but not limited to the tax imposed under section 290.0922, paid by the corporation to Minnesota, another state, a political subdivision of another state, the District of Columbia, or any foreign country or possession of the United States;

(2) interest not subject to federal tax upon obligations of: the United States, its possessions, its agencies, or its instrumentalities; the state of Minnesota or any other state, any of its political or governmental subdivisions, any of its municipalities, or any of its governmental agencies or instrumentalities; the District of Columbia; or Indian tribal governments;

(3) exempt-interest dividends received as defined in section 852(b)(5) of the Internal Revenue Code;

(4) the amount of any net operating loss deduction taken for federal income tax purposes under section 172 or 832(c)(10) of the Internal Revenue Code or operations loss deduction under section 810 of the Internal Revenue Code;

(5) the amount of any special deductions taken for federal income tax purposes under sections 241 to 247 and 965 of the Internal Revenue Code;

(6) losses from the business of mining, as defined in section 290.05, subdivision 1, clause (a), that are not subject to Minnesota income tax;

(7) the amount of any capital losses deducted for federal income tax purposes under sections 1211 and 1212 of the Internal Revenue Code;

(8) the exempt foreign trade income of a foreign sales corporation under sections 921(a) and 291 of the Internal Revenue Code;

(9) the amount of percentage depletion deducted under sections 611 through 614 and 291 of the Internal Revenue Code;

(10) for certified pollution control facilities placed in service in a taxable year beginning before December 31, 1986, and for which amortization deductions were elected under section 169 of the Internal Revenue Code of 1954, as amended through December 31, 1985, the amount of the amortization deduction allowed in computing federal taxable income for those facilities;

(11) the amount of any deemed dividend from a foreign operating corporation determined pursuant to section 290.17, subdivision 4, paragraph (g);

(12) the amount of a partner's pro rata share of net income which does not flow through to the partner because the partnership elected to pay the tax on the income under section 6242(a)(2) of the Internal Revenue Code;

(13) the amount of net income excluded under section 114 of the Internal Revenue Code;

(14) any increase in subpart F income, as defined in section 952(a) of the Internal Revenue Code, for the taxable year when subpart F income is calculated without regard to the provisions of section 103 of Public Law 109-222;

(15) 80 percent of the depreciation deduction allowed under section 168(k)(1)(A) and (k)(4)(A) of the Internal Revenue Code. For purposes of this clause, if the taxpayer has an activity that in the taxable year generates a deduction for depreciation under section 168(k)(1)(A) and (k)(4)(A) and the activity generates a loss for the taxable year that the taxpayer is not allowed to claim for the taxable year, "the depreciation allowed under section 168(k)(1)(A) and (k)(4)(A)" for the taxable year is limited to excess of the depreciation claimed by the activity under section 168(k)(1)(A) and (k)(4)(A) over the amount of the loss from the activity that is not allowed in the taxable year. In succeeding taxable years when the losses not allowed in the taxable year are allowed, the depreciation under section 168(k)(1)(A) and (k)(4)(A) is allowed;

(16) 80 percent of the amount by which the deduction allowed by section 179 of the Internal Revenue Code exceeds the deduction allowable by section 179 of the Internal Revenue Code of 1986, as amended through December 31, 2003;

(17) to the extent deducted in computing federal taxable income, the amount of the deduction allowable under section 199 of the Internal Revenue Code; ~~and~~

(18) the exclusion allowed under section 139A of the Internal Revenue Code for federal subsidies for prescription drug plans; and

(19) for taxable years beginning after December 31, 2006, and before January 1, 2008, the additional amount allowed as a deduction for donation of computer technology and equipment under section 170(e)(6) of the Internal Revenue Code, to the extent deducted from taxable income.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2006."

Page 65, after line 2, insert:

"Sec. 6. Minnesota Statutes 2006, section 290.091, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For purposes of the tax imposed by this section, the following terms have the meanings given:

(a) "Alternative minimum taxable income" means the sum of the following for the taxable year:

(1) the taxpayer's federal alternative minimum taxable income as defined in section 55(b)(2) of the Internal Revenue Code;

(2) the taxpayer's itemized deductions allowed in computing federal alternative minimum taxable income, but excluding:

(i) the charitable contribution deduction under section 170 of the Internal Revenue Code:

(A) for taxable years beginning before January 1, 2006, to the extent that the deduction exceeds 1.0 percent of adjusted gross income;

(B) for taxable years beginning after December 31, 2005, to the full extent of the deduction.

For purposes of this clause, "adjusted gross income" has the meaning given in section 62 of the Internal Revenue Code;

(ii) the medical expense deduction;

(iii) the casualty, theft, and disaster loss deduction; and

(iv) the impairment-related work expenses of a disabled person;

(3) for depletion allowances computed under section 613A(c) of the Internal Revenue Code, with respect to each property (as defined in section 614 of the Internal Revenue Code), to the extent not included in federal alternative minimum taxable income, the excess of the deduction for depletion allowable under section 611 of the Internal Revenue Code for the taxable year over the adjusted basis of the property at the end of the taxable year (determined without regard to the depletion deduction for the taxable year);

(4) to the extent not included in federal alternative minimum taxable income, the amount of the tax preference for intangible drilling cost under section 57(a)(2) of the Internal Revenue Code determined without regard to subparagraph (E);

(5) to the extent not included in federal alternative minimum taxable income, the amount of interest income as provided by section 290.01, subdivision 19a, clause (1); and

(6) the amount of addition required by section 290.01, subdivision 19a, clauses ~~(7), (8), and~~ to (9), (11), and (12);

less the sum of the amounts determined under the following:

(1) interest income as defined in section 290.01, subdivision 19b, clause (1);

(2) an overpayment of state income tax as provided by section 290.01, subdivision 19b, clause (2), to the extent included in federal alternative minimum taxable income;

(3) the amount of investment interest paid or accrued within the taxable year on indebtedness to the extent that the amount does not exceed net investment income, as defined in section 163(d)(4) of the Internal Revenue Code. Interest does not include amounts deducted in computing federal adjusted gross income; and

(4) amounts subtracted from federal taxable income as provided by section 290.01, subdivision 19b, clauses (9) to (16).

In the case of an estate or trust, alternative minimum taxable income must be computed as provided in section 59(c) of the Internal Revenue Code.

(b) "Investment interest" means investment interest as defined in section 163(d)(3) of the Internal Revenue Code.

(c) "Tentative minimum tax" equals 6.4 percent of alternative minimum taxable income after subtracting the exemption amount determined under subdivision 3.

(d) "Regular tax" means the tax that would be imposed under this chapter (without regard to this section and section 290.032), reduced by the sum of the nonrefundable credits allowed under this chapter.

(e) "Net minimum tax" means the minimum tax imposed by this section.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2006."

Page 68, delete line 25

Page 68, line 26, delete "31, 2009," and insert "(c)"

Page 69, delete section 5 and insert:

"Sec. 5. Laws 1993, chapter 375, article 9, section 45, subdivision 3, as amended by Laws 1997, chapter 231, article 7, section 37, is amended to read:

Subd. 3. **Expiration of taxing authority and expenditure limitation.** (a) The authority granted by subdivision 1 to Cook county to impose a sales tax shall expire when the principal and interest on any bonds or obligations issued under subdivision 4, paragraph (a), to finance the expansion and improvement of North Shore hospital described in subdivision 2, paragraph (a), have been paid, or at an earlier time as the county shall, by resolution, determine. Any funds remaining after completion of the improvements and retirement or redemption of the bonds may be placed in the general fund of the county March 31, 2009, unless the tax is extended as provided in paragraph (b).

(b) Notwithstanding Minnesota statutes, sections 297A.99 and 477A.016, or any other contrary provision of law, or ordinance, Cook County may, by ordinance, extend the tax authorized in subdivision 1, beyond March 31, 2009, if approved by the voters at the 2008 general election. If the tax authorized in subdivision 1 is extended under this paragraph, the tax expires when the county determines that the amount of revenue received is sufficient to pay for the principal and interest on any bonds or obligations issued to finance the projects under subdivision 2. Any funds remaining after completion of the improvements and retirement or redemption of the bonds may be placed in the general fund of the county.

EFFECTIVE DATE. This section is effective the day following final enactment."

Page 70, line 1, after "\$14,000,000" insert "if the use of the sales tax revenues for the projects listed in subdivision 2, clause (c), are approved by the voters at the 2008 general election"

Page 75, line 32, delete "2008" and insert "2010"

Page 93, line 8, delete "318" and insert "381"

Page 103, line 18, delete "\$352,000" and insert "\$352,500"

Page 103, line 28, delete "\$352,000" and insert "\$352,500"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Simpson moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

FEDERAL UPDATE

Section 1. Minnesota Statutes 2006, section 289A.02, subdivision 7, is amended to read:

Subd. 7. **Internal Revenue Code.** Unless specifically defined otherwise, "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended through ~~May 18, 2006~~ February 13, 2008.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. Minnesota Statutes 2007 Supplement, section 290.01, subdivision 19, is amended to read:

Subd. 19. **Net income.** The term "net income" means the federal taxable income, as defined in section 63 of the Internal Revenue Code of 1986, as amended through the date named in this subdivision, incorporating the federal effective dates of changes to the Internal Revenue Code and any elections made by the taxpayer in accordance with the Internal Revenue Code in determining federal taxable income for federal income tax purposes, and with the modifications provided in subdivisions 19a to 19f.

In the case of a regulated investment company or a fund thereof, as defined in section 851(a) or 851(g) of the Internal Revenue Code, federal taxable income means investment company taxable income as defined in section 852(b)(2) of the Internal Revenue Code, except that:

(1) the exclusion of net capital gain provided in section 852(b)(2)(A) of the Internal Revenue Code does not apply;

(2) the deduction for dividends paid under section 852(b)(2)(D) of the Internal Revenue Code must be applied by allowing a deduction for capital gain dividends and exempt-interest dividends as defined in sections 852(b)(3)(C) and 852(b)(5) of the Internal Revenue Code; and

(3) the deduction for dividends paid must also be applied in the amount of any undistributed capital gains which the regulated investment company elects to have treated as provided in section 852(b)(3)(D) of the Internal Revenue Code.

The net income of a real estate investment trust as defined and limited by section 856(a), (b), and (c) of the Internal Revenue Code means the real estate investment trust taxable income as defined in section 857(b)(2) of the Internal Revenue Code.

The net income of a designated settlement fund as defined in section 468B(d) of the Internal Revenue Code means the gross income as defined in section 468B(b) of the Internal Revenue Code.

The Internal Revenue Code of 1986, as amended through ~~May 18, 2006~~ February 13, 2008, shall be in effect for taxable years beginning after December 31, 1996, ~~and before January 1, 2006, and for taxable years beginning after December 31, 2006.~~ ~~The Internal Revenue Code of 1986, as amended through December 31, 2006, is in effect for taxable years beginning after December 31, 2005, and before January 1, 2007.~~

Except as otherwise provided, references to the Internal Revenue Code in subdivisions 19 to 19f mean the code in effect for purposes of determining net income for the applicable year.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2006.

Sec. 3. Minnesota Statutes 2006, section 290.01, subdivision 19a, is amended to read:

Subd. 19a. **Additions to federal taxable income.** For individuals, estates, and trusts, there shall be added to federal taxable income:

(1)(i) interest income on obligations of any state other than Minnesota or a political or governmental subdivision, municipality, or governmental agency or instrumentality of any state other than Minnesota exempt from federal income taxes under the Internal Revenue Code or any other federal statute; and

(ii) exempt-interest dividends as defined in section 852(b)(5) of the Internal Revenue Code, except the portion of the exempt-interest dividends derived from interest income on obligations of the state of Minnesota or its political or governmental subdivisions, municipalities, governmental agencies or instrumentalities, but only if the portion of the exempt-interest dividends from such Minnesota sources paid to all shareholders represents 95 percent or more of the exempt-interest dividends that are paid by the regulated investment company as defined in section 851(a) of the Internal Revenue Code, or the fund of the regulated investment company as defined in section 851(g) of the Internal Revenue Code, making the payment; and

(iii) for the purposes of items (i) and (ii), interest on obligations of an Indian tribal government described in section 7871(c) of the Internal Revenue Code shall be treated as interest income on obligations of the state in which the tribe is located;

(2) the amount of income or sales and use taxes paid or accrued within the taxable year under this chapter and the amount of taxes based on net income paid or sales and use taxes paid to any other state or to any province or territory of Canada, to the extent allowed as a deduction under section 63(d) of the Internal Revenue Code, but the addition may not be more than the amount by which the itemized deductions as allowed under section 63(d) of the Internal Revenue Code exceeds the amount of the standard deduction as defined in section 63(c) of the Internal Revenue Code. For the purpose of this paragraph, the disallowance of itemized deductions under section 68 of the Internal Revenue Code of 1986, income or sales and use tax is the last itemized deduction disallowed;

(3) the capital gain amount of a lump sum distribution to which the special tax under section 1122(h)(3)(B)(ii) of the Tax Reform Act of 1986, Public Law 99-514, applies;

(4) the amount of income taxes paid or accrued within the taxable year under this chapter and taxes based on net income paid to any other state or any province or territory of Canada, to the extent allowed as a deduction in determining federal adjusted gross income. For the purpose of this paragraph, income taxes do not include the taxes imposed by sections 290.0922, subdivision 1, paragraph (b), 290.9727, 290.9728, and 290.9729;

(5) the amount of expense, interest, or taxes disallowed pursuant to section 290.10 other than expenses or interest used in computing net interest income for the subtraction allowed under subdivision 19b, clause (1);

(6) the amount of a partner's pro rata share of net income which does not flow through to the partner because the partnership elected to pay the tax on the income under section 6242(a)(2) of the Internal Revenue Code;

(7) 80 percent of the depreciation deduction allowed under section 168(k) of the Internal Revenue Code. For purposes of this clause, if the taxpayer has an activity that in the taxable year generates a deduction for depreciation under section 168(k) and the activity generates a loss for the taxable year that the taxpayer is not allowed to claim

for the taxable year, "the depreciation allowed under section 168(k)" for the taxable year is limited to excess of the depreciation claimed by the activity under section 168(k) over the amount of the loss from the activity that is not allowed in the taxable year. In succeeding taxable years when the losses not allowed in the taxable year are allowed, the depreciation under section 168(k) is allowed;

(8) 80 percent of the amount by which the deduction allowed by section 179 of the Internal Revenue Code exceeds the deduction allowable by section 179 of the Internal Revenue Code of 1986, as amended through December 31, 2003;

(9) to the extent deducted in computing federal taxable income, the amount of the deduction allowable under section 199 of the Internal Revenue Code; ~~and~~

(10) the exclusion allowed under section 139A of the Internal Revenue Code for federal subsidies for prescription drug plans;

(11) for taxable years beginning after December 31, 2006, and before January 1, 2008, the amount deducted for qualified tuition and related expenses under section 222 of the Internal Revenue Code, to the extent deducted from gross income; and

(12) for taxable years beginning after December 31, 2006, and before January 1, 2008, the amount deducted for certain expenses of elementary and secondary school teachers under section 62(a)(2)(D) of the Internal Revenue Code, to the extent deducted from gross income.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2006.

Sec. 4. Minnesota Statutes 2007 Supplement, section 290.01, subdivision 31, is amended to read:

Subd. 31. **Internal Revenue Code.** Unless specifically defined otherwise, ~~for taxable years beginning before January 1, 2006, and after December 31, 2006,~~ "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended through May 18, 2006; ~~and for taxable years beginning after December 31, 2005, and before January 1, 2007,~~ "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended through December 31, 2006 February 13, 2008.

EFFECTIVE DATE. This section is effective the day following final enactment except the changes incorporated by federal changes are effective at the same time as the changes were effective for federal purposes.

Sec. 5. Minnesota Statutes 2006, section 290.06, subdivision 2c, is amended to read:

Subd. 2c. **Schedules of rates for individuals, estates, and trusts.** (a) The income taxes imposed by this chapter upon married individuals filing joint returns and surviving spouses as defined in section 2(a) of the Internal Revenue Code must be computed by applying to their taxable net income the following schedule of rates:

- (1) On the first \$25,680, 5.35 percent;
- (2) On all over \$25,680, but not over \$102,030, 7.05 percent;
- (3) On all over \$102,030, 7.85 percent.

Married individuals filing separate returns, estates, and trusts must compute their income tax by applying the above rates to their taxable income, except that the income brackets will be one-half of the above amounts.

(b) The income taxes imposed by this chapter upon unmarried individuals must be computed by applying to taxable net income the following schedule of rates:

- (1) On the first \$17,570, 5.35 percent;
- (2) On all over \$17,570, but not over \$57,710, 7.05 percent;
- (3) On all over \$57,710, 7.85 percent.

(c) The income taxes imposed by this chapter upon unmarried individuals qualifying as a head of household as defined in section 2(b) of the Internal Revenue Code must be computed by applying to taxable net income the following schedule of rates:

- (1) On the first \$21,630, 5.35 percent;
- (2) On all over \$21,630, but not over \$86,910, 7.05 percent;
- (3) On all over \$86,910, 7.85 percent.

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

(e) An individual who is not a Minnesota resident for the entire year must compute the individual's Minnesota income tax as provided in this subdivision. After the application of the nonrefundable credits provided in this chapter, the tax liability must then be multiplied by a fraction in which:

(1) the numerator is the individual's Minnesota source federal adjusted gross income as defined in section 62 of the Internal Revenue Code and increased by the additions required under section 290.01, subdivision 19a, clauses (1), (5), (6), (7), (8), ~~and~~ (9), (11), and (12) and reduced by the Minnesota assignable portion of the subtraction for United States government interest under section 290.01, subdivision 19b, clause (1), and the subtractions under section 290.01, subdivision 19b, clauses (9), (10), (14), (15), and (16), after applying the allocation and assignability provisions of section 290.081, clause (a), or 290.17; and

(2) the denominator is the individual's federal adjusted gross income as defined in section 62 of the Internal Revenue Code of 1986, increased by the amounts specified in section 290.01, subdivision 19a, clauses (1), (5), (6), (7), (8), ~~and~~ (9), (11), and (12) and reduced by the amounts specified in section 290.01, subdivision 19b, clauses (1), (9), (10), (14), (15), and (16).

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2006.

Sec. 6. Minnesota Statutes 2006, section 290.091, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For purposes of the tax imposed by this section, the following terms have the meanings given:

- (a) "Alternative minimum taxable income" means the sum of the following for the taxable year:

(1) the taxpayer's federal alternative minimum taxable income as defined in section 55(b)(2) of the Internal Revenue Code;

(2) the taxpayer's itemized deductions allowed in computing federal alternative minimum taxable income, but excluding:

(i) the charitable contribution deduction under section 170 of the Internal Revenue Code:

(A) for taxable years beginning before January 1, 2006, to the extent that the deduction exceeds 1.0 percent of adjusted gross income;

(B) for taxable years beginning after December 31, 2005, to the full extent of the deduction.

For purposes of this clause, "adjusted gross income" has the meaning given in section 62 of the Internal Revenue Code;

(ii) the medical expense deduction;

(iii) the casualty, theft, and disaster loss deduction; and

(iv) the impairment-related work expenses of a disabled person;

(3) for depletion allowances computed under section 613A(c) of the Internal Revenue Code, with respect to each property (as defined in section 614 of the Internal Revenue Code), to the extent not included in federal alternative minimum taxable income, the excess of the deduction for depletion allowable under section 611 of the Internal Revenue Code for the taxable year over the adjusted basis of the property at the end of the taxable year (determined without regard to the depletion deduction for the taxable year);

(4) to the extent not included in federal alternative minimum taxable income, the amount of the tax preference for intangible drilling cost under section 57(a)(2) of the Internal Revenue Code determined without regard to subparagraph (E);

(5) to the extent not included in federal alternative minimum taxable income, the amount of interest income as provided by section 290.01, subdivision 19a, clause (1); and

(6) the amount of addition required by section 290.01, subdivision 19a, clauses ~~(7), (8), and~~ to (9), (11), and (12);

less the sum of the amounts determined under the following:

(1) interest income as defined in section 290.01, subdivision 19b, clause (1);

(2) an overpayment of state income tax as provided by section 290.01, subdivision 19b, clause (2), to the extent included in federal alternative minimum taxable income;

(3) the amount of investment interest paid or accrued within the taxable year on indebtedness to the extent that the amount does not exceed net investment income, as defined in section 163(d)(4) of the Internal Revenue Code. Interest does not include amounts deducted in computing federal adjusted gross income; and

(4) amounts subtracted from federal taxable income as provided by section 290.01, subdivision 19b, clauses (9) to (16).

In the case of an estate or trust, alternative minimum taxable income must be computed as provided in section 59(c) of the Internal Revenue Code.

(b) "Investment interest" means investment interest as defined in section 163(d)(3) of the Internal Revenue Code.

(c) "Tentative minimum tax" equals 6.4 percent of alternative minimum taxable income after subtracting the exemption amount determined under subdivision 3.

(d) "Regular tax" means the tax that would be imposed under this chapter (without regard to this section and section 290.032), reduced by the sum of the nonrefundable credits allowed under this chapter.

(e) "Net minimum tax" means the minimum tax imposed by this section.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2006.

Sec. 7. Minnesota Statutes 2007 Supplement, section 290A.03, subdivision 15, is amended to read:

Subd. 15. **Internal Revenue Code.** ~~For taxable years beginning before January 1, 2006, and after December 31, 2006, "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended through May 18, 2006; and for taxable years beginning after December 31, 2005, and before January 1, 2007, "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended through December 31, 2006~~ February 13, 2008.

EFFECTIVE DATE. This section is effective for property tax refunds based on property taxes payable on or after December 31, 2007, and rent paid on or after December 31, 2006.

Sec. 8. Minnesota Statutes 2006, section 291.005, subdivision 1, is amended to read:

Subdivision 1. **Scope.** Unless the context otherwise clearly requires, the following terms used in this chapter shall have the following meanings:

(1) "Federal gross estate" means the gross estate of a decedent as valued and otherwise determined for federal estate tax purposes by federal taxing authorities pursuant to the provisions of the Internal Revenue Code.

(2) "Minnesota gross estate" means the federal gross estate of a decedent after (a) excluding therefrom any property included therein which has its situs outside Minnesota, and (b) including therein any property omitted from the federal gross estate which is includable therein, has its situs in Minnesota, and was not disclosed to federal taxing authorities.

(3) "Personal representative" means the executor, administrator or other person appointed by the court to administer and dispose of the property of the decedent. If there is no executor, administrator or other person appointed, qualified, and acting within this state, then any person in actual or constructive possession of any property having a situs in this state which is included in the federal gross estate of the decedent shall be deemed to be a personal representative to the extent of the property and the Minnesota estate tax due with respect to the property.

(4) "Resident decedent" means an individual whose domicile at the time of death was in Minnesota.

(5) "Nonresident decedent" means an individual whose domicile at the time of death was not in Minnesota.

(6) "Situs of property" means, with respect to real property, the state or country in which it is located; with respect to tangible personal property, the state or country in which it was normally kept or located at the time of the decedent's death; and with respect to intangible personal property, the state or country in which the decedent was domiciled at death.

(7) "Commissioner" means the commissioner of revenue or any person to whom the commissioner has delegated functions under this chapter.

(8) "Internal Revenue Code" means the United States Internal Revenue Code of 1986, as amended through ~~May 18, 2006~~ February 13, 2008.

(9) "Minnesota adjusted taxable estate" means federal adjusted taxable estate as defined by section 2011(b)(3) of the Internal Revenue Code, increased by the amount of deduction for state death taxes allowed under section 2058 of the Internal Revenue Code.

EFFECTIVE DATE. This section is effective the day following final enactment.

ARTICLE 2

JUNE ACCELERATED TAX PAYMENTS

Section 1. Minnesota Statutes 2006, section 289A.20, subdivision 4, is amended to read:

Subd. 4. **Sales and use tax.** (a) The taxes imposed by chapter 297A are due and payable to the commissioner monthly on or before the 20th day of the month following the month in which the taxable event occurred, or following another reporting period as the commissioner prescribes or as allowed under section 289A.18, subdivision 4, paragraph (f) or (g), except that use taxes due on an annual use tax return as provided under section 289A.11, subdivision 1, are payable by April 15 following the close of the calendar year.

(b) A vendor having a liability of \$120,000 or more during a fiscal year ending June 30 must remit the June liability for the next year in the following manner:

(1) Two business days before June 30 of the year, the vendor must remit ~~78~~ 81 percent of the estimated June liability to the commissioner.

(2) On or before August 20 of the year, the vendor must pay any additional amount of tax not remitted in June.

(c) A vendor having a liability of:

(1) \$20,000 or more in the fiscal year ending June 30, 2005; or

(2) \$10,000 or more in the fiscal year ending June 30, 2006, and fiscal years thereafter,

must remit all liabilities on returns due for periods beginning in the subsequent calendar year by electronic means on or before the 20th day of the month following the month in which the taxable event occurred, or on or before the 20th day of the month following the month in which the sale is reported under section 289A.18, subdivision 4, except for ~~78~~ 81 percent of the estimated June liability, which is due two business days before June 30. The remaining amount of the June liability is due on August 20.

EFFECTIVE DATE. This section is effective beginning with June 2009 tax liabilities.

Sec. 2. Minnesota Statutes 2006, section 289A.60, subdivision 15, is amended to read:

Subd. 15. **Accelerated payment of June sales tax liability; penalty for underpayment.** For payments made after December 31, 2006, if a vendor is required by law to submit an estimation of June sales tax liabilities and ~~78~~ 81 percent payment by a certain date, the vendor shall pay a penalty equal to ten percent of the amount of actual June liability required to be paid in June less the amount remitted in June. The penalty must not be imposed, however, if the amount remitted in June equals the lesser of ~~78~~ 81 percent of the preceding May's liability or ~~78~~ 81 percent of the average monthly liability for the previous calendar year.

EFFECTIVE DATE. This section is effective beginning with June 2009 tax liabilities.

Sec. 3. Minnesota Statutes 2006, section 297F.09, subdivision 10, is amended to read:

Subd. 10. **Accelerated tax payment; cigarette or tobacco products distributor.** A cigarette or tobacco products distributor having a liability of \$120,000 or more during a fiscal year ending June 30, shall remit the June liability for the next year in the following manner:

(a) Two business days before June 30 of the year, the distributor shall remit the actual May liability and ~~78~~ 81 percent of the estimated June liability to the commissioner and file the return in the form and manner prescribed by the commissioner.

(b) On or before August 18 of the year, the distributor shall submit a return showing the actual June liability and pay any additional amount of tax not remitted in June. A penalty is imposed equal to ten percent of the amount of June liability required to be paid in June, less the amount remitted in June. However, the penalty is not imposed if the amount remitted in June equals the lesser of:

- (1) ~~78~~ 81 percent of the actual June liability; or
- (2) ~~78~~ 81 percent of the preceding May's liability.

EFFECTIVE DATE. This section is effective beginning with June 2009 tax liabilities.

Sec. 4. Minnesota Statutes 2006, section 297G.09, subdivision 9, is amended to read:

Subd. 9. **Accelerated tax payment; penalty.** A person liable for tax under this chapter having a liability of \$120,000 or more during a fiscal year ending June 30, shall remit the June liability for the next year in the following manner:

(a) Two business days before June 30 of the year, the taxpayer shall remit the actual May liability and ~~78~~ 81 percent of the estimated June liability to the commissioner and file the return in the form and manner prescribed by the commissioner.

(b) On or before August 18 of the year, the taxpayer shall submit a return showing the actual June liability and pay any additional amount of tax not remitted in June. A penalty is imposed equal to ten percent of the amount of June liability required to be paid in June less the amount remitted in June. However, the penalty is not imposed if the amount remitted in June equals the lesser of:

- (1) ~~78~~ 81 percent of the actual June liability; or
- (2) ~~78~~ 81 percent of the preceding May liability.

EFFECTIVE DATE. This section is effective beginning with June 2009 tax liabilities."

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Simpson amendment and the roll was called. There were 56 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Garofalo	Kranz	Paulsen	Smith
Anderson, B.	DeLaForest	Gottwalt	Lanning	Peppin	Tingelstad
Anderson, S.	Demmer	Gunther	Magnus	Peterson, N.	Urdahl
Beard	Dettmer	Hackbarth	McFarlane	Ruth	Wardlow
Benson	Dittrich	Hamilton	McNamara	Ruud	Westrom
Berns	Drazkowski	Haws	Nornes	Scalze	Zellers
Brod	Eastlund	Heidgerken	Norton	Seifert	
Brown	Emmer	Hoppe	Olson	Severson	
Buesgens	Erhardt	Howes	Otremba	Shimanski	
Cornish	Erickson	Kohls	Ozment	Simpson	

Those who voted in the negative were:

Anzalc	Faust	Jaros	Loeffler	Paymar	Thao
Atkins	Fritz	Johnson	Madore	Pelowski	Thissen
Bigham	Gardner	Juhnke	Mahoney	Peterson, A.	Tillberry
Bly	Greiling	Kahn	Mariani	Peterson, S.	Tschumper
Brynaert	Hansen	Kalin	Marquart	Poppe	Wagenius
Bunn	Hausman	Knuth	Masin	Rukavina	Walker
Carlson	Hilstrom	Koenen	Moe	Sailer	Ward
Clark	Hilty	Laine	Morrow	Sertich	Welti
Davnie	Holberg	Lenczewski	Mullery	Simon	Winkler
Dill	Hornstein	Lesch	Murphy, E.	Slawik	Wollschlager
Dominguez	Hortman	Liebling	Murphy, M.	Slocum	Spk. Kelliher
Doty	Hosch	Lieder	Nelson	Solberg	
Eken	Huntley	Lillie	Olin	Swails	

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

Drazkowski moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 79, after line 2, insert:

"Section 1. Minnesota Statutes 2006, section 287.04, is amended to read:

287.04 EXEMPTIONS.

The tax imposed by section 287.035 does not apply to:

(a) A decree of marriage dissolution or an instrument made pursuant to it.

- (b) A mortgage given to correct a misdescription of the mortgaged property.
- (c) A mortgage or other instrument that adds additional security for the same debt for which mortgage registry tax has been paid.
- (d) A contract for the conveyance of any interest in real property, including a contract for deed.
- (e) A mortgage secured by real property subject to the minerals production tax of sections 298.24 to 298.28.
- (f) The principal amount of a mortgage loan made under a low and moderate income or other affordable housing program, if the mortgagee is a federal, state, or local government agency.
- (g) Mortgages granted by fraternal benefit societies subject to section 64B.24.
- (h) A mortgage amendment or extension, as defined in section 287.01.
- (i) An agricultural mortgage if the proceeds of the loan secured by the mortgage are used to acquire or improve real property classified under section 273.13, subdivision 23, paragraph (a), or (b), clause (1), (2), or (3).
- (j) A mortgage on an armory building as set forth in section 193.147.

(k) A mortgage, including one that replaces or refinances an existing mortgage, on property located in a disaster area as declared under federal law by the president of the United States or the administrator of the Small Business Administration, and which was damaged by that disaster. This paragraph applies to the extent that the new or additional indebtedness was used to repair or replace property damaged by the disaster. For a mortgage that replaces or refinances an existing mortgage, this exemption also applies to the debt replaced or refinanced. A form, prepared by the commissioner of revenue, must be signed by the property owner, stating that the property qualifies under this paragraph and must be available prior to or at the time of closing, to receive the exemption under this paragraph. The exemption under this paragraph is effective for one year from the date of the disaster declaration.

EFFECTIVE DATE. This section is effective for mortgages acknowledged and recorded on or after July 1, 2008."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Drazkowski amendment and the roll was called. There were 54 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Abeler	Buesgens	Drazkowski	Gottwalt	Hoppe	McFarlane
Anderson, B.	Cornish	Eastlund	Gunther	Howes	McNamara
Anderson, S.	Dean	Emmer	Hackbarth	Kohls	Nornes
Beard	DeLaForest	Erhardt	Hamilton	Lanning	Norton
Berns	Demmer	Erickson	Heidgerken	Liebling	Olson
Brod	Dettmer	Garofalo	Holberg	Magnus	Ozment

Paulsen	Peterson, N.	Seifert	Simpson	Tschumper	Welti
Pelowski	Poppe	Severson	Smith	Urdahl	Westrom
Peppin	Ruth	Shimanski	Tingelstad	Wardlow	Zellers

Those who voted in the negative were:

Anzenc	Dominguez	Hortman	Lesch	Murphy, M.	Slawik
Atkins	Doty	Hosch	Lieder	Nelson	Slocum
Benson	Eken	Huntley	Lillie	Olin	Solberg
Bigham	Faust	Jaros	Loeffler	Otremba	Swails
Bly	Fritz	Johnson	Madore	Paymar	Thao
Brown	Gardner	Juhnke	Mahoney	Peterson, A.	Thissen
Brynaert	Greiling	Kahn	Mariani	Peterson, S.	Tillberry
Bunn	Hansen	Kalin	Marquart	Rukavina	Wagenius
Carlson	Hausman	Knuth	Masin	Ruud	Walker
Clark	Haws	Koenen	Moe	Sailer	Ward
Davnie	Hilstrom	Kranz	Morrow	Scalze	Winkler
Dill	Hilty	Laine	Mullery	Sertich	Wollschlager
Dittrich	Hornstein	Lenczewski	Murphy, E.	Simon	Spk. Kelliher

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

Seifert moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 9, after line 15, insert:

"Sec. 4. Minnesota Statutes 2006, section 477A.011, is amended by adding a subdivision to read:

Subd. 11. **No aid for cities with sanctuary ordinances.** Notwithstanding subdivision 8 and 9, no city may receive aid under this section if the city has, at the time the aid is certified, an ordinance prohibiting public safety officials from undertaking any law enforcement action for the purpose of detecting the presence of undocumented persons, or to verify immigration status. Any aid that would otherwise go to a city under this section shall be redistributed to other cities under subdivisions 8 and 9.

EFFECTIVE DATE. This section is effective beginning with aids payable in 2009."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Seifert amendment and the roll was called. There were 66 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Abeler	Beard	Brown	Cornish	Demmer	Dittrich
Anderson, B.	Berns	Buesgens	Dean	Dettmer	Doty
Anderson, S.	Brod	Bunn	DeLaForest	Dill	Drazkowski

Eastlund	Hackbarth	Kohls	Olin	Poppe	Swails
Emmer	Hamilton	Kranz	Olson	Ruth	Tingelstad
Erhardt	Haws	Lanning	Otremba	Scalze	Urdahl
Erickson	Heidgerken	Magnus	Ozment	Seifert	Ward
Faust	Holberg	McFarlane	Paulsen	Severson	Wardlow
Garofalo	Hoppe	McNamara	Pelowski	Shimanski	Welti
Gottwalt	Hosch	Morgan	Peppin	Simpson	Westrom
Gunther	Howes	Nornes	Peterson, N.	Smith	Zellers

Those who voted in the negative were:

Anzelc	Gardner	Kahn	Mahoney	Peterson, A.	Tillberry
Atkins	Greiling	Kalin	Mariani	Peterson, S.	Tschumper
Benson	Hansen	Knuth	Marquart	Rukavina	Wagenius
Bigham	Hausman	Koenen	Masin	Ruud	Walker
Bly	Hilstrom	Laine	Moe	Sailer	Winkler
Brynaert	Hilty	Lenczewski	Morrow	Sertich	Wollschlager
Carlson	Hornstein	Lesch	Mullery	Simon	Spk. Kelliher
Clark	Hortman	Liebling	Murphy, E.	Slawik	
Davnie	Huntley	Lieder	Murphy, M.	Slocum	
Dominguez	Jaros	Lillie	Nelson	Solberg	
Eken	Johnson	Loeffler	Norton	Thao	
Fritz	Juhnke	Madore	Paymar	Thissen	

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

Buesgens moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 38, after line 5, insert:

"Sec. 20. Minnesota Statutes 2006, section 275.71, subdivision 2, is amended to read:

Subd. 2. **Levy limit base.** The levy limit base for a local governmental unit for taxes levied in 2008 is equal to (1) the sum of its property taxes levied in the previous year, plus its aid under sections 477A.011 to 477A.03, its aid payments under section 298.28 and 298.282 in the preceding year, and payments to the local governmental unit under section 272.029; minus (2) any property taxes levied in the previous year for purposes listed under section 275.70, subdivision 5. ~~The levy limit base for a local governmental unit for taxes levied in 2003, 2009 and thereafter is equal to its adjusted levy limit base in the previous year, subject to any adjustments under section 275.72, plus any aid amounts received in 2003 under section 273.138 or 273.166, minus the difference between its levy limit under subdivision 5 for taxes levied in 2002 and the amount it actually levied under that subdivision in that year, and certified property tax replacement aid payable in 2003 under section 174.242.~~

EFFECTIVE DATE. This section is effective for taxes levied in 2008, payable in 2009 and thereafter.

Sec. 21. Minnesota Statutes 2006, section 275.71, subdivision 4, is amended to read:

Subd. 4. **Adjusted levy limit base.** ~~(a) For taxes levied in 2003, 2008 and thereafter, the adjusted levy limit base is equal to the levy limit base computed under subdivisions 2 and 3 or section 275.72, reduced by 40 percent of the difference between (1) the sum of 2003 certified aid payments, under sections 273.138, 273.1398 except for amounts certified under subdivision 4a, paragraph (b), 273.166, 477A.011 to 477A.03, 477A.06, and 477A.07,~~

~~before any reduction under Laws 2003, First Special Session chapter 21, articles 5 and 6, and (2) the sum of the aids paid in 2004 under those same sections, after any reductions in 2004 under Laws 2003, First Special Session chapter 21, articles 5 and 6, multiplied by:~~

(1) one plus the percentage growth in the implicit price deflator;

(2) one plus the percentage increase in the number of households, if any, for the most recent 12-month period for which data is available; and

(3) one plus 50 percent of the percentage increase in the taxable market value of the jurisdiction due to new construction of class 3 property, as defined in section 273.12, subdivision 24, except for state-assessed utility and railroad operating property, for the most recent year for which data is available.

~~(b) For taxes levied in 2003 only, the adjusted levy limit base is increased by 60 percent of the difference between a jurisdiction's market value credit in 2003 before any reductions under Laws 2003, First Special Session chapter 21, articles 5 and 6, and its market value credit in 2004 after reductions in Laws 2003, First Special Session chapter 21, articles 5 and 6.~~

EFFECTIVE DATE. This section is effective for taxes levied in 2008, payable in 2009 and thereafter.

Sec. 22. Minnesota Statutes 2006, section 275.71, subdivision 5, is amended to read:

Subd. 5. **Property tax levy limit.** For taxes levied in ~~2003~~ 2008 and thereafter, the property tax levy limit for a local governmental unit is equal to its adjusted levy limit base determined under subdivision 4 plus any additional levy authorized under section 275.73, which is levied against net tax capacity, reduced by the sum of (i) the total amount of aids and reimbursements that the local governmental unit is certified to receive under sections 477A.011 to 477A.014, ~~except for the increases in city aid bases in calendar year 2002 under section 477A.011, subdivision 36, paragraphs (l), (n), and (o), (ii) homestead and agricultural aids it is certified to receive under section 273.1398, (iii) (ii) taconite aids under sections 298.28 and 298.282 including any aid which was required to be placed in a special fund for expenditure in the next succeeding year, (iv) temporary court aid under section 273.1398, subdivision 4a, and (v) (iii) estimated payments to the local governmental unit under section 272.029, adjusted for any error in estimation in the preceding year.~~

EFFECTIVE DATE. This section is effective for taxes levied in 2008, payable in 2009 and thereafter."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Buesgens amendment and the roll was called. There were 31 yeas and 102 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Erickson	Kohls	Severson	Zellers
Anderson, B.	DeLaForest	Garofalo	Olson	Shimanski	
Anderson, S.	Dettmer	Gottwalt	Paulsen	Simpson	
Beard	Drazkowski	Hackbarth	Peppin	Smith	
Berns	Eastlund	Holberg	Ruth	Tingelstad	
Buesgens	Emmer	Hoppe	Seifert	Wardlow	

Those who voted in the negative were:

Anzelc	Doty	Hosch	Lillie	Nornes	Slawik
Atkins	Eken	Howes	Loeffler	Norton	Slocum
Benson	Erhardt	Huntley	Madore	Olin	Solberg
Bigham	Faust	Jaros	Magnus	Otremba	Swails
Bly	Fritz	Johnson	Mahoney	Ozment	Thao
Brod	Gardner	Juhnke	Mariani	Paymar	Thissen
Brown	Greiling	Kahn	Marquart	Pelowski	Tillberry
Brynaert	Gunther	Kalin	Masin	Peterson, A.	Tschumper
Bunn	Hamilton	Knuth	McFarlane	Peterson, N.	Urdahl
Carlson	Hansen	Koenen	McNamara	Peterson, S.	Wagenius
Clark	Hausman	Kranz	Moe	Poppe	Walker
Cornish	Haws	Laine	Morgan	Rukavina	Ward
Davnie	Heidgerken	Lanning	Morrow	Ruud	Welti
Demmer	Hilstrom	Lenczewski	Mullery	Sailer	Westrom
Dill	Hilty	Lesch	Murphy, E.	Scalze	Winkler
Dittrich	Hornstein	Liebling	Murphy, M.	Sertich	Wollschlager
Dominguez	Hortman	Lieder	Nelson	Simon	Spk. Kelliher

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

Gottwalt moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 59, after line 4, insert:

"Sec. 8. **[290.433] INCOME TAX CHECKOFFS FOR EDUCATION, HEALTH CARE, AND STATE PARKS.**

Subdivision 1. Accounts established. (a) Accounts are established in the special revenue fund to receive amounts designated through the income tax checkoffs in this section. Accounts are established for:

(1) kindergarten through grade 12 education;

(2) health care;

(3) higher education;

(4) early childhood and family education; and

(5) state parks.

(b) All interest earned on money accrued, gifts, contributions, and reimbursements of expenditures in each account must be credited to the account.

(c) The state pledges and agrees with all contributors to the accounts to use the funds contributed solely for the purposes specified, and further agrees that it will not impose additional conditions or restrictions that will limit or otherwise restrict the use of the funds.

Subd. 2. Checkoff. Every individual who files an income tax return may designate on their original return that \$1 or more is to be added to the tax or deducted from the refund that would otherwise be payable by or to that individual and paid into one or more of the accounts established in subdivision 1. The commissioner of revenue

shall, on the income tax return, notify filers of their right to designate that a portion of their tax or refund is to be paid into one or more of the accounts. The commissioner of revenue must also provide on the income tax return for an individual to designate that an amount equal to five percent of the individual's tax due before credits be distributed equally among the five accounts established in subdivision 1.

Subd. 3. **Use of kindergarten through grade 12 education account.** (a) By June 1 of each year, the commissioner of revenue must report the amount of money in the kindergarten through grade 12 education account to the chairs of the house and senate finance committees with jurisdiction over kindergarten through grade 12 education.

(b) By September 1 of each year, the chairs of the house and senate finance committees with jurisdiction over kindergarten through grade 12 education shall convene a joint hearing for the purpose of making recommendations to the commissioner of children, families, and learning on how to use the money in the kindergarten through grade 12 education account.

Subd. 4. **Appropriation.** On October 1 of each year, an amount equal to the amount reported to be in the kindergarten through grade 12 education account under subdivision 3 is appropriated from the kindergarten through grade 12 education account in the special revenue fund to the commissioner of children, families, and learning.

Subd. 5. **Use of health care account.** (a) By June 1 of each year, the commissioner of revenue must report the amount of money in the health care account to the chairs of the house and senate finance committees with jurisdiction over health care.

(b) By September 1 of each year, the chairs of the house and senate finance committees with jurisdiction over health care shall convene a joint hearing for the purpose of making recommendations to the commissioner of health on how to use the money in the health care account.

Subd. 6. **Appropriation.** On October 1 of each year, an amount equal to the amount reported to be in the health care account under subdivision 5 is appropriated from the health care account in the special revenue fund to the commissioner of health.

Subd. 7. **Use of higher education account.** (a) By June 1 of each year, the commissioner of revenue must report the amount of money in the higher education account to the chairs of the house and senate finance committees with jurisdiction over higher education.

(b) By September 1 of each year, the chairs of the house and senate finance committees with jurisdiction over higher education shall convene a joint hearing for the purpose of making recommendations to the Board of Regents of the University of Minnesota and the Board of Trustees of the Minnesota State Colleges and Universities on how to use the money in the higher education account.

Subd. 8. **Appropriation.** (a) On October 1 of each year, an amount equal to one-half the amount reported to be in the higher education account under subdivision 7 is appropriated from the higher education account in the special revenue fund to the Board of Regents of the University of Minnesota.

(b) On October 1 of each year, an amount equal to one-half the amount reported to be in the higher education account under subdivision 7 is appropriated from the higher education account in the special revenue fund to the Board of Trustees of the Minnesota State Colleges and Universities.

Subd. 9. **Use of early childhood and family education account.** (a) By June 1 of each year, the commissioner of revenue must report the amount of money in the early childhood and family education account to the chairs of the house and senate finance committees with jurisdiction over early childhood and family education.

(b) By September 1 of each year, the chairs of the house and senate finance committees with jurisdiction over early childhood and family education shall convene a joint hearing for the purpose of making recommendations to the commissioner of children, families, and learning on how to use the money in the early childhood and family education account.

Subd. 10. **Appropriation.** On October 1 of each year, an amount equal to the amount reported to be in the early childhood and family education account under subdivision 9 is appropriated from the early childhood and family education account in the special revenue fund to the commissioner of children, families, and learning.

Subd. 11. **Use of state parks account.** (a) By June 1 of each year, the commissioner of revenue must report the amount of money in the state parks account to the chairs of the house and senate finance committees with jurisdiction over state parks.

(b) By September 1 of each year, the chairs of the house and senate finance committees with jurisdiction over state parks shall convene a joint hearing for the purpose of making recommendations to the commissioner of natural resources on how to use the money in the state parks account.

Subd. 12. **Appropriation.** On October 1 of each year, an amount equal to the amount reported to be in the state parks account under subdivision 11 is appropriated from the state parks account in the special revenue fund to the commissioner of natural resources.

EFFECTIVE DATE. This section is effective for income tax returns for taxable years beginning after December 31, 2007."

Renumber the sections and correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Gottwalt amendment and the roll was called. There were 40 yeas and 93 nays as follows:

Those who voted in the affirmative were:

Abeler	Cornish	Emmer	Heidgerken	Paulsen	Simpson
Anderson, B.	Dean	Erhardt	Holberg	Peppin	Smith
Anderson, S.	DeLaForest	Erickson	Hoppe	Peterson, N.	Tingelstad
Beard	Demmer	Garofalo	Kohls	Ruth	Urdahl
Berns	Dettmer	Gottwalt	Magnus	Seifert	Zellers
Brod	Drazkowski	Hackbarth	McNamara	Severson	
Buesgens	Eastlund	Hamilton	Olson	Shimanski	

Those who voted in the negative were:

Anzelc	Brown	Davnie	Eken	Gunther	Hilty
Atkins	Brynaert	Dill	Faust	Hansen	Hornstein
Benson	Bunn	Dittrich	Fritz	Hausman	Hortman
Bigham	Carlson	Dominguez	Gardner	Haws	Hosch
Bly	Clark	Doty	Greiling	Hilstrom	Howes

Huntley	Lenczewski	McFarlane	Otremba	Sertich	Walker
Jaros	Lesch	Moe	Ozment	Simon	Ward
Johnson	Liebling	Morgan	Paymar	Slawik	Wardlow
Juhnke	Lieder	Morrow	Pelowski	Slocum	Welti
Kahn	Lillie	Mullery	Peterson, A.	Solberg	Westrom
Kalin	Loeffler	Murphy, E.	Peterson, S.	Swails	Winkler
Knuth	Madore	Murphy, M.	Poppe	Thao	Wollschlager
Koenen	Mahoney	Nelson	Rukavina	Thissen	Spk. Kelliher
Kranz	Mariani	Nornes	Ruud	Tillberry	
Laine	Marquart	Norton	Sailer	Tschumper	
Lanning	Masin	Olin	Scalze	Wagenius	

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

Brod, Drazkowski, Demmer, Simpson, Erickson and Berns moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 66, after line 33 insert:

"Sec. 2. Minnesota Statutes 2006, section 297A.71, is amended by adding a subdivision to read:

Subd. 40. **Brainerd and Baxter wastewater treatment facility.** Materials and supplies used in, and equipment incorporated into, the construction of a joint wastewater treatment facility servicing the cities of Brainerd and Baxter are exempt. This exemption is for purchases made before July 1, 2010. The tax must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied. The cities must apply for a refund of taxes paid on purchases partially exempt under this subdivision as provided under section 297A.75.

EFFECTIVE DATE. This section is effective for sales and purchases made after June 1, 2007.

Sec. 3. Minnesota Statutes 2006, section 297A.71, is amended by adding a subdivision to read:

Subd. 41. **Baxter water treatment facility.** Materials and supplies used in, and equipment incorporated into, the construction of a water treatment facility owned by the city of Baxter are exempt. This exemption is for purchases made before July 1, 2009. The tax must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied. The city must apply for a refund of the taxes paid on purchases partially exempt under this subdivision as provided under section 297A.75.

EFFECTIVE DATE. This section is effective for sales and purchases made after May 1, 2007.

Sec. 4. Minnesota Statutes 2006, section 297A.71, is amended by adding a subdivision to read:

Subd. 42. **Buffalo wastewater treatment facility.** Materials and supplies used in, and equipment incorporated into, the construction, improvement, or expansion of a wastewater treatment facility owned by the city of Buffalo are exempt. This section is effective for purchases made before December 31, 2008. The tax must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied. The city must apply for a refund of the taxes paid on purchases partially exempt under this subdivision as provided under section 297A.75.

EFFECTIVE DATE. This section is effective for sales and purchases made on or after March 1, 2007.

Sec. 5. Minnesota Statutes 2006, section 297A.71, is amended by adding a subdivision to read:

Subd. 43. **Burnsville surface water treatment plant.** Materials and supplies used or consumed in, and equipment incorporated into, the construction, improvement, installation, or repair of facilities and improvements associated with a surface water treatment plant project located within and owned by the city of Burnsville are exempt. This exemption is for purchases made before January 1, 2010. The tax must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied. The city must apply for a refund of the taxes paid on purchases partially exempt under this subdivision as provided in section 297A.75.

EFFECTIVE DATE. This section is effective for sales and purchases made after March 15, 2007.

Sec. 6. Minnesota Statutes 2006, section 297A.71, is amended by adding a subdivision to read:

Subd. 44. **Emily; wastewater treatment facility.** Materials and supplies used in and equipment incorporated into the construction of a wastewater treatment facility in the city of Emily are exempt. This exemption is for purchases made before January 1, 2007. The tax must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied. The city must apply for a refund of any tax paid on purchases partially exempt under this subdivision as provided in section 297A.75.

EFFECTIVE DATE. This section is effective for sales and purchases made after January 1, 2005.

Sec. 7. Minnesota Statutes 2006, section 297A.71, is amended by adding a subdivision to read:

Subd. 45. **Goodview; water treatment facilities.** Materials and supplies used in, and equipment incorporated into, the construction and expansion of up to two water treatment facilities in the city of Goodview are exempt. This exemption is for purchases made before January 1, 2009. The tax must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied. The city must apply for a refund of the taxes paid on purchases partially exempt under this subdivision as provided in section 297A.75.

EFFECTIVE DATE. This section is effective for sales and purchases made after June 30, 2007.

Sec. 8. Minnesota Statutes 2006, section 297A.71, is amended by adding a subdivision to read:

Subd. 46. **Harris wastewater treatment facility.** Materials and supplies used in, and equipment incorporated into, the construction of a wastewater treatment facility and a water treatment plant owned by the city of Harris are exempt. This exemption is effective for purchases made after May 31, 2006, and on or before June 30, 2008. The tax must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied. The city must apply for a refund of the taxes paid on purchases exempt under this subdivision as provided in section 297A.75.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 9. Minnesota Statutes 2006, section 297A.71, is amended by adding a subdivision to read:

Subd. 47. **Milaca water treatment facility.** Materials and supplies used in, and equipment incorporated into, the construction of a water treatment facility owned by the city of Milaca are exempt. This exemption is for purchases made before February 15, 2007. The tax must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied. The city must apply for a refund of the taxes paid on purchases partially exempt under this subdivision as provided in section 297A.75.

EFFECTIVE DATE. This section is effective for sales and purchases made before February 15, 2007.

Sec. 10. Minnesota Statutes 2006, section 297A.71, is amended by adding a subdivision to read:

Subd. 48. **Minnetonka water treatment facility; sales tax exemption.** Materials and supplies used in, and equipment incorporated into, the construction of a water treatment facility owned by the city of Minnetonka are exempt from the sales and use tax under this chapter. This exemption is for purchases made before December 31, 2006. The tax must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied. The city must apply for a refund of the taxes paid on purchases partially exempt under this subdivision as provided in section 297A.75.

EFFECTIVE DATE. This section is effective for sales and purchases made before December 31, 2006.

Sec. 11. Minnesota Statutes 2006, section 297A.71, is amended by adding a subdivision to read:

Subd. 49. **New Prague wastewater treatment facility.** Materials and supplies used in, and equipment incorporated into, the construction, improvement, and expansion of a wastewater treatment facility owned by the city of New Prague is exempt. This exemption is effective for purchases made on or before December 31, 2008. The tax must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied. The city must apply for a refund of the taxes paid on purchases partially exempt under this subdivision as provided in section 297A.75.

EFFECTIVE DATE. This section is effective for sales and purchases made after June 30, 2007.

Sec. 12. Minnesota Statutes 2006, section 297A.71, is amended by adding a subdivision to read:

Subd. 50. **New York Mills wastewater treatment facility.** Materials and supplies used in, and equipment incorporated into, the construction of a wastewater treatment facility owned by the city of New York Mills are exempt. This exemption is for purchases made before January 1, 2008. The tax must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied. The city must apply for a refund of the taxes paid on purchases exempt under this subdivision as provided in section 297A.75.

EFFECTIVE DATE. This section is effective for sales and purchases made before January 1, 2008.

Sec. 13. Minnesota Statutes 2006, section 297A.71, is amended by adding a subdivision to read:

Subd. 51. **Pelican Rapids wastewater treatment facility.** Materials and supplies used in, and equipment incorporated into, the improvement and expansion of a wastewater treatment facility owned by the city of Pelican Rapids are exempt. This exemption is effective for purchases made on or before December 31, 2008. The tax must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied. The city must apply for a refund of the taxes paid on purchases partially exempt under this subdivision as provided in section 297A.75.

EFFECTIVE DATE. This section is effective for sales and purchases made beginning on the day following final enactment.

Sec. 14. Minnesota Statutes 2006, section 297A.71, is amended by adding a subdivision to read:

Subd. 52. **Princeton; wastewater treatment facility.** Materials and supplies used in, and equipment incorporated into, the construction and expansion of a wastewater treatment facility, including construction of a phosphorous reduction facility, in the city of Princeton are exempt. This exemption is for purchases made before January 1, 2012. The tax must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied. The city must apply for a refund of the taxes paid on purchases partially exempt under this subdivision as provided in section 297A.75.

EFFECTIVE DATE. This section is effective for sales and purchases made after the day following final enactment.

Sec. 15. Minnesota Statutes 2006, section 297A.71, is amended by adding a subdivision to read:

Subd. 53. **Willmar wastewater treatment facility.** Materials and supplies used in, and equipment incorporated into, the construction, improvement, or expansion of a wastewater treatment facility owned by the city of Willmar are exempt. This exemption is effective for purchases made before July 1, 2012. The tax must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied. The city must apply for a refund of the taxes paid on purchases exempt under this subdivision as provided in section 297A.75.

EFFECTIVE DATE. This section is effective for sales and purchases made after June 30, 2007.

Sec. 16. Minnesota Statutes 2006, section 297A.75, is amended by adding a subdivision to read:

Subd. 1a. **Tax collected; other.** For taxes collected on purchases exempted under sections 2 to 15, the percentage of the tax listed in each section must be refunded as provided in this section.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 17. Minnesota Statutes 2006, section 297A.75, subdivision 2, is amended to read:

Subd. 2. **Refund; eligible persons.** Upon application on forms prescribed by the commissioner, a refund equal to the tax paid on the gross receipts of the exempt items must be paid to the applicant. Only the following persons may apply for the refund:

- (1) for subdivision 1, clauses (1) to (3), the applicant must be the purchaser;
- (2) for ~~subdivision~~ subdivisions 1, clauses (4), (7), and (8); and 1a, the applicant must be the governmental subdivision;
- (3) for subdivision 1, clause (5), the applicant must be the recipient of the benefits provided in United States Code, title 38, chapter 21;
- (4) for subdivision 1, clause (6), the applicant must be the owner of the homestead property;
- (5) for subdivision 1, clause (9), the owner of the qualified low-income housing project;
- (6) for subdivision 1, clause (10), the applicant must be a municipal electric utility or a joint venture of municipal electric utilities; and
- (7) for subdivision 1, clauses (11) and (12), the owner of the qualifying business.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 18. Minnesota Statutes 2006, section 297A.75, subdivision 3, is amended to read:

Subd. 3. **Application.** (a) The application must include sufficient information to permit the commissioner to verify the tax paid. If the tax was paid by a contractor, subcontractor, or builder, under subdivision 1, clause (4), (5), (6), (7), (8), (9), (10), (11), or (12); or 1a, the contractor, subcontractor, or builder must furnish to the refund applicant a statement including the cost of the exempt items and the taxes paid on the items unless otherwise specifically provided by this subdivision. The provisions of sections 289A.40 and 289A.50 apply to refunds under this section.

(b) An applicant may not file more than two applications per calendar year for refunds for taxes paid on capital equipment exempt under section 297A.68, subdivision 5.

EFFECTIVE DATE. This section is effective the day following final enactment."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

Anderson, B.; Hosch and Olson moved to amend the Brod et al amendment to H. F. No. 3201, the second engrossment, as amended, as follows:

Page 5, after line 27, insert:

"Sec. 16. Minnesota Statutes 2006, section 297A.71, is amended by adding a subdivision to read:

Subd. 54. **Clearwater and Clear Lake wastewater treatment system.** Materials and supplies used in, and equipment incorporated into, the construction of a joint wastewater treatment system servicing the cities of Clearwater and Clear Lake are exempt. This exemption is for purchases made before July 1, 2011. The tax must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied. The cities must apply for a refund of taxes paid on purchases partially exempt under this subdivision as provided under section 297A.75.

EFFECTIVE DATE. This section is effective for sales and purchases made after June 1, 2007."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

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

The question recurred on the Brod et al amendment, as amended, and the roll was called. There were 54 yeas and 79 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Gottwalt	Koenen	Olson	Shimanski
Anderson, B.	DeLaForest	Gunther	Kohls	Ozment	Simpson
Anderson, S.	Demmer	Hackbarth	Lanning	Paulsen	Smith
Beard	Dettmer	Hamilton	Magnus	Peppin	Tingelstad
Benson	Drazkowski	Hoppe	Masin	Peterson, N.	Urdahl
Berns	Eastlund	Hosch	McFarlane	Ruth	Ward
Brod	Emmer	Howes	McNamara	Ruud	Wardlow
Buesgens	Erhardt	Juhnke	Morgan	Seifert	Westrom
Cornish	Erickson	Kalin	Nornes	Severson	Zellers

Those who voted in the negative were:

Anzelc	Eken	Hortman	Madore	Pelowski	Thissen
Atkins	Faust	Huntley	Mahoney	Peterson, A.	Tillberry
Bigham	Fritz	Jaros	Mariani	Peterson, S.	Tschumper
Bly	Gardner	Johnson	Marquart	Poppe	Wagenius
Brown	Garofalo	Kahn	Moe	Rukavina	Walker
Brynaert	Greiling	Knuth	Morrow	Sailer	Welti
Bunn	Hansen	Kranz	Mullery	Scalze	Winkler
Carlson	Hausman	Laine	Murphy, E.	Sertich	Wollschlager
Clark	Haws	Lenczewski	Murphy, M.	Simon	Spk. Kelliher
Davnie	Heidgerken	Lesch	Nelson	Slawik	
Dill	Hilstrom	Liebling	Norton	Slocum	
Dittrich	Hilty	Lieder	Olin	Solberg	
Dominguez	Holberg	Lillie	Otremba	Swails	
Doty	Hornstein	Loeffler	Paymar	Thao	

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

Dean moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 79, after line 18, insert:

"Sec. 2. Minnesota Statutes 2006, section 295.52, is amended by adding a subdivision to read:

Subd. 8. **Contingent reduction in tax rate.** On September 1 of each odd-numbered year, beginning September 1, 2009, the commissioner of finance shall determine the projected balance of the health care access fund as of the end of the current biennium, based on the most recent February forecast adjusted for any legislative session changes. If the commissioner of finance projects a surplus in the health care access fund as of the end of the current biennium, the commissioner of finance, in consultation with the commissioner, shall reduce the tax rates specified in subdivisions 1, 1a, 2, 3, and 4 in one-tenth of one percent increments, making the largest reduction in tax rates consistent with ensuring that the health care access fund retains a surplus as of the end of the current biennium. The reduced tax rates take effect on the January 1 that immediately follows the September 1 on which the commissioner of finance determines the projected balance and remain in effect for two tax years. The tax rates specified in subdivisions 1, 1a, 2, 3, and 4 apply for subsequent tax years, unless the commissioner, based on a determination of the projected balance of the health care access fund made on September 1 of an odd-numbered year, reduces the tax rates. If the commissioner of finance does not project a surplus in the health care access fund as of the end of the current biennium, the tax rates specified in subdivisions 1, 1a, 2, 3, and 4 continue to apply. The commissioner of finance shall publish in the State Register by October 1 of each odd-numbered year the amount of tax to be imposed for the next two calendar years."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Dean amendment and the roll was called. There were 55 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Abeler	Demmer	Hackbarth	Liebling	Peterson, N.	Urdahl
Anderson, B.	Dettmer	Hamilton	Magnus	Ruth	Wardlow
Anderson, S.	Drazkowski	Haws	McFarlane	Ruud	Welti
Beard	Eastlund	Holberg	McNamara	Scalze	Westrom
Berns	Emmer	Hoppe	Nornes	Seifert	Zellers
Brod	Erhardt	Howes	Norton	Severson	
Buesgens	Erickson	Kalin	Olson	Shimanski	
Cornish	Garofalo	Koenen	Ozment	Simpson	
Dean	Gottwalt	Kohls	Paulsen	Smith	
DeLaForest	Gunther	Lanning	Peppin	Tingelstad	

Those who voted in the negative were:

Anzelc	Dominguez	Hortman	Lillie	Nelson	Slocum
Atkins	Doty	Hosch	Loeffler	Olin	Solberg
Benson	Eken	Huntley	Madore	Otremba	Swails
Bigham	Faust	Jaros	Mahoney	Paymar	Thao
Bly	Fritz	Johnson	Mariani	Pelowski	Thissen
Brown	Gardner	Juhnke	Marquart	Peterson, A.	Tillberry
Brynaert	Greiling	Kahn	Masin	Peterson, S.	Tschumper
Bunn	Hansen	Knuth	Moe	Poppe	Wagenius
Carlson	Hausman	Kranz	Morgan	Rukavina	Walker
Clark	Heidgerken	Laine	Morrow	Sailer	Ward
Davnie	Hilstrom	Lenczewski	Mullery	Sertich	Winkler
Dill	Hilty	Lesch	Murphy, E.	Simon	Wollschlager
Dittrich	Hornstein	Lieder	Murphy, M.	Slawik	Spk. Kelliher

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

Zellers moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 15, after line 31, insert:

"Sec. 8. Minnesota Statutes 2006, section 273.11, subdivision 1a, is amended to read:

Subd. 1a. **Limited market value.** In the case of all property classified as agricultural homestead or nonhomestead, residential homestead or nonhomestead, or timber, ~~or noncommercial seasonal residential recreational~~, the assessor shall compare the value with the taxable portion of the value determined in the preceding assessment.

For assessment years 2004, 2005, and year 2006, the amount of the increase shall not exceed the greater of (1) 15 percent of the value in the preceding assessment, or (2) 25 percent of the difference between the current assessment and the preceding assessment.

For assessment year 2007, the amount of the increase shall not exceed the greater of (1) 15 percent of the value in the preceding assessment, or (2) 33 percent of the difference between the current assessment and the preceding assessment.

For assessment year 2008, the amount of the increase shall not exceed the greater of (1) 15 percent of the value in the preceding assessment, or (2) 50 percent of the difference between the current assessment and the preceding assessment.

This limitation shall not apply to increases in value due to improvements. For purposes of this subdivision, the term "assessment" means the value prior to any exclusion under subdivision 16.

The provisions of this subdivision shall be in effect through assessment year 2008 as provided in this subdivision.

For purposes of the assessment/sales ratio study conducted under section 127A.48, and the computation of state aids paid under chapters 122A, 123A, 123B, 124D, 125A, 126C, 127A, and 477A, market values and net tax capacities determined under this subdivision and subdivision 16, shall be used.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 9. Minnesota Statutes 2006, section 273.11, is amended by adding a subdivision to read:

Subd. 1b. **Limited market value; noncommercial seasonal residential recreational property.** (a) In the case of all property classified as noncommercial seasonal residential recreational, for assessment years 2008 and 2009 only, the taxable market value of the property shall be the same as the taxable market value determined under this section for the 2006 assessment.

(b) The assessor shall compare the value with the taxable portion of the value determined in the preceding assessment.

For assessment year 2010, the amount of the increase shall not exceed the greater of (1) 15 percent of the value in the preceding assessment, or (2) 33 percent of the difference between the current assessment and the preceding assessment.

For assessment year 2011, the amount of the increase shall not exceed the greater of (1) 15 percent of the value in the preceding assessment, or (2) 50 percent of the difference between the current assessment and the preceding assessment.

This limitation shall not apply to increases in value due to improvements. For purposes of this subdivision, the term "assessment" means the value prior to any exclusion under subdivision 16.

The provisions of this subdivision shall be in effect through assessment year 2011 as provided in this subdivision.

For purposes of the assessment/sales ratio study conducted under section 127A.48, and the computation of state aids paid under chapters 122A, 123A, 123B, 124D, 125A, 126C, 127A, and 477A, market values and net tax capacities determined under this subdivision and subdivision 16, shall be used.

EFFECTIVE DATE. This section is effective the day following final enactment."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Zellers amendment and the roll was called. There were 48 yeas and 85 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Erhardt	Howes	Nornes	Severson
Anderson, B.	DeLaForest	Erickson	Jaros	Olson	Shimanski
Anderson, S.	Demmer	Gunther	Kohls	Paulsen	Simpson
Beard	Dettmer	Hackbarth	Lanning	Peppin	Smith
Berns	Dittrich	Hamilton	Magnus	Peterson, N.	Tingelstad
Brod	Drazkowski	Hansen	McFarlane	Rukavina	Wardlow
Buesgens	Eastlund	Holberg	McNamara	Ruth	Westrom
Cornish	Emmer	Hoppe	Morgan	Seifert	Zellers

Those who voted in the negative were:

Anzelc	Faust	Johnson	Mahoney	Pelowski	Tillberry
Atkins	Fritz	Juhnke	Mariani	Peterson, A.	Tschumper
Benson	Gardner	Kahn	Marquart	Peterson, S.	Urdahl
Bigham	Garofalo	Kalin	Masin	Poppe	Wagenius
Bly	Gottwalt	Knuth	Moe	Ruud	Walker
Brown	Greiling	Koenen	Morrow	Sailer	Ward
Brynaert	Hausman	Kranz	Mullery	Scalze	Welti
Bunn	Haws	Laine	Murphy, E.	Sertich	Winkler
Carlson	Heidgerken	Lenczewski	Murphy, M.	Simon	Wollschlager
Clark	Hilstrom	Lesch	Nelson	Slawik	Spk. Kelliher
Davnie	Hilty	Liebling	Norton	Slocum	
Dill	Hornstein	Lieder	Olin	Solberg	
Dominguez	Hortman	Lillie	Otremba	Swails	
Doty	Hosch	Loeffler	Ozment	Thao	
Eken	Huntley	Madore	Paymar	Thissen	

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

Sertich moved that the House recess subject to the call of the Chair.

A roll call was requested and properly seconded.

The question was taken on the Sertich motion and the roll was called. There were 83 yeas and 50 nays as follows:

Those who voted in the affirmative were:

Anzelc	Clark	Fritz	Hornstein	Kalin	Lillie
Atkins	Davnie	Gardner	Hortman	Knuth	Loeffler
Benson	Dill	Greiling	Hosch	Koenen	Madore
Bigham	Dittrich	Hansen	Huntley	Laine	Mahoney
Bly	Dominguez	Hausman	Jaros	Lenczewski	Mariani
Brown	Doty	Haws	Johnson	Lesch	Marquart
Brynaert	Eken	Hilstrom	Juhnke	Liebling	Masin
Carlson	Faust	Hilty	Kahn	Lieder	Moe

Morgan	Norton	Peterson, S.	Sertich	Thao	Ward
Morrow	Olin	Poppe	Simon	Thissen	Welti
Mullery	Otremba	Rukavina	Slawik	Tillberry	Winkler
Murphy, E.	Paymar	Ruud	Slocum	Tschumper	Wollschlager
Murphy, M.	Pelowski	Sailer	Solberg	Wagenius	Spk. Kelliher
Nelson	Peterson, A.	Scalze	Swails	Walker	

Those who voted in the negative were:

Abeler	Dean	Garofalo	Kohls	Paulsen	Tingelstad
Anderson, B.	DeLaForest	Gottwalt	Kranz	Peppin	Urdahl
Anderson, S.	Demmer	Gunther	Lanning	Peterson, N.	Wardlow
Beard	Dettmer	Hackbarth	Magnus	Ruth	Westrom
Berns	Drazkowski	Hamilton	McFarlane	Seifert	Zellers
Brod	Eastlund	Heidgerken	McNamara	Severson	
Buesgens	Emmer	Holberg	Nornes	Shimanski	
Bunn	Erhardt	Hoppe	Olson	Simpson	
Cornish	Erickson	Howes	Ozment	Smith	

The motion prevailed.

RECESS

RECONVENED

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

FISCAL CALENDAR, Continued

Madore and Walker were excused for the remainder of today's session.

Eastlund; Dettmer; Shimanski; Simpson; Severson; Gottwalt; Anderson, B., and Westrom offered an amendment to H. F. No. 3201, the second engrossment, as amended.

Olson requested a division of the Eastlund et al amendment to H. F. No. 3201, the second engrossment, as amended.

The first portion of the Eastlund et al amendment to H. F. No. 3201, the second engrossment, as amended, reads as follows:

Page 12, delete section 3

Page 25, delete section 13

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the first portion of the Eastlund et al amendment and the roll was called. There were 49 yeas and 83 nays as follows:

Those who voted in the affirmative were:

Abeler	DeLaForest	Finstad	Lanning	Ruth	Urdahl
Anderson, S.	Demmer	Garofalo	Magnus	Ruud	Wardlow
Beard	Dettmer	Gottwalt	McFarlane	Scalze	Westrom
Benson	Dittrich	Gunther	McNamara	Seifert	Zellers
Berns	Drazkowski	Hackbarth	Nornes	Severson	
Brod	Eastlund	Hamilton	Ozment	Shimanski	
Buesgens	Emmer	Holberg	Paulsen	Simpson	
Cornish	Erhardt	Hoppe	Peppin	Smith	
Dean	Erickson	Kohls	Peterson, N.	Tingelstad	

Those who voted in the negative were:

Anderson, B.	Eken	Howes	Lieder	Norton	Slocum
Anzels	Faust	Huntley	Lillie	Olin	Solberg
Atkins	Fritz	Jaros	Loeffler	Olson	Swails
Bigham	Gardner	Johnson	Mahoney	Otremba	Thao
Bly	Greiling	Juhnke	Mariani	Paymar	Thissen
Brown	Hansen	Kahn	Marquart	Pelowski	Tillberry
Brynaert	Hausman	Kalin	Masin	Peterson, A.	Tschumper
Bunn	Haws	Knuth	Moe	Peterson, S.	Wagenius
Carlson	Heidgerken	Koenen	Morgan	Poppe	Ward
Clark	Hilstrom	Kranz	Morrow	Rukavina	Welti
Davnie	Hilty	Laine	Mullery	Sailer	Winkler
Dill	Hornstein	Lenczewski	Murphy, E.	Sertich	Wollschlager
Dominguez	Hortman	Lesch	Murphy, M.	Simon	Spk. Kelliher
Doty	Hosch	Liebling	Nelson	Slawik	

The motion did not prevail and the first portion of the Eastlund et al amendment was not adopted.

The second portion of the Eastlund et al amendment to H. F. No. 3201, the second engrossment, as amended, reads as follows:

Page 48, delete section 2

Page 53, delete section 4

Page 55, delete section 6

Page 57, delete section 7

Page 59, delete sections 8 and 9

Page 81, delete section 5

Page 82, delete section 8

Page 83, delete section 11

Page 84, delete section 12

Page 85, delete sections 13 and 14

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the second portion of the Eastlund et al amendment and the roll was called. There were 50 yeas and 82 nays as follows:

Those who voted in the affirmative were:

Abeler	DeLaForest	Finstad	Kohls	Peterson, N.	Tingelstad
Anderson, B.	Demmer	Garofalo	Lanning	Ruth	Urdahl
Anderson, S.	Dettmer	Gottwalt	Magnus	Ruud	Wardlow
Beard	Dittrich	Gunther	McFarlane	Scalze	Westrom
Berns	Drazkowski	Hackbarth	McNamara	Seifert	Zellers
Brod	Eastlund	Hamilton	Nornes	Severson	
Buesgens	Emmer	Heidgerken	Olson	Shimanski	
Cornish	Erhardt	Holberg	Paulsen	Simpson	
Dean	Erickson	Hoppe	Peppin	Smith	

Those who voted in the negative were:

Anzelc	Eken	Huntley	Lillie	Olin	Solberg
Atkins	Faust	Jaros	Loeffler	Otremba	Swails
Benson	Fritz	Johnson	Mahoney	Ozment	Thao
Bigham	Gardner	Juhnke	Mariani	Paymar	Thissen
Bly	Greiling	Kahn	Marquart	Pelowski	Tillberry
Brown	Hansen	Kalin	Masin	Peterson, A.	Tschumper
Brynaert	Hausman	Knuth	Moe	Peterson, S.	Wagenius
Bunn	Haws	Koenen	Morgan	Poppe	Ward
Carlson	Hilstrom	Kranz	Morrow	Rukavina	Welti
Clark	Hilty	Laine	Mullery	Sailer	Winkler
Davnie	Hornstein	Lenczewski	Murphy, E.	Sertich	Wollschlager
Dill	Hortman	Lesch	Murphy, M.	Simon	Spk. Kelliher
Dominguez	Hosch	Liebling	Nelson	Slawik	
Doty	Howes	Lieder	Norton	Slocum	

The motion did not prevail and the second portion of the Eastlund et al amendment was not adopted.

Zellers moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 48, delete section 2

Page 54, line 36, after the semicolon, insert "and"

Page 55, delete line 1

Page 55, line 2, delete "(20)" and insert "(19)"

Page 55, delete section 6

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

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

Those who voted in the affirmative were:

Abeler	DeLaForest	Garofalo	Kohls	Ozment	Shimanski
Anderson, B.	Demmer	Gottwalt	Kranz	Paulsen	Simpson
Anderson, S.	Dettmer	Gunther	Lanning	Peppin	Smith
Beard	Dittrich	Hackbarth	Magnus	Peterson, N.	Swails
Berns	Drazkowski	Hamilton	McFarlane	Peterson, S.	Tingelstad
Brod	Eastlund	Hansen	McNamara	Ruth	Urdahl
Buesgens	Emmer	Heidgerken	Morgan	Ruud	Wardlow
Bunn	Erhardt	Holberg	Nornes	Scalze	Welti
Cornish	Erickson	Hoppe	Olin	Seifert	Westrom
Dean	Finstad	Kalin	Olson	Severson	Zellers

Those who voted in the negative were:

Anzelc	Doty	Hosch	Liebling	Murphy, M.	Slawik
Atkins	Eken	Howes	Lieder	Nelson	Slocum
Benson	Faust	Huntley	Lillie	Norton	Solberg
Bigham	Fritz	Jaros	Loeffler	Otremba	Thao
Bly	Gardner	Johnson	Mahoney	Paymar	Thissen
Brown	Greiling	Juhnke	Mariani	Pelowski	Tillberry
Brynaert	Hausman	Kahn	Marquart	Peterson, A.	Tschumper
Carlson	Haws	Knuth	Masin	Poppe	Wagenius
Clark	Hilstrom	Koenen	Moe	Rukavina	Ward
Davnie	Hilty	Laine	Morrow	Sailer	Winkler
Dill	Hornstein	Lenczewski	Mullery	Sertich	Wollschlager
Dominguez	Hortman	Lesch	Murphy, E.	Simon	Spk. Kelliher

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

DeLaForest; Anderson, S.; McNamara; Dettmer; Peppin; McFarlane; Eastlund; Berns; Holberg and Hackbarth moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 81, delete section 5

Page 82, delete section 8

Page 83, delete section 11

Page 84, delete section 12

Page 85, delete section 13

Page 85, delete section 14

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

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

Those who voted in the affirmative were:

Abeler	Dean	Erickson	Hoppe	Paulsen	Simpson
Anderson, B.	DeLaForest	Finstad	Kohls	Peppin	Smith
Anderson, S.	Demmer	Garofalo	Kranz	Peterson, S.	Tingelstad
Beard	Dettmer	Gottwalt	Lanning	Ruth	Urdahl
Berns	Dittrich	Gunther	Magnus	Ruud	Wardlow
Brod	Draskowski	Hackbarth	McFarlane	Scalze	Westrom
Buesgens	Eastlund	Hamilton	McNamara	Seifert	Zellers
Bunn	Emmer	Heidgerken	Nornes	Severson	
Cornish	Erhardt	Holberg	Olson	Shimanski	

Those who voted in the negative were:

Anzelc	Faust	Jaros	Mahoney	Ozment	Thao
Atkins	Fritz	Johnson	Mariani	Paymar	Thissen
Benson	Gardner	Juhnke	Marquart	Pelowski	Tillberry
Bigham	Greiling	Kahn	Masin	Peterson, A.	Tschumper
Bly	Hansen	Kalin	Moe	Peterson, N.	Wagenius
Brown	Hausman	Knuth	Morgan	Poppe	Ward
Brynaert	Haws	Koenen	Morrow	Rukavina	Walti
Carlson	Hilstrom	Laine	Mullery	Sailer	Winkler
Clark	Hilty	Lenczewski	Murphy, E.	Sertich	Wollschlager
Davnie	Hornstein	Lesch	Murphy, M.	Simon	Spk. Kelliher
Dill	Hortman	Liebling	Nelson	Slawik	
Dominguez	Hosch	Lieder	Norton	Slocum	
Doty	Howes	Lillie	Olin	Solberg	
Eken	Huntley	Loeffler	Otremba	Swails	

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

Pursuant to rule 1.50, Sertich moved that the House be allowed to continue in session after 12:00 midnight. The motion prevailed.

Westrom and Nornes moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 24, line 28, strike "\$500,000" and insert "\$1,000,000"

Page 24, line 30, strike "0.55" and insert "0.50"

Page 31, line 21, strike "\$500,000" and insert "\$1,000,000"

A roll call was requested and properly seconded.

The question was taken on the Westrom and Nornes amendment and the roll was called. There were 61 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Abeler	Demmer	Finstad	Kohls	Paulsen	Tingelstad
Anderson, B.	Dettmer	Garofalo	Kranz	Peppin	Urdahl
Anderson, S.	Dill	Gottwalt	Lanning	Peterson, N.	Ward
Anzalc	Dittrich	Gunther	Magnus	Ruth	Wardlow
Beard	Doty	Hackbarth	McFarlane	Sailer	Westrom
Berns	Drazkowski	Hamilton	McNamara	Seifert	Zellers
Brod	Eastlund	Heidgerken	Moe	Severson	
Buesgens	Eken	Holberg	Nornes	Shimanski	
Cornish	Emmer	Hoppe	Olson	Simpson	
Dean	Erhardt	Howes	Otremba	Smith	
DeLaForest	Erickson	Koenen	Ozment	Solberg	

Those who voted in the negative were:

Atkins	Fritz	Jaros	Loeffler	Olin	Slocum
Benson	Gardner	Johnson	Mahoney	Paymar	Swails
Bigham	Greiling	Juhnke	Mariani	Pelowski	Thao
Bly	Hansen	Kahn	Marquart	Peterson, A.	Thissen
Brown	Hausman	Kalin	Masin	Peterson, S.	Tillberry
Brynaert	Haws	Knuth	Morgan	Poppe	Tschumper
Bunn	Hilstrom	Laine	Morrow	Rukavina	Wagenius
Carlson	Hilty	Lenczewski	Mullery	Ruud	Welti
Clark	Hornstein	Lesch	Murphy, E.	Scalze	Winkler
Davnie	Hortman	Liebling	Murphy, M.	Sertich	Wollschlager
Dominguez	Hosch	Lieder	Nelson	Simon	Spk. Kelliher
Faust	Huntley	Lillie	Norton	Slawik	

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

Demmer, Brown, Hamilton, Gunther, Magnus, Gottwalt, Ruth, Poppe and Severson moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 3, after line 2, insert:

"Section 1. Minnesota Statutes 2007 Supplement, section 126C.21, subdivision 3, is amended to read:

Subd. 3. **County apportionment deduction.** Each year the amount of money apportioned to a district for that year pursuant to ~~sections~~ section 127A.34, subdivision 2, and 272.029, subdivision 6, must be deducted from the general education aid earned by that district for the same year or from aid earned from other state sources.

EFFECTIVE DATE. This section is effective the day following final enactment for revenue for fiscal year 2009."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

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

Paulsen moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 55, after line 8, insert:

"Sec. 5. Minnesota Statutes 2006, section 290.06, is amended by adding a subdivision to read:

Subd. 1b. **Special corporate rate.** (a) Notwithstanding the provisions of subdivision 1, the franchise tax imposed on a qualified corporation for the taxable year must be computed by applying to taxable income the rate of 8.8 percent.

(b) For purposes of this subdivision, a "qualified corporation" is a corporation that was certified by the commissioner of employment and economic development as increasing the number of its full-time equivalent employees in Minnesota by at least 500 during the calendar year ending in its previous taxable year. The commissioner of employment and economic development shall establish an application and certification procedure to verify the required increase in employment positions and shall notify the commissioner of each qualified corporation for each taxable year in the manner and by the time the commissioner prescribes. A certified corporation is not a qualified corporation for the taxable year unless its total Minnesota payroll, as defined in section 290.191, subdivision 12, increased by the greater of (1) \$12,500,000 or (2) one percent over the amount reported in the previous taxable year.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2008."

Page 55, after line 29, insert:

"Sec. 7. Minnesota Statutes 2006, section 290.068, subdivision 1, is amended to read:

Subdivision 1. **Credit allowed.** A corporation, other than a corporation treated as an "S" corporation under section 290.9725, is allowed a credit against the portion of the franchise tax computed under section 290.06, subdivision 1, for the taxable year equal to:

(a) 5 percent of ~~the first \$2,000,000 of the excess (if any) of~~

(1) the qualified research expenses for the taxable year, ~~over~~

(2) the base amount; and

~~(b) 2.5 percent on all of such excess expenses over \$2,000,000.~~

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2007."

Page 59, after line 4, insert:

"Sec. 10. Minnesota Statutes 2006, section 290.191, subdivision 2, is amended to read:

Subd. 2. **Apportionment formula of general application.** (a) Except for those trades or businesses required to use a different formula under subdivision 3 or section 290.36, and for those trades or businesses that receive permission to use some other method under section 290.20 or under subdivision 4, a trade or business required to apportion its net income must apportion its income to this state on the basis of the percentage obtained by taking the sum of:

(1) the percent for the sales factor under paragraph (b) of the percentage which the sales made within this state in connection with the trade or business during the tax period are of the total sales wherever made in connection with the trade or business during the tax period;

(2) the percent for the property factor under paragraph (b) of the percentage which the total tangible property used by the taxpayer in this state in connection with the trade or business during the tax period is of the total tangible property, wherever located, used by the taxpayer in connection with the trade or business during the tax period; and

(3) the percent for the payroll factor under paragraph (b) of the percentage which the taxpayer's total payrolls paid or incurred in this state or paid in respect to labor performed in this state in connection with the trade or business during the tax period are of the taxpayer's total payrolls paid or incurred in connection with the trade or business during the tax period.

(b) For purposes of paragraph (a) and subdivision 3, the following percentages apply for the taxable years specified:

Taxable years beginning during calendar year	Sales factor percent	Property factor percent	Payroll factor percent
2007	78	11	11
2008	81 <u>85</u>	9.5 <u>7.5</u>	9.5 <u>7.5</u>
2009	84 <u>90</u>	8 <u>5</u>	8 <u>5</u>
2010	87 <u>95</u>	6.5 <u>2.5</u>	6.5 <u>2.5</u>
2011	90	5	5
2012	93	3.5	3.5
2013	96	2	2
2014 and later calendar years	100	0	0

EFFECTIVE DATE. This section is effective for tax years beginning after December 31, 2007."

Page 66, after line 33, insert:

"Sec. 2. Minnesota Statutes 2006, section 297A.68, subdivision 5, is amended to read:

Subd. 5. **Capital equipment.** (a) Capital equipment is exempt. ~~The tax must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied, and then refunded in the manner provided in section 297A.75.~~

"Capital equipment" means machinery and equipment purchased or leased, and used in this state by the purchaser or lessee primarily for manufacturing, fabricating, mining, or refining tangible personal property to be sold ultimately at retail if the machinery and equipment are essential to the integrated production process of manufacturing, fabricating, mining, or refining. Capital equipment also includes machinery and equipment used primarily to electronically transmit results retrieved by a customer of an online computerized data retrieval system.

(b) Capital equipment includes, but is not limited to:

- (1) machinery and equipment used to operate, control, or regulate the production equipment;
- (2) machinery and equipment used for research and development, design, quality control, and testing activities;
- (3) environmental control devices that are used to maintain conditions such as temperature, humidity, light, or air pressure when those conditions are essential to and are part of the production process;
- (4) materials and supplies used to construct and install machinery or equipment;
- (5) repair and replacement parts, including accessories, whether purchased as spare parts, repair parts, or as upgrades or modifications to machinery or equipment;
- (6) materials used for foundations that support machinery or equipment;
- (7) materials used to construct and install special purpose buildings used in the production process;
- (8) ready-mixed concrete equipment in which the ready-mixed concrete is mixed as part of the delivery process regardless if mounted on a chassis, repair parts for ready-mixed concrete trucks, and leases of ready-mixed concrete trucks; and
- (9) machinery or equipment used for research, development, design, or production of computer software.

(c) Capital equipment does not include the following:

- (1) motor vehicles taxed under chapter 297B;
- (2) machinery or equipment used to receive or store raw materials;
- (3) building materials, except for materials included in paragraph (b), clauses (6) and (7);
- (4) machinery or equipment used for nonproduction purposes, including, but not limited to, the following: plant security, fire prevention, first aid, and hospital stations; support operations or administration; pollution control; and plant cleaning, disposal of scrap and waste, plant communications, space heating, cooling, lighting, or safety;
- (5) farm machinery and aquaculture production equipment as defined by section 297A.61, subdivisions 12 and 13;
- (6) machinery or equipment purchased and installed by a contractor as part of an improvement to real property;
- (7) machinery and equipment used by restaurants in the furnishing, preparing, or serving of prepared foods as defined in section 297A.61, subdivision 31;
- (8) machinery and equipment used to furnish the services listed in section 297A.61, subdivision 3, paragraph (g), clause (6), items (i) to (vi) and (viii);

(9) machinery or equipment used in the transportation, transmission, or distribution of petroleum, liquefied gas, natural gas, water, or steam, in, by, or through pipes, lines, tanks, mains, or other means of transporting those products. This clause does not apply to machinery or equipment used to blend petroleum or biodiesel fuel as defined in section 239.77; or

(10) any other item that is not essential to the integrated process of manufacturing, fabricating, mining, or refining.

(d) For purposes of this subdivision:

(1) "Equipment" means independent devices or tools separate from machinery but essential to an integrated production process, including computers and computer software, used in operating, controlling, or regulating machinery and equipment; and any subunit or assembly comprising a component of any machinery or accessory or attachment parts of machinery, such as tools, dies, jigs, patterns, and molds.

(2) "Fabricating" means to make, build, create, produce, or assemble components or property to work in a new or different manner.

(3) "Integrated production process" means a process or series of operations through which tangible personal property is manufactured, fabricated, mined, or refined. For purposes of this clause, (i) manufacturing begins with the removal of raw materials from inventory and ends when the last process prior to loading for shipment has been completed; (ii) fabricating begins with the removal from storage or inventory of the property to be assembled, processed, altered, or modified and ends with the creation or production of the new or changed product; (iii) mining begins with the removal of overburden from the site of the ores, minerals, stone, peat deposit, or surface materials and ends when the last process before stockpiling is completed; and (iv) refining begins with the removal from inventory or storage of a natural resource and ends with the conversion of the item to its completed form.

(4) "Machinery" means mechanical, electronic, or electrical devices, including computers and computer software, that are purchased or constructed to be used for the activities set forth in paragraph (a), beginning with the removal of raw materials from inventory through completion of the product, including packaging of the product.

(5) "Machinery and equipment used for pollution control" means machinery and equipment used solely to eliminate, prevent, or reduce pollution resulting from an activity described in paragraph (a).

(6) "Manufacturing" means an operation or series of operations where raw materials are changed in form, composition, or condition by machinery and equipment and which results in the production of a new article of tangible personal property. For purposes of this subdivision, "manufacturing" includes the generation of electricity or steam to be sold at retail.

(7) "Mining" means the extraction of minerals, ores, stone, or peat.

(8) "Online data retrieval system" means a system whose cumulation of information is equally available and accessible to all its customers.

(9) "Primarily" means machinery and equipment used 50 percent or more of the time in an activity described in paragraph (a).

(10) "Refining" means the process of converting a natural resource to an intermediate or finished product, including the treatment of water to be sold at retail.

(11) This subdivision does not apply to telecommunications equipment as provided in subdivision 35, and does not apply to wire, cable, fiber, poles, or conduit for telecommunications services.

EFFECTIVE DATE. This section is effective for sales and purchases made after June 30, 2008."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Paulsen amendment and the roll was called. There were 59 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Abeler	DeLaForest	Gardner	Kalin	Ozment	Simpson
Anderson, B.	Demmer	Garofalo	Kohls	Paulsen	Smith
Anderson, S.	Dettmer	Gottwalt	Kranz	Peppin	Swails
Beard	Dittrich	Gunther	Lanning	Peterson, N.	Tingelstad
Berns	Drazkowski	Hackbarth	Magnus	Peterson, S.	Urdahl
Brod	Eastlund	Hamilton	McFarlane	Ruth	Wardlow
Buesgens	Emmer	Heidgerken	McNamara	Ruud	Welti
Bunn	Erhardt	Holberg	Nornes	Seifert	Westrom
Cornish	Erickson	Hoppe	Olson	Severson	Zellers
Dean	Finstad	Howes	Otremba	Shimanski	

Those who voted in the negative were:

Anzenc	Eken	Jaros	Mahoney	Paymar	Thissen
Atkins	Faust	Johnson	Mariani	Pelowski	Tillberry
Benson	Fritz	Juhnke	Marquart	Peterson, A.	Tschumper
Bigham	Greiling	Kahn	Masin	Poppe	Wagenius
Bly	Hansen	Knuth	Moe	Rukavina	Ward
Brown	Hausman	Koenen	Morgan	Sailer	Winkler
Brynaert	Haws	Laine	Morrow	Scalze	Wollschlager
Carlson	Hilstrom	Lenczewski	Mullery	Sertich	Spk. Kelliher
Clark	Hilty	Lesch	Murphy, E.	Simon	
Davnie	Hornstein	Liebling	Murphy, M.	Slawik	
Dill	Hortman	Lieder	Nelson	Slocum	
Dominguez	Hosch	Lillie	Norton	Solberg	
Doty	Huntley	Loeffler	Olin	Thao	

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

Olson and Heidgerken moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 50, line 9, delete "and"

Page 50, line 10, strike the period and insert "; and

(12) to the extent excluded or deducted in computing federal taxable income, the amount excluded for discharge of indebtedness on principal residences as provided in section 2 of Public Law 110-142, the Mortgage Forgiveness Debt Relief Act of 2007."

Page 55, after line 8, insert:

"Sec. 5. Minnesota Statutes 2006, section 290.06, is amended by adding a subdivision to read:

Subd. 35. **Credit for sale of home.** (a) An individual is allowed a credit against the tax due under this chapter equal to 25 percent of the loss on the sale of a home. The maximum total credit allowed under this subdivision is \$10,000, but the maximum that may be used in any taxable year is \$3,000.

(b) For purposes of this subdivision, "loss on the sale of a home" means the extent to which (i) the current year's estimated market value, as determined by the county assessor, of a property for which the individual claimed homestead benefits under section 273.13, subdivision 22, exceeds (ii) the sales price of the property, less any amounts paid by the individual in fees and commissions related to the sale of the property.

(c) If the credit allowed under this subdivision exceeds the lesser of (i) the tax liability of the individual for the taxable year or (ii) \$3,000, the excess amount of the credit may be carried over to each of the ten taxable years succeeding the taxable year. The entire amount of the credit must be carried to the earliest taxable year to which the amount may be carried, but the maximum amount that is allowed in any taxable year is \$3,000. The unused portion of the credit must be carried to the following taxable year. No credit may be carried to a taxable year more than ten years after the taxable year in which the credit was initially allowed.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2007."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

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

Zellers moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 48, delete section 2

Page 54, line 36, after the semicolon, insert "and"

Page 55, delete line 1

Page 55, line 2, delete "(20)" and insert "(19)"

Page 55, delete section 6

Page 59, after line 25, insert:

"Sec. 9. **DEDUCTION DISALLOWED.**

Notwithstanding other law to the contrary, taxable income for a trade or business expense shall be allowed for any fine or similar penalty paid to a government for the violation of any law to the extent such payment is nondeductible under section 162(f) of the Internal Revenue Code as in effect on February 13, 2008."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Zellers amendment and the roll was called. There were 61 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Abeler	Demmer	Gunther	Magnus	Peterson, N.	Tingelstad
Anderson, B.	Dettmer	Hackbarth	McFarlane	Peterson, S.	Urdahl
Anderson, S.	Dittrich	Hamilton	McNamara	Ruth	Wardlow
Beard	Drazkowski	Hansen	Morgan	Ruud	Welti
Berns	Eastlund	Heidgerken	Morrow	Scalze	Westrom
Brod	Emmer	Holberg	Nornes	Seifert	Zellers
Buesgens	Erhardt	Hoppe	Olin	Severson	
Bunn	Erickson	Kalin	Olson	Shimanski	
Cornish	Finstad	Kohls	Ozment	Simpson	
Dean	Garofalo	Kranz	Paulsen	Smith	
DeLaForest	Gottwalt	Lanning	Peppin	Swails	

Those who voted in the negative were:

Anzelc	Doty	Hosch	Liebling	Nelson	Slocum
Atkins	Eken	Howes	Lieder	Norton	Solberg
Benson	Faust	Huntley	Lillie	Otremba	Thao
Bigham	Fritz	Jaros	Loeffler	Paymar	Thissen
Bly	Gardner	Johnson	Mahoney	Pelowski	Tillberry
Brown	Greiling	Juhnke	Mariani	Peterson, A.	Tschumper
Brynaert	Hausman	Kahn	Marquart	Poppe	Wagenius
Carlson	Haws	Knuth	Masin	Rukavina	Ward
Clark	Hilstrom	Koenen	Moe	Sailer	Winkler
Davnie	Hilty	Laine	Mullery	Sertich	Wollschlager
Dill	Hornstein	Lenczewski	Murphy, E.	Simon	Spk. Kelliher
Dominguez	Hortman	Lesch	Murphy, M.	Slawik	

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

Olson and Erickson moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 47, after line 15, insert:

"Section 1. **PURPOSE.**

In order to avoid increasing the risk of economic recession in Minnesota while still meeting the state's significant transportation and transit needs, the legislature finds it necessary to implement individual income tax rate reductions to offset the state transportation tax increases in this article."

Page 55, after line 8, insert:

"Sec. 3. Minnesota Statutes 2006, section 290.06, subdivision 2c, is amended to read:

Subd. 2c. **Schedules of rates for individuals, estates, and trusts.** (a) The income taxes imposed by this chapter upon married individuals filing joint returns and surviving spouses as defined in section 2(a) of the Internal Revenue Code must be computed by applying to their taxable net income the following schedule of rates:

- (1) On the first \$25,680, ~~5.35~~ 5.3 percent;
- (2) On all over \$25,680, but not over \$102,030, ~~7.05~~ 7 percent;
- (3) On all over \$102,030, ~~7.85~~ 7.8 percent.

Married individuals filing separate returns, estates, and trusts must compute their income tax by applying the above rates to their taxable income, except that the income brackets will be one-half of the above amounts.

(b) The income taxes imposed by this chapter upon unmarried individuals must be computed by applying to taxable net income the following schedule of rates:

- (1) On the first \$17,570, ~~5.35~~ 5.3 percent;
- (2) On all over \$17,570, but not over \$57,710, ~~7.05~~ 7 percent;
- (3) On all over \$57,710, ~~7.85~~ 7.8 percent.

(c) The income taxes imposed by this chapter upon unmarried individuals qualifying as a head of household as defined in section 2(b) of the Internal Revenue Code must be computed by applying to taxable net income the following schedule of rates:

- (1) On the first \$21,630, ~~5.35~~ 5.3 percent;
- (2) On all over \$21,630, but not over \$86,910, ~~7.05~~ 7 percent;
- (3) On all over \$86,910, ~~7.85~~ 7.8 percent.

For taxable years beginning after December 31, 2008, and before January 1, 2011, all of the percentage rates in this section are reduced by two-tenths of one percent, to 5.15, 6.85, and 7.65 percent. For taxable years beginning after December 31, 2010, all of the percentage rates in this section are reduced by 35 hundredths of one percent, to 5, 6.7, and 7.5 percent.

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

(e) An individual who is not a Minnesota resident for the entire year must compute the individual's Minnesota income tax as provided in this subdivision. After the application of the nonrefundable credits provided in this chapter, the tax liability must then be multiplied by a fraction in which:

(1) the numerator is the individual's Minnesota source federal adjusted gross income as defined in section 62 of the Internal Revenue Code and increased by the additions required under section 290.01, subdivision 19a, clauses (1), (5), (6), (7), (8), and (9), and reduced by the Minnesota assignable portion of the subtraction for United States government interest under section 290.01, subdivision 19b, clause (1), and the subtractions under section 290.01, subdivision 19b, clauses (9), (10), (14), (15), and (16), after applying the allocation and assignability provisions of section 290.081, clause (a), or 290.17; and

(2) the denominator is the individual's federal adjusted gross income as defined in section 62 of the Internal Revenue Code of 1986, increased by the amounts specified in section 290.01, subdivision 19a, clauses (1), (5), (6), (7), (8), and (9), and reduced by the amounts specified in section 290.01, subdivision 19b, clauses (1), (9), (10), (14), (15), and (16).

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2007."

Page 55, after line 29, insert:

"Sec. 5. Minnesota Statutes 2006, section 290.091, subdivision 1, is amended to read:

Subdivision 1. **Imposition of tax.** In addition to all other taxes imposed by this chapter a tax is imposed on individuals, estates, and trusts equal to the excess (if any) of

(a) an amount equal to ~~6.4~~ 6.2 percent of alternative minimum taxable income after subtracting the exemption amount, over

(b) the regular tax for the taxable year.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2008.

Sec. 6. Minnesota Statutes 2006, section 290.091, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For purposes of the tax imposed by this section, the following terms have the meanings given:

(a) "Alternative minimum taxable income" means the sum of the following for the taxable year:

(1) the taxpayer's federal alternative minimum taxable income as defined in section 55(b)(2) of the Internal Revenue Code;

(2) the taxpayer's itemized deductions allowed in computing federal alternative minimum taxable income, but excluding:

(i) the charitable contribution deduction under section 170 of the Internal Revenue Code:

(A) for taxable years beginning before January 1, 2006, to the extent that the deduction exceeds 1.0 percent of adjusted gross income;

(B) for taxable years beginning after December 31, 2005, to the full extent of the deduction.

For purposes of this clause, "adjusted gross income" has the meaning given in section 62 of the Internal Revenue Code;

(ii) the medical expense deduction;

(iii) the casualty, theft, and disaster loss deduction; and

(iv) the impairment-related work expenses of a disabled person;

(3) for depletion allowances computed under section 613A(c) of the Internal Revenue Code, with respect to each property (as defined in section 614 of the Internal Revenue Code), to the extent not included in federal alternative minimum taxable income, the excess of the deduction for depletion allowable under section 611 of the Internal Revenue Code for the taxable year over the adjusted basis of the property at the end of the taxable year (determined without regard to the depletion deduction for the taxable year);

(4) to the extent not included in federal alternative minimum taxable income, the amount of the tax preference for intangible drilling cost under section 57(a)(2) of the Internal Revenue Code determined without regard to subparagraph (E);

(5) to the extent not included in federal alternative minimum taxable income, the amount of interest income as provided by section 290.01, subdivision 19a, clause (1); and

(6) the amount of addition required by section 290.01, subdivision 19a, clauses (7), (8), and (9);

less the sum of the amounts determined under the following:

(1) interest income as defined in section 290.01, subdivision 19b, clause (1);

(2) an overpayment of state income tax as provided by section 290.01, subdivision 19b, clause (2), to the extent included in federal alternative minimum taxable income;

(3) the amount of investment interest paid or accrued within the taxable year on indebtedness to the extent that the amount does not exceed net investment income, as defined in section 163(d)(4) of the Internal Revenue Code. Interest does not include amounts deducted in computing federal adjusted gross income; and

(4) amounts subtracted from federal taxable income as provided by section 290.01, subdivision 19b, clauses (9) to (16).

In the case of an estate or trust, alternative minimum taxable income must be computed as provided in section 59(c) of the Internal Revenue Code.

(b) "Investment interest" means investment interest as defined in section 163(d)(3) of the Internal Revenue Code.

(c) "Tentative minimum tax" equals ~~6.4~~ 6.2 percent of alternative minimum taxable income after subtracting the exemption amount determined under subdivision 3.

(d) "Regular tax" means the tax that would be imposed under this chapter (without regard to this section and section 290.032), reduced by the sum of the nonrefundable credits allowed under this chapter.

(e) "Net minimum tax" means the minimum tax imposed by this section.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2008.

Sec. 7. Minnesota Statutes 2006, section 290.091, subdivision 6, is amended to read:

Subd. 6. **Credit for prior years' liability.** (a) A credit is allowed against the tax imposed by this chapter on individuals, trusts, and estates equal to the minimum tax credit for the taxable year. The minimum tax credit equals the adjusted net minimum tax for taxable years beginning after December 31, 1988, reduced by the minimum tax credits allowed in a prior taxable year. The credit may not exceed the excess (if any) for the taxable year of

(1) the regular tax, over

(2) the greater of (i) the tentative alternative minimum tax, or (ii) zero.

(b) The adjusted net minimum tax for a taxable year equals the lesser of the net minimum tax or the excess (if any) of

(1) the tentative minimum tax, over

(2) ~~6.4~~ 6.2 percent of the sum of

(i) adjusted gross income as defined in section 62 of the Internal Revenue Code,

(ii) interest income as defined in section 290.01, subdivision 19a, clause (1),

(iii) interest on specified private activity bonds, as defined in section 57(a)(5) of the Internal Revenue Code, to the extent not included under clause (ii),

(iv) depletion as defined in section 57(a)(1), determined without regard to the last sentence of paragraph (1), of the Internal Revenue Code, less

(v) the deductions allowed in computing alternative minimum taxable income provided in subdivision 2, paragraph (a), clause (2) of the first series of clauses and clauses (1), (2), and (3) of the second series of clauses, and

(vi) the exemption amount determined under subdivision 3.

In the case of an individual who is not a Minnesota resident for the entire year, adjusted net minimum tax must be multiplied by the fraction defined in section 290.06, subdivision 2c, paragraph (e). In the case of a trust or estate, adjusted net minimum tax must be multiplied by the fraction defined under subdivision 4, paragraph (b).

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2008."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Olson and Erickson amendment and the roll was called. There were 43 yeas and 89 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Erickson	Holberg	Peppin	Wardlow
Anderson, B.	DeLaForest	Finstad	Hoppe	Ruth	Westrom
Anderson, S.	Demmer	Garofalo	Kohls	Seifert	Zellers
Beard	Dettmer	Gottwalt	Magnus	Severson	
Berns	Drazkowski	Gunther	McNamara	Shimanski	
Brod	Eastlund	Hackbarth	Nornes	Simpson	
Buesgens	Emmer	Hamilton	Olson	Smith	
Cornish	Erhardt	Heidgerken	Paulsen	Urdahl	

Those who voted in the negative were:

Anzelc	Eken	Jaros	Loeffler	Otremba	Slocum
Atkins	Faust	Johnson	Mahoney	Ozment	Solberg
Benson	Fritz	Juhnke	Mariani	Paymar	Swails
Bigham	Gardner	Kahn	Marquart	Pelowski	Thao
Bly	Greiling	Kalin	Masin	Peterson, A.	Thissen
Brown	Hansen	Knuth	McFarlane	Peterson, N.	Tillberry
Brynaert	Hausman	Koenen	Moe	Peterson, S.	Tingelstad
Bunn	Haws	Kranz	Morgan	Poppe	Tschumper
Carlson	Hilstrom	Laine	Morrow	Rukavina	Wagenius
Clark	Hilty	Lanning	Mullery	Ruud	Ward
Davnie	Hornstein	Lenczewski	Murphy, E.	Sailer	Welti
Dill	Hortman	Lesch	Murphy, M.	Scalze	Winkler
Dittrich	Hosch	Liebling	Nelson	Sertich	Wollschlager
Dominguez	Howes	Lieder	Norton	Simon	Spk. Kelliher
Doty	Huntley	Lillie	Olin	Slawik	

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

Demmer moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 11, after line 29, insert:

"Sec. 2. Minnesota Statutes 2006, section 123B.53, subdivision 5, is amended to read:

Subd. 5. **Equalized debt service levy.** (a) The equalized debt service levy of a district equals the sum of the first tier equalized debt service levy and the second tier equalized debt service levy.

(b) A district's first tier equalized debt service levy equals the district's first tier debt service equalization revenue times the lesser of one or the ratio of:

(1) the quotient derived by dividing the adjusted school capital net tax capacity of the district for the year before the year the levy is certified by the adjusted pupil units in the district for the school year ending in the year prior to the year the levy is certified; to

(2) \$3,200.

(c) A district's second tier equalized debt service levy equals the district's second tier debt service equalization revenue times the lesser of one or the ratio of:

(1) the quotient derived by dividing the adjusted school capital net tax capacity of the district for the year before the year the levy is certified by the adjusted pupil units in the district for the school year ending in the year prior to the year the levy is certified; to

(2) \$8,000.

EFFECTIVE DATE. This section is effective for taxes payable in 2009 and thereafter.

Sec. 3. Minnesota Statutes 2006, section 126C.01, is amended by adding a subdivision to read:

Subd. 2a. **School capital net tax capacity.** "School capital net tax capacity" means the net tax capacity as otherwise defined under section 273.13, excluding the tax capacity attributable to agricultural land or timberland under class 2a or 2b. This exclusion does not apply to the value of improvements, nor to land that is considered part of the house, garage, and one acre of an agricultural homestead under class 2a.

EFFECTIVE DATE. This section is effective for taxes payable in 2009 and thereafter.

Sec. 4. Minnesota Statutes 2006, section 126C.01, is amended by adding a subdivision to read:

Subd. 2b. **Adjusted school capital net tax capacity.** "Adjusted school capital net tax capacity" means the school capital net tax capacity defined under subdivision 2a as adjusted by the commissioner of revenue under section 127A.48.

EFFECTIVE DATE. This section is effective for taxes payable in 2009 and thereafter."

Page 25, after line 28, insert:

"Sec. 13. Minnesota Statutes 2006, section 273.13, subdivision 23, is amended to read:

Subd. 23. **Class 2.** (a) Class 2a property is agricultural land including any improvements that is homesteaded. The market value of the house and garage and immediately surrounding one acre of land has the same class rates as class 1a property under subdivision 22. The value of the remaining land including improvements up to the first tier valuation limit of agricultural homestead property has a net class rate of 0.55 percent of market value. The remaining property over the first tier has a class rate of one percent of market value. For purposes of this subdivision, the "first tier valuation limit of agricultural homestead property" and "first tier" means the limit certified under section 273.11, subdivision 23. All of the value attributable to improvements must be included in the first tier of the agricultural homestead, unless the value of improvements exceeds the first tier valuation limit of the agricultural homestead.

(b) Class 2b property is (1) real estate, rural in character and used exclusively for growing trees for timber, lumber, and wood and wood products; (2) real estate that is not improved with a structure and is used exclusively for growing trees for timber, lumber, and wood and wood products, if the owner has participated or is participating in a cost-sharing program for afforestation, reforestation, or timber stand improvement on that particular property,

administered or coordinated by the commissioner of natural resources; (3) real estate that is nonhomestead agricultural land; or (4) a landing area or public access area of a privately owned public use airport. Class 2b property has a net class rate of one percent of market value.

(c) Agricultural land as used in this section means contiguous acreage of ten acres or more, used during the preceding year for agricultural purposes. "Agricultural purposes" as used in this section means the raising or cultivation of agricultural products. "Agricultural purposes" also includes enrollment in the Reinvest in Minnesota program under sections 103F.501 to 103F.535 or the federal Conservation Reserve Program as contained in Public Law 99-198 if the property was classified as agricultural (i) under this subdivision for the assessment year 2002 or (ii) in the year prior to its enrollment. Contiguous acreage on the same parcel, or contiguous acreage on an immediately adjacent parcel under the same ownership, may also qualify as agricultural land, but only if it is pasture, timber, waste, unusable wild land, or land included in state or federal farm programs. Agricultural classification for property shall be determined excluding the house, garage, and immediately surrounding one acre of land, and shall not be based upon the market value of any residential structures on the parcel or contiguous parcels under the same ownership.

(d) Real estate, excluding the house, garage, and immediately surrounding one acre of land, of less than ten acres which is exclusively and intensively used for raising or cultivating agricultural products, shall be considered as agricultural land.

Land shall be classified as agricultural even if all or a portion of the agricultural use of that property is the leasing to, or use by another person for agricultural purposes.

Classification under this subdivision is not determinative for qualifying under section 273.111.

The property classification under this section supersedes, for property tax purposes only, any locally administered agricultural policies or land use restrictions that define minimum or maximum farm acreage.

(e) The term "agricultural products" as used in this subdivision includes production for sale of:

(1) livestock, dairy animals, dairy products, poultry and poultry products, fur-bearing animals, horticultural and nursery stock, fruit of all kinds, vegetables, forage, grains, bees, and apiary products by the owner;

(2) fish bred for sale and consumption if the fish breeding occurs on land zoned for agricultural use;

(3) the commercial boarding of horses if the boarding is done in conjunction with raising or cultivating agricultural products as defined in clause (1);

(4) property which is owned and operated by nonprofit organizations used for equestrian activities, excluding racing;

(5) game birds and waterfowl bred and raised for use on a shooting preserve licensed under section 97A.115;

(6) insects primarily bred to be used as food for animals;

(7) trees, grown for sale as a crop, and not sold for timber, lumber, wood, or wood products; and

(8) maple syrup taken from trees grown by a person licensed by the Minnesota Department of Agriculture under chapter 28A as a food processor.

(f) If a parcel used for agricultural purposes is also used for commercial or industrial purposes, including but not limited to:

- (1) wholesale and retail sales;
- (2) processing of raw agricultural products or other goods;
- (3) warehousing or storage of processed goods; and
- (4) office facilities for the support of the activities enumerated in clauses (1), (2), and (3),

the assessor shall classify the part of the parcel used for agricultural purposes as class 1b, 2a, or 2b, whichever is appropriate, and the remainder in the class appropriate to its use. The grading, sorting, and packaging of raw agricultural products for first sale is considered an agricultural purpose. A greenhouse or other building where horticultural or nursery products are grown that is also used for the conduct of retail sales must be classified as agricultural if it is primarily used for the growing of horticultural or nursery products from seed, cuttings, or roots and occasionally as a showroom for the retail sale of those products. Use of a greenhouse or building only for the display of already grown horticultural or nursery products does not qualify as an agricultural purpose.

The assessor shall determine and list separately on the records the market value of the homestead dwelling and the one acre of land on which that dwelling is located. If any farm buildings or structures are located on this homesteaded acre of land, their market value shall not be included in this separate determination.

(g) To qualify for classification under paragraph (b), clause (4), a privately owned public use airport must be licensed as a public airport under section 360.018. For purposes of paragraph (b), clause (4), "landing area" means that part of a privately owned public use airport properly cleared, regularly maintained, and made available to the public for use by aircraft and includes runways, taxiways, aprons, and sites upon which are situated landing or navigational aids. A landing area also includes land underlying both the primary surface and the approach surfaces that comply with all of the following:

(i) the land is properly cleared and regularly maintained for the primary purposes of the landing, taking off, and taxiing of aircraft; but that portion of the land that contains facilities for servicing, repair, or maintenance of aircraft is not included as a landing area;

(ii) the land is part of the airport property; and

(iii) the land is not used for commercial or residential purposes.

The land contained in a landing area under paragraph (b), clause (4), must be described and certified by the commissioner of transportation. The certification is effective until it is modified, or until the airport or landing area no longer meets the requirements of paragraph (b), clause (4). For purposes of paragraph (b), clause (4), "public access area" means property used as an aircraft parking ramp, apron, or storage hangar, or an arrival and departure building in connection with the airport."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Demmer amendment and the roll was called. There were 57 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Garofalo	Lanning	Pelowski	Tingelstad
Anderson, B.	DeLaForest	Gottwalt	Magnus	Peppin	Tschumper
Anderson, S.	Demmer	Gunther	McFarlane	Peterson, N.	Urdahl
Beard	Dettmer	Hackbarth	McNamara	Poppe	Wardlow
Berns	Doty	Hamilton	Morrow	Ruth	Welti
Bly	Drazkowski	Heidgerken	Nornes	Seifert	Westrom
Brod	Eastlund	Hoppe	Olson	Severson	Zellers
Brown	Emmer	Kalin	Otremba	Shimanski	
Buesgens	Erickson	Koenen	Ozment	Simpson	
Cornish	Finstad	Kohls	Paulsen	Smith	

Those who voted in the negative were:

Anzelc	Erhardt	Hosch	Lieder	Norton	Solberg
Atkins	Faust	Howes	Lillie	Olin	Swails
Benson	Fritz	Huntley	Loeffler	Paymar	Thao
Bigham	Gardner	Jaros	Mahoney	Peterson, A.	Thissen
Brynaert	Greiling	Johnson	Mariani	Peterson, S.	Tillberry
Bunn	Hansen	Juhnke	Marquart	Rukavina	Wagenius
Carlson	Hausman	Kahn	Masin	Ruud	Ward
Clark	Haws	Knuth	Moe	Sailer	Winkler
Davnie	Hilstrom	Kranz	Morgan	Scalze	Wollschlager
Dill	Hilty	Laine	Mullery	Sertich	Spk. Kelliher
Dittrich	Holberg	Lenczewski	Murphy, E.	Simon	
Dominguez	Hornstein	Lesch	Murphy, M.	Slawik	
Eken	Hortman	Liebling	Nelson	Slocum	

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

Seifert moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 9, after line 15, insert:

"Sec. 4. Minnesota Statutes 2006, section 477A.013, is amended by adding a subdivision to read:

Subd. 11. **Reduced aid for cities with sanctuary ordinances.** Notwithstanding subdivisions 8 and 9, if the city has, at the time the aid is certified, an ordinance prohibiting public safety officials from undertaking any law enforcement action for the purpose of detecting the presence of undocumented persons, or to verify immigration status, the amount of aid that they will receive under subdivision 9 is reduced by 50 percent. Any aid that would otherwise go to a city under that section shall be redistributed to other cities under subdivisions 8 and 9.

EFFECTIVE DATE. This section is effective beginning with aids payable in 2009."

ReNUMBER the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Seifert amendment and the roll was called. There were 65 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Abeler	DeLaForest	Finstad	Howes	Ozment	Simpson
Anderson, B.	Demmer	Garofalo	Kohls	Paulsen	Smith
Anderson, S.	Dettmer	Gottwalt	Lanning	Pelowski	Swails
Beard	Dittrich	Gunther	Magnus	Peppin	Tingelstad
Berns	Doty	Hackbarth	McFarlane	Peterson, N.	Urdahl
Brod	Draskowski	Hamilton	McNamara	Poppe	Ward
Brown	Eastlund	Haws	Morgan	Ruth	Wardlow
Buesgens	Emmer	Heidgerken	Nornes	Scalze	Welti
Bunn	Erhardt	Holberg	Olin	Seifert	Westrom
Cornish	Erickson	Hoppe	Olson	Severson	Zellers
Dean	Faust	Hosch	Otremba	Shimanski	

Those who voted in the negative were:

Anzelc	Fritz	Juhnke	Loeffler	Paymar	Thissen
Atkins	Gardner	Kahn	Mahoney	Peterson, A.	Tillberry
Benson	Greiling	Kalin	Mariani	Peterson, S.	Tschumper
Bigham	Hansen	Knuth	Marquart	Rukavina	Wagenius
Bly	Hausman	Koenen	Masin	Ruud	Winkler
Brynaert	Hilstrom	Kranz	Moe	Sailer	Wollschlager
Carlson	Hilty	Laine	Morrow	Sertich	Spk. Kelliher
Clark	Hornstein	Lenczewski	Mullery	Simon	
Davnie	Hortman	Lesch	Murphy, E.	Slawik	
Dill	Huntley	Liebling	Murphy, M.	Slocum	
Dominguez	Jaros	Lieder	Nelson	Solberg	
Eken	Johnson	Lillie	Norton	Thao	

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

Westrom and Nornes moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 24, line 28, strike "\$500,000" and insert "\$600,000"

Page 24, line 30, strike "0.55" and insert "0.50"

A roll call was requested and properly seconded.

The question was taken on the Westrom and Nornes amendment and the roll was called. There were 121 yeas and 11 nays as follows:

Those who voted in the affirmative were:

Abeler	Anzelc	Benson	Bly	Brynaert	Carlson
Anderson, B.	Atkins	Berns	Brod	Buesgens	Clark
Anderson, S.	Beard	Bigham	Brown	Bunn	Cornish

Davnie	Garofalo	Juhnke	McFarlane	Peterson, A.	Swails
Dean	Gottwalt	Knuth	McNamara	Peterson, N.	Thissen
DeLaForest	Gunther	Koenen	Moe	Peterson, S.	Tillberry
Demmer	Hackbarth	Kohls	Morgan	Poppe	Tingelstad
Dettmer	Hamilton	Kranz	Morrow	Rukavina	Urdahl
Dill	Hausman	Laine	Murphy, E.	Ruth	Wagenius
Dittrich	Haws	Lanning	Murphy, M.	Ruud	Ward
Dominguez	Heidgerken	Lenczewski	Nelson	Sailer	Wardlow
Doty	Hilstrom	Lesch	Nornes	Scalze	Welti
Drazkowski	Hilty	Liebling	Norton	Seifert	Westrom
Eastlund	Holberg	Lieder	Olin	Sertich	Wollschlager
Eken	Hoppe	Lillie	Olson	Severson	Zellers
Emmer	Hornstein	Loeffler	Otremba	Shimanski	Spk. Kelliher
Erhardt	Hortman	Magnus	Ozment	Simon	
Erickson	Hosch	Mahoney	Paulsen	Simpson	
Finstad	Howes	Mariani	Paymar	Slawik	
Fritz	Huntley	Marquart	Pelowski	Smith	
Gardner	Johnson	Masin	Peppin	Solberg	

Those who voted in the negative were:

Faust	Hansen	Kahn	Mullery	Thao	Winkler
Greiling	Jaros	Kalin	Slocum	Tschumper	

The motion prevailed and the amendment was adopted.

Gottwalt moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 66, after line 33, insert:

"Sec. 2. Minnesota Statutes 2006, section 297A.71, is amended by adding a subdivision to read:

Subd. 40. **St. Cloud public safety facilities.** Materials and supplies used or consumed in, and equipment incorporated into, the construction of a police station and two fire stations in the city of St. Cloud are exempt.

EFFECTIVE DATE. This section is effective retroactively for sales and purchases made after June 30, 2007, and before January 1, 2012. For sales and purchases made before July 1, 2008, the exemption must be administered as a refund under Minnesota Statutes, section 297A.75, with the refund being paid to the city of St. Cloud."

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

Drazkowski moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 15, after line 31 insert:

"Sec. 8. Minnesota Statutes 2006, section 273.11, subdivision 5, is amended to read:

Subd. 5. **Boards of review and equalization.** Notwithstanding any other provision of law to the contrary, the limitation contained in subdivisions 1 ~~and~~, 1a, and 24 shall also apply to the authority of the local board of review as provided in section 274.01, the county board of equalization as provided in section 274.13, the State Board of Equalization and the commissioner of revenue as provided in sections 270.11, subdivision 1, 270.12, 270C.92, and 270C.94.

EFFECTIVE DATE. This section is effective for assessment year 2008 and thereafter, for taxes payable in 2009 and thereafter.

Sec. 9. Minnesota Statutes 2006, section 273.11, is amended by adding a subdivision to read:

Subd. 24. **Homesteads of persons age 65 or older; valuation increase prohibited.** (a) The taxable market value used for taxes levied in the current year on class 1 property as defined in section 273.13, subdivision 22, and that portion of class 2a property as defined in section 273.13, subdivision 23, consisting of the house, garage, and surrounding one acre of land, may not exceed the property's taxable market value used for taxes levied in the preceding year, provided that:

(i) the property is owned and occupied as a homestead by a person that will be 65 years of age or older as of December 31 of the year in which the tax is levied. In the case of a married couple, both of the spouses must be at least 65 years old as of December 31 of the year in which the tax is levied regardless of whether the property is titled in the name of one spouse or both spouses, or titled in another way that permits the property to have homestead status; and

(ii) the total household income of the qualifying homeowners, as defined in section 290A.03, subdivision 5, for the calendar year preceding the year of the initial application may not exceed \$60,000.

(b) An owner or owners must apply to the county assessor where the property is located by August 1 of the levy year for which the valuation freeze under paragraph (a) is first requested. The applicant or applicants must submit proof of age and household income as required by the assessor to determine eligibility for the valuation freeze under paragraph (a). In succeeding years, applicants must submit whatever information the county assessor deems necessary to determine the homestead status and continued eligibility under this section.

(c) This subdivision does not apply to any increase in estimated market value attributable to improvements made to the homestead.

(d) The county assessor shall annually inform the public of the availability of the valuation freeze under this subdivision as part of the notice published under section 273.121.

(e) The valuation freeze granted under this subdivision terminates when one of the following occur. The property:

(1) is sold or transferred;

(2) loses its homestead classification; or

(3) otherwise no longer qualifies for treatment under this section.

Upon termination the property shall be assessed for the current levy year as otherwise provided by law.

EFFECTIVE DATE. This section is effective for assessment year 2008 and thereafter, for taxes payable in 2009 and thereafter.

Sec. 10. Minnesota Statutes 2006, section 273.121, is amended to read:

273.121 VALUATION OF REAL PROPERTY, NOTICE.

Any county assessor or city assessor having the powers of a county assessor, valuing or classifying taxable real property shall in each year notify those persons whose property is to be included on the assessment roll that year if the person's address is known to the assessor, otherwise the occupant of the property. The notice shall be in writing and shall be sent by ordinary mail at least ten days before the meeting of the local board of appeal and equalization under section 274.01 or the review process established under section 274.13, subdivision 1c. It shall contain: (1) the market value for the current and prior assessment, (2) the limited market value under section 273.11, subdivision 1a, for the current and prior assessment, (3) the qualifying amount of any improvements under section 273.11, subdivision 16, for the current assessment, (4) the amount of any market value increase prohibited under section 273.11, subdivision 24, (5) the market value subject to taxation after subtracting the amount of any qualifying improvements under clause (3) or any valuation freeze amount under clause (4) for the current assessment, ~~(5) (6)~~ the classification of the property for the current and prior assessment, ~~(6) (7)~~ a note that if the property is homestead and at least 45 years old, improvements made to the property may be eligible for a valuation exclusion under section 273.11, subdivision 16, ~~(7) (8)~~ the assessor's office address, and ~~(8) (9)~~ the dates, places, and times set for the meetings of the local board of appeal and equalization, the review process established under section 274.13, subdivision 1c, and the county board of appeal and equalization. The commissioner of revenue shall specify the form of the notice. The assessor shall attach to the assessment roll a statement that the notices required by this section have been mailed. Any assessor who is not provided sufficient funds from the assessor's governing body to provide such notices, may make application to the commissioner of revenue to finance such notices. The commissioner of revenue shall conduct an investigation and, if satisfied that the assessor does not have the necessary funds, issue a certification to the commissioner of finance of the amount necessary to provide such notices. The commissioner of finance shall issue a warrant for such amount and shall deduct such amount from any state payment to such county or municipality. The necessary funds to make such payments are hereby appropriated. Failure to receive the notice shall in no way affect the validity of the assessment, the resulting tax, the procedures of any board of review or equalization, or the enforcement of delinquent taxes by statutory means.

EFFECTIVE DATE. This section is effective for valuation notices beginning with the 2009 assessment."

Page 39, line 7, strike "and 16" and insert "16, and 24"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

Howes moved to amend the Drazkowski amendment to H. F. No. 3201, the second engrossment, as amended, as follows:

Page 1, line 22, delete "both" and insert "at least one"

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

The question recurred on the Drazkowski amendment, as amended, and the roll was called. There were 52 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Abeler	DeLaForest	Fritz	Howes	Paulsen	Smith
Anderson, B.	Dettmer	Garofalo	Kalin	Paymar	Tingelstad
Anderson, S.	Dittrich	Gottwalt	Knuth	Peppin	Urdahl
Beard	Drazkowski	Gunther	Kohls	Peterson, S.	Wardlow
Berns	Eastlund	Hackbarth	Magnus	Ruth	Welti
Brod	Emmer	Hamilton	Nornes	Seifert	Westrom
Buesgens	Erickson	Heidgerken	Olin	Severson	Zellers
Cornish	Faust	Holberg	Olson	Shimanski	
Dean	Finstad	Hoppe	Otremba	Simpson	

Those who voted in the negative were:

Anzelc	Doty	Jaros	Mahoney	Ozment	Swails
Atkins	Eken	Johnson	Mariani	Pelowski	Thao
Benson	Erhardt	Juhnke	Marquart	Peterson, A.	Thissen
Bigham	Gardner	Kahn	Masin	Peterson, N.	Tillberry
Bly	Greiling	Koenen	McFarlane	Poppe	Tschumper
Brown	Hansen	Kranz	McNamara	Rukavina	Wagenius
Brynaert	Hausman	Laine	Moe	Ruud	Ward
Bunn	Haws	Lanning	Morgan	Sailer	Winkler
Carlson	Hilstrom	Lenczewski	Morrow	Scalze	Wollschlager
Clark	Hilty	Lesch	Mullery	Sertich	Spk. Kelliher
Davnie	Hornstein	Liebling	Murphy, E.	Simon	
Demmer	Hortman	Lieder	Murphy, M.	Slawik	
Dill	Hosch	Lillie	Nelson	Slocum	
Dominguez	Huntley	Loeffler	Norton	Solberg	

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

Gottwalt moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 53, line 7, strike "and"

Page 53, line 9, strike the period and insert "; and

(17) the amount equal to the contributions made during the taxable year to a college savings plan account, qualifying under section 529 of the Internal Revenue Code, not including amounts rolled over from other college savings plan accounts, and not to exceed \$5,000 for each beneficiary."

A roll call was requested and properly seconded.

The question was taken on the Gottwalt amendment and the roll was called. There were 48 yeas and 84 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Finstad	Hoppe	Nornes	Simpson
Anderson, B.	DeLaForest	Garofalo	Howes	Olson	Smith
Anderson, S.	Demmer	Gottwalt	Kalin	Paulsen	Tingelstad
Beard	Dettmer	Gunther	Kohls	Peppin	Urdahl
Berns	Drazkowski	Hackbarth	Lanning	Ruth	Wardlow
Brod	Eastlund	Hamilton	Magnus	Seifert	Welti
Buesgens	Emmer	Heidgerken	McFarlane	Severson	Westrom
Cornish	Erickson	Holberg	McNamara	Shimanski	Zellers

Those who voted in the negative were:

Anzelc	Doty	Hosch	Lillie	Olin	Simon
Atkins	Eken	Huntley	Loeffler	Otremba	Slawik
Benson	Erhardt	Jaros	Mahoney	Ozment	Slocum
Bigham	Faust	Johnson	Mariani	Paymar	Solberg
Bly	Fritz	Juhnke	Marquart	Pelowski	Swails
Brown	Gardner	Kahn	Masin	Peterson, A.	Thao
Brynaert	Greiling	Knuth	Moe	Peterson, N.	Thissen
Bunn	Hansen	Koenen	Morgan	Peterson, S.	Tillberry
Carlson	Hausman	Kranz	Morrow	Poppe	Tschumper
Clark	Haws	Laine	Mullery	Rukavina	Wagenius
Davnie	Hilstrom	Lenczewski	Murphy, E.	Ruud	Ward
Dill	Hilty	Lesch	Murphy, M.	Sailer	Winkler
Dittrich	Hornstein	Liebling	Nelson	Scalze	Wollschlager
Dominguez	Hortman	Lieder	Norton	Sertich	Spk. Kelliher

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

Gottwalt moved to amend H. F. No. 3201, the second engrossment, as amended, as follows:

Page 55, after line 8, insert:

"Sec. 5. Minnesota Statutes 2006, section 290.0672, subdivision 2, is amended to read:

Subd. 2. **Credit.** A taxpayer is allowed a credit against the tax imposed by this chapter for long-term care insurance policy premiums paid during the tax year. The credit for each policy equals 25 percent of premiums paid to the extent not deducted in determining federal taxable income. A taxpayer may claim a credit for only one policy for each qualified beneficiary. A maximum of ~~\$100~~ \$1,000 applies to each qualified beneficiary. The maximum total credit allowed per year is ~~\$200~~ \$2,000 for married couples filing joint returns and ~~\$100~~ \$1,000 for all other filers. For a nonresident or part-year resident, the credit determined under this section must be allocated based on the percentage calculated under section 290.06, subdivision 2c, paragraph (e).

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2007."

Renumber the sections and correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Gottwalt amendment and the roll was called.

Pursuant to rule 2.05, the Speaker excused Hansen from voting on the Gottwalt amendment to H. F. No. 3201, as amended.

There were 48 yeas and 83 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Finstad	Holberg	McNamara	Severson
Anderson, B.	DeLaForest	Fritz	Hoppe	Nornes	Shimanski
Anderson, S.	Demmer	Garofalo	Howes	Olson	Simpson
Beard	Dettmer	Gottwalt	Kohls	Otremba	Tingelstad
Berns	Drazkowski	Gunther	Lanning	Paulsen	Urdahl
Brod	Eastlund	Hackbarth	Magnus	Peppin	Wardlow
Buesgens	Emmer	Hamilton	Masin	Ruth	Westrom
Cornish	Erickson	Heidgerken	McFarlane	Seifert	Zellers

Those who voted in the negative were:

Anzenc	Doty	Jaros	Loeffler	Paymar	Smith
Atkins	Eken	Johnson	Mahoney	Pelowski	Solberg
Benson	Erhardt	Juhnke	Mariani	Peterson, A.	Swails
Bigham	Faust	Kahn	Marquart	Peterson, N.	Thao
Bly	Gardner	Kalin	Moe	Peterson, S.	Thissen
Brown	Greiling	Knuth	Morgan	Poppe	Tillberry
Brynaert	Hausman	Koenen	Morrow	Rukavina	Tschumper
Bunn	Haws	Kranz	Mullery	Ruud	Wagenius
Carlson	Hilstrom	Laine	Murphy, E.	Sailer	Ward
Clark	Hilty	Lenczewski	Murphy, M.	Scalze	Welti
Davnie	Hornstein	Lesch	Nelson	Sertich	Winkler
Dill	Hortman	Liebling	Norton	Simon	Wollschlager
Dittrich	Hosch	Lieder	Olin	Slawik	Spk. Kelliher
Dominguez	Huntley	Lillie	Ozment	Slocum	

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

H. F. No. 3201, as amended, was read for the third time.

Buesgens moved that H. F. No. 3201, as amended, be re-referred to the K-12 Finance Division.

A roll call was requested and properly seconded.

The question was taken on the Buesgens motion and the roll was called. There were 47 yeas and 85 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Erickson	Holberg	Olson	Shimanski
Anderson, B.	DeLaForest	Finstad	Hoppe	Ozment	Simpson
Anderson, S.	Demmer	Garofalo	Kohls	Paulsen	Smith
Beard	Dettmer	Gottwalt	Lanning	Peppin	Urdahl
Berns	Drazkowski	Gunther	Magnus	Peterson, N.	Wardlow
Brod	Eastlund	Hackbarth	McFarlane	Ruth	Westrom
Buesgens	Emmer	Hamilton	McNamara	Seifert	Zellers
Cornish	Erhardt	Heidgerken	Nornes	Severson	

Those who voted in the negative were:

Anzenc	Eken	Jaros	Mahoney	Pelowski	Thissen
Atkins	Faust	Johnson	Mariani	Peterson, A.	Tillberry
Benson	Fritz	Juhnke	Marquart	Peterson, S.	Tingelstad
Bigham	Gardner	Kahn	Masin	Poppe	Tschumper
Bly	Greiling	Kalin	Moe	Rukavina	Wagenius
Brown	Hansen	Knuth	Morgan	Ruud	Ward
Brynaert	Hausman	Koenen	Morrow	Sailer	Welti
Bunn	Haws	Kranz	Mullery	Scalze	Winkler
Carlson	Hilstrom	Laine	Murphy, E.	Sertich	Wollschlager
Clark	Hilty	Lenczewski	Murphy, M.	Simon	Spk. Kelliher
Davnie	Hornstein	Lesch	Nelson	Slawik	
Dill	Hortman	Liebling	Norton	Slocum	
Dittrich	Hosch	Lieder	Olin	Solberg	
Dominguez	Howes	Lillie	Otremba	Swails	
Doty	Huntley	Loeffler	Paymar	Thao	

The motion did not prevail.

H. F. No. 3201, A bill for an act relating to financing and operation of government in this state; making policy, technical, administrative, payment, enforcement, collection, proceeds distribution, refund, and other changes to income, franchise, property, state and local sales and use, motor vehicle sales, minerals, estate, cigarette and tobacco products, gasoline, liquor, insurance premiums, mortgage and deed, healthcare gross revenues, and wheelage taxes, and other taxes and tax-related provisions; conforming to certain changes in the Internal Revenue Code; changing accelerated sales tax payments; providing for licensure of assessors; changing provisions relating to the sustainable forest resource management incentive program; providing for aids to local governments; providing for state debt collection; changing border city allocation, tax increment financing, and economic development, provisions, powers, and incentives; authorizing and providing terms and conditions related to the issuance of obligations and the financing of public improvements and services; changing and imposing powers, duties, and requirements on certain local governments and authorities and on the commissioner of revenue and other state departments and agencies; extending the time for certain publications of notices; requiring notices and publication of information; extending a petrofund fee exemption; providing for purchase of forest lands; authorizing and validating trusts to pay certain public postemployment benefits; providing for iron range higher education grants; changing revenue recapture, local impact notes, and data practices provisions; providing penalties; appropriating money; amending Minnesota Statutes 2006, sections 3.987, subdivision 1; 3.988, subdivision 3; 3.989, subdivisions 2, 3; 16A.103, subdivision 2; 16D.04, subdivisions 1, 2; 16D.11, subdivisions 2, 7; 62I.06, subdivision 6; 71A.04, subdivision 1; 97A.061, subdivision 2; 118A.03, subdivision 3; 123B.61; 127A.48, subdivision 2; 216B.1646; 270.071, subdivision 7; 270.072, subdivisions 2, 3, 6; 270.074, subdivision 3; 270.076, subdivision 1; 270.41, subdivisions 1, 2, 3, 5, by adding a subdivision; 270.44; 270.45; 270.46; 270.47; 270.48; 270.50; 270A.03, subdivision 2; 270A.10; 270C.306; 270C.34,

subdivision 1; 270C.446, subdivision 2; 270C.56, subdivision 1; 270C.63, subdivision 9; 272.02, by adding subdivisions; 272.115, subdivision 1; 273.05, by adding a subdivision; 273.111, subdivision 3; 273.117; 273.121; 273.124, subdivision 13, by adding a subdivision; 273.125, subdivision 8; 273.128, subdivision 1; 273.13, subdivisions 22, 24, 25, by adding a subdivision; 273.1315; 273.1398, subdivision 4; 273.33, subdivision 2; 273.37, subdivision 2; 273.371, subdivision 1; 274.01, subdivision 1; 274.13, subdivision 1; 275.025, subdivision 3; 275.065, subdivision 5a, by adding a subdivision; 275.066; 275.067; 275.61, subdivision 1; 276.04, subdivision 2, by adding a subdivision; 276A.01, subdivision 3; 276A.04; 277.01, subdivision 2; 278.05, subdivision 6; 279.01, subdivision 1; 279.37, subdivision 1a; 280.39; 287.22; 287.2205; 289A.02, subdivision 7; 289A.08, subdivision 11; 289A.09, subdivision 2; 289A.12, subdivisions 4, 14; 289A.18, subdivision 1; 289A.20, subdivision 4; 289A.38, subdivision 7; 289A.40, subdivision 2; 289A.56, by adding a subdivision; 289A.60, subdivisions 8, 12, 15, 25, 27, by adding subdivisions; 290.01, subdivisions 19a, 19c, 19d; 290.06, subdivisions 2c, 33; 290.067, subdivision 2b; 290.0671, subdivision 7; 290.0677, subdivision 1; 290.091, subdivision 3; 290.0921, subdivision 3; 290.10; 290.17, subdivision 2; 290.191, subdivision 8; 290.92, by adding a subdivision; 290A.03, subdivision 7; 290B.03, subdivision 2; 290C.02, subdivision 3; 290C.04; 290C.05; 290C.07; 290C.11; 291.005, subdivision 1; 291.215, subdivision 1; 295.52, subdivisions 4, 4a; 295.54, subdivision 2; 296A.18, subdivision 4; 297A.61, subdivisions 3, 4, 7, 10, 24, by adding subdivisions; 297A.63, subdivision 1; 297A.665; 297A.668, by adding a subdivision; 297A.669, subdivisions 3, 13, 14, by adding subdivisions; 297A.67, subdivisions 7, 8, 9; 297A.68, subdivisions 11, 16, 35; 297A.69, subdivision 2; 297A.70, subdivision 7, by adding a subdivision; 297A.72; 297A.90, subdivision 2; 297A.99, subdivision 1; 297B.035, subdivision 1; 297F.06, subdivision 4; 297F.09, subdivision 10; 297F.21, subdivision 3; 297F.25, by adding a subdivision; 297G.09, subdivision 9; 297I.06, subdivisions 1, 2; 297I.15, by adding a subdivision; 297I.20, subdivision 2; 297I.40, subdivision 5; 298.22, by adding a subdivision; 298.2214, subdivision 2; 298.24, subdivision 1; 298.25; 298.28, subdivisions 4, 5, by adding a subdivision; 298.282, subdivision 1; 298.292, subdivision 2; 298.296, subdivision 2; 298.2961, subdivisions 4, 5; 298.75, subdivisions 1, 3, 7, by adding a subdivision; 331A.05, subdivision 2; 360.031; 365A.02; 365A.04; 365A.08; 365A.095; 373.01, subdivision 3; 373.40, subdivision 4; 375B.09; 383A.80, subdivision 4; 383A.81, subdivisions 1, 2; 383B.117, subdivision 2; 383B.77, subdivisions 1, 2; 383B.80, subdivision 4; 410.32; 412.301; 435.193; 453A.02, subdivision 3; 469.169, by adding a subdivision; 469.1734, subdivision 6; 469.174, subdivisions 10, 10a; 469.175, subdivisions 1, 3; 469.176, subdivisions 1, 2, 4l, 7; 469.1761, subdivision 1; 469.1763, subdivision 2; 469.177, subdivision 1; 469.178, subdivision 7; 469.1791, subdivision 3; 473.39, by adding subdivisions; 475.51, subdivision 4; 475.52, subdivision 6; 475.53, subdivision 1; 475.58, subdivisions 1, 3b; 477A.011, subdivision 36; 477A.013, subdivisions 8, 9; Minnesota Statutes 2007 Supplement, sections 270A.03, subdivision 5; 272.02, subdivision 64; 273.124, subdivision 14; 275.065, subdivision 3; 290.01, subdivisions 19, 19b, 31; 290A.03, subdivision 15; 424A.10, subdivision 3; Laws 1973, chapter 393, section 1, as amended; Laws 1980, chapter 511, section 1, subdivision 2, as amended; Laws 1988, chapter 645, section 3, as amended; Laws 1989, chapter 211, section 8, subdivision 4, as amended; Laws 1993, chapter 375, article 9, section 45, subdivisions 2, as amended, 3, as amended, 4, as amended; Laws 1994, chapter 587, article 9, section 14, subdivisions 1, 2, 3; Laws 1995, chapter 264, article 5, sections 44, subdivision 4, as amended; 45, subdivision 1, as amended; Laws 1999, chapter 243, article 4, section 18, subdivisions 1, 3, 4; Laws 2003, chapter 128, article 1, section 172, as amended; Laws 2005, First Special Session chapter 3, article 5, section 39; article 10, section 23, as amended; Laws 2006, chapter 259, article 11, section 3; proposing coding for new law in Minnesota Statutes, chapters 270; 270C; 273; 274; 290C; 297A; 360; 383C; 383D; 383E; 471; 475; repealing Minnesota Statutes 2006, sections 16A.1522; 163.051, subdivision 5; 270.073; 270.41, subdivision 4; 270.43; 270.51; 270.52; 270.53; 295.60; 297A.61, subdivision 20; 297A.668, subdivision 6; 297A.67, subdivision 22; 469.174, subdivision 29; Laws 1973, chapter 393, section 2; Laws 1994, chapter 587, article 9, section 8, subdivision 1, as amended; Laws 1998, chapter 389, article 11, section 18.

The bill, as amended, was placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 81 yeas and 51 nays as follows:

Those who voted in the affirmative were:

Anzelc	Eken	Jaros	Mahoney	Paymar	Swails
Atkins	Faust	Johnson	Mariani	Pelowski	Thao
Benson	Fritz	Juhnke	Marquart	Peterson, A.	Thissen
Bigham	Gardner	Kahn	Masin	Peterson, S.	Tillberry
Bly	Greiling	Kalin	Moe	Poppe	Tschumper
Brown	Hansen	Knuth	Morgan	Rukavina	Wagenius
Brynaert	Hausman	Koenen	Morrow	Ruud	Ward
Bunn	Haws	Laine	Mullery	Sailer	Wolti
Carlson	Hilstrom	Lenczewski	Murphy, E.	Scalze	Winkler
Clark	Hilty	Lesch	Murphy, M.	Sertich	Wollschlager
Davnie	Hornstein	Liebling	Nelson	Simon	Spk. Kelliher
Dill	Hortman	Lieder	Norton	Slawik	
Dominguez	Hosch	Lillie	Olin	Slocum	
Doty	Huntley	Loeffler	Otremba	Solberg	

Those who voted in the negative were:

Abeler	DeLaForest	Finstad	Howes	Ozment	Smith
Anderson, B.	Demmer	Garofalo	Kohls	Paulsen	Tingelstad
Anderson, S.	Dettmer	Gottwalt	Kranz	Peppin	Urdahl
Beard	Dittrich	Gunther	Lanning	Peterson, N.	Wardlow
Berns	Drazkowski	Hackbarth	Magnus	Ruth	Westrom
Brod	Eastlund	Hamilton	McFarlane	Seifert	Zellers
Buesgens	Emmer	Heidgerken	McNamara	Severson	
Cornish	Erhardt	Holberg	Nornes	Shimanski	
Dean	Erickson	Hoppe	Olson	Simpson	

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

MOTIONS AND RESOLUTIONS

Hornstein moved that the name of Haws be added as an author on H. F. No. 311. The motion prevailed.

Ward moved that the name of Gottwalt be added as an author on H. F. No. 420. The motion prevailed.

Walker moved that the name of Hansen be added as an author on H. F. No. 478. The motion prevailed.

Lenczewski moved that the name of Hortman be added as an author on H. F. No. 581. The motion prevailed.

Beard moved that his name be stricken as an author on H. F. No. 635. The motion prevailed.

Bunn moved that the name of Hortman be added as an author on H. F. No. 959. The motion prevailed.

Simpson moved that the name of Nornes be added as an author on H. F. No. 969. The motion prevailed.

Severson moved that the name of Seifert be added as an author on H. F. No. 1261. The motion prevailed.

Slocum moved that her name be stricken as an author on H. F. No. 1601. The motion prevailed.

Severson moved that his name be stricken as an author on H. F. No. 1601. The motion prevailed.

Atkins moved that the name of Haws be added as an author on H. F. No. 2061. The motion prevailed.

Brod moved that the names of Nornes, Westrom, Cornish, Moe, Hoppe, Erickson and Greiling be added as authors on H. F. No. 2172. The motion prevailed.

Brod moved that the name of Drazkowski be added as an author on H. F. No. 2412. The motion prevailed.

Tschumper moved that the name of Jaros be added as an author on H. F. No. 2459. The motion prevailed.

Benson moved that the name of Ruud be added as an author on H. F. No. 2535. The motion prevailed.

Winkler moved that the names of Hortman and Scalze be added as authors on H. F. No. 2553. The motion prevailed.

Carlson moved that the name of Scalze be added as an author on H. F. No. 2554. The motion prevailed.

Scalze moved that the name of Dittrich be added as an author on H. F. No. 2567. The motion prevailed.

Urdahl moved that the name of Dittrich be added as an author on H. F. No. 2624. The motion prevailed.

Norton moved that the names of Hornstein, Erhardt and Slocum be added as authors on H. F. No. 2628. The motion prevailed.

Brown moved that the name of Dittrich be added as an author on H. F. No. 2630. The motion prevailed.

Brown moved that the name of Dittrich be added as an author on H. F. No. 2650. The motion prevailed.

Bigham moved that the name of Wardlow be added as an author on H. F. No. 2657. The motion prevailed.

Peterson, S., moved that the name of Bunn be added as an author on H. F. No. 2662. The motion prevailed.

Laine moved that the name of Hortman be added as an author on H. F. No. 2693. The motion prevailed.

Dominguez moved that the name of Slocum be added as an author on H. F. No. 2721. The motion prevailed.

Hausman moved that the name of Scalze be added as an author on H. F. No. 2758. The motion prevailed.

Gardner moved that the name of Scalze be added as an author on H. F. No. 2777. The motion prevailed.

Bigham moved that the names of Wardlow and Scalze be added as authors on H. F. No. 2782. The motion prevailed.

Tschumper moved that the name of Hilstrom be added as an author on H. F. No. 2795. The motion prevailed.

Gardner moved that the name of Scalze be added as an author on H. F. No. 2804. The motion prevailed.

Atkins moved that the name of Erhardt be added as an author on H. F. No. 2811. The motion prevailed.

Winkler moved that the name of Dittrich be added as an author on H. F. No. 2813. The motion prevailed.

Ward moved that the name of Sailer be added as an author on H. F. No. 2857. The motion prevailed.

Dill moved that the name of Scalze be added as an author on H. F. No. 2871. The motion prevailed.

Nelson moved that the name of Dittrich be added as an author on H. F. No. 2872. The motion prevailed.

Paymar moved that the name of Scalze be added as an author on H. F. No. 2877. The motion prevailed.

Bigham moved that the names of Dittrich, Brynaert, Kohls, Seifert, Heidgerken, Olin and Peterson, A., be added as authors on H. F. No. 2878. The motion prevailed.

Greiling moved that the name of Scalze be added as an author on H. F. No. 2893. The motion prevailed.

Dittrich moved that the name of Scalze be added as an author on H. F. No. 2973. The motion prevailed.

Dittrich moved that the name of Scalze be added as an author on H. F. No. 2974. The motion prevailed.

Dittrich moved that the name of Scalze be added as an author on H. F. No. 2975. The motion prevailed.

Morgan moved that the names of Ward and Olin be added as authors on H. F. No. 2978. The motion prevailed.

Benson moved that the name of Scalze be added as an author on H. F. No. 2979. The motion prevailed.

Koenen moved that the name of Scalze be added as an author on H. F. No. 2998. The motion prevailed.

Simon moved that the name of Dittrich be added as an author on H. F. No. 3006. The motion prevailed.

Simon moved that the name of Walker be added as an author on H. F. No. 3007. The motion prevailed.

Ward moved that the name of Sailer be added as an author on H. F. No. 3011. The motion prevailed.

Simon moved that the name of Walker be added as an author on H. F. No. 3023. The motion prevailed.

Morgan moved that the names of Heidgerken and Peterson, A., be added as authors on H. F. No. 3030. The motion prevailed.

Murphy, E., moved that the names of Lillie and Murphy, M., be added as authors on H. F. No. 3042. The motion prevailed.

Hansen moved that the names of Walker and Scalze be added as authors on H. F. No. 3045. The motion prevailed.

Olin moved that the name of Brynaert be added as an author on H. F. No. 3050. The motion prevailed.

Hilstrom moved that the name of Walker be added as an author on H. F. No. 3061. The motion prevailed.

Laine moved that the name of Scalze be added as an author on H. F. No. 3072. The motion prevailed.

Benson moved that the name of Peterson, S., be added as an author on H. F. No. 3104. The motion prevailed.

Benson moved that the name of Peterson, S., be added as an author on H. F. No. 3110. The motion prevailed.

Sertich moved that the names of Peterson, S., and Scalze be added as authors on H. F. No. 3112. The motion prevailed.

Paymar moved that the name of Walker be added as an author on H. F. No. 3120. The motion prevailed.

Winkler moved that the name of Dittrich be added as an author on H. F. No. 3142. The motion prevailed.

Winkler moved that the name of Dittrich be added as an author on H. F. No. 3143. The motion prevailed.

Slawik moved that the name of Walker be added as an author on H. F. No. 3159. The motion prevailed.

Kahn moved that the name of Walker be added as an author on H. F. No. 3164. The motion prevailed.

Hausman moved that the name of Peterson, S., be added as an author on H. F. No. 3166. The motion prevailed.

Johnson moved that the name of Walker be added as an author on H. F. No. 3167. The motion prevailed.

Kahn moved that the name of Peterson, A., be added as an author on H. F. No. 3174. The motion prevailed.

Benson moved that the name of Peterson, S., be added as an author on H. F. No. 3175. The motion prevailed.

Benson moved that the name of Brynaert be added as an author on H. F. No. 3181. The motion prevailed.

McFarlane moved that the name of Scalze be added as an author on H. F. No. 3182. The motion prevailed.

Hilstrom moved that the name of Peterson, S., be added as an author on H. F. No. 3190. The motion prevailed.

Brod moved that the name of Peterson, S., be added as an author on H. F. No. 3192. The motion prevailed.

Knuth moved that the names of Benson and Scalze be added as authors on H. F. No. 3195. The motion prevailed.

Rukavina moved that the name of Scalze be added as an author on H. F. No. 3206. The motion prevailed.

Nelson moved that the name of Hilstrom be added as an author on H. F. No. 3229. The motion prevailed.

Bunn moved that the name of McNamara be added as an author on H. F. No. 3232. The motion prevailed.

Carlson moved that the name of Hortman be added as an author on H. F. No. 3274. The motion prevailed.

Drazkowski moved that the name of Scalze be added as an author on H. F. No. 3294. The motion prevailed.

Slocum moved that her name be stricken as an author on H. F. No. 3299. The motion prevailed.

Gunther moved that the names of Nornes and Brynaert be added as authors on H. F. No. 3299. The motion prevailed.

Wardlow moved that his name be stricken as an author on H. F. No. 3329. The motion prevailed.

Brynaert moved that the name of Scalze be added as an author on H. F. No. 3329. The motion prevailed.

Mullery moved that the name of Slocum be added as an author on H. F. No. 3348. The motion prevailed.

Moe moved that the name of Sailer be added as an author on H. F. No. 3356. The motion prevailed.

Howes moved that the name of Moe be added as an author on H. F. No. 3359. The motion prevailed.

Tingelstad moved that the names of Ruud, Bigham and Slocum be added as authors on H. F. No. 3371. The motion prevailed.

Liebling moved that the name of Greiling be added as an author on H. F. No. 3380. The motion prevailed.

Brynaert moved that the names of Moe, Slocum, Lesch, Mariani and Murphy, E., be added as authors on H. F. No. 3381. The motion prevailed.

Marquart moved that the names of Greiling, Dominguez, Scalze, Moe and Sailer be added as authors on H. F. No. 3386. The motion prevailed.

Loeffler moved that the name of Slocum be added as an author on H. F. No. 3388. The motion prevailed.

Loeffler moved that the name of Slocum be added as an author on H. F. No. 3389. The motion prevailed.

Loeffler moved that the name of Ruud be added as an author on H. F. No. 3390. The motion prevailed.

Huntley moved that the name of Ruud be added as an author on H. F. No. 3391. The motion prevailed.

Juhnke moved that the name of Magnus be added as an author on H. F. No. 3392. The motion prevailed.

Norton moved that the name of Peterson, S., be added as an author on H. F. No. 3393. The motion prevailed.

Tillberry moved that the name of Slocum be added as an author on H. F. No. 3395. The motion prevailed.

Fritz moved that the names of Moe and Peterson, A., be added as authors on H. F. No. 3400. The motion prevailed.

Hilty moved that the names of Slocum and Ruud be added as authors on H. F. No. 3401. The motion prevailed.

Peterson, A., moved that the name of Thissen be added as an author on H. F. No. 3410. The motion prevailed.

Hilstrom moved that the name of Peterson, S., be added as an author on H. F. No. 3423. The motion prevailed.

Rukavina moved that the name of Fritz be added as an author on H. F. No. 3425. The motion prevailed.

Pelowski moved that the names of Peterson, S., and Slocum be added as authors on H. F. No. 3426. The motion prevailed.

Kahn moved that the name of Peterson, S., be added as an author on H. F. No. 3431. The motion prevailed.

Tingelstad moved that the name of Nornes be added as an author on H. F. No. 3448. The motion prevailed.

Tingelstad moved that the name of Nornes be added as an author on H. F. No. 3449. The motion prevailed.

Huntley moved that the name of Haws be added as an author on H. F. No. 3450. The motion prevailed.

Huntley moved that the name of Haws be added as an author on H. F. No. 3451. The motion prevailed.

Walker moved that the name of Peterson, S., be added as an author on H. F. No. 3452. The motion prevailed.

Greiling moved that the name of Peterson, S., be added as an author on H. F. No. 3459. The motion prevailed.

Slawik moved that the name of Slocum be added as an author on H. F. No. 3463. The motion prevailed.

Winkler moved that the names of Peterson, S., and Slocum be added as authors on H. F. No. 3470. The motion prevailed.

Mariani moved that the names of Greiling and Davnie be added as authors on H. F. No. 3472. The motion prevailed.

Kohls moved that the name of Slocum be added as an author on H. F. No. 3476. The motion prevailed.

Berns moved that the name of Bunn be added as an author on H. F. No. 3498. The motion prevailed.

Murphy, E., moved that her name be stricken as an author on H. F. No. 3501. The motion prevailed.

Thao moved that the name of Slocum be added as an author on H. F. No. 3501. The motion prevailed.

Kranz moved that the name of Greiling be added as an author on H. F. No. 3519. The motion prevailed.

Abeler moved that the name of Ruud be added as an author on H. F. No. 3526. The motion prevailed.

Winkler moved that the name of Dittrich be added as an author on H. F. No. 3538. The motion prevailed.

Heidgerken moved that the name of Peterson, A., be added as an author on H. F. No. 3544. The motion prevailed.

Tingelstad moved that the names of Nornes and Erhardt be added as authors on H. F. No. 3591. The motion prevailed.

Greiling moved that the names of Paymar and Nelson be added as authors on H. F. No. 3601. The motion prevailed.

Brod moved that the name of Shimanski be added as an author on H. F. No. 3605. The motion prevailed.

Mariani moved that the names of Ruud and Benson be added as authors on H. F. No. 3624. The motion prevailed.

Dill moved that the name of Hansen be added as an author on H. F. No. 3627. The motion prevailed.

Kalin moved that H. F. No. 768 be recalled from the Committee on Finance and be re-referred to the Committee on Governmental Operations, Reform, Technology and Elections. The motion prevailed.

Simon moved that H. F. No. 1546 be recalled from the Committee on Finance and be re-referred to the Committee on Governmental Operations, Reform, Technology and Elections. The motion prevailed.

Clark moved that H. F. No. 3196 be recalled from the Committee on Public Safety and Civil Justice and be re-referred to the Committee on Finance. The motion prevailed.

Dittrich moved that H. F. No. 3292 be recalled from the Committee on Finance and be re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

Moe moved that H. F. No. 3356, now on the General Register, be re-referred to the Committee on Finance. The motion prevailed.

Kahn moved that H. F. No. 3453 be recalled from the Committee on Agriculture, Rural Economies and Veterans Affairs and be re-referred to the Committee on Finance. The motion prevailed.

Hilty moved that S. F. No. 1298 be recalled from the Committee on Finance and be re-referred to the Committee on Governmental Operations, Reform, Technology and Elections. The motion prevailed.

Winkler moved that H. F. No. 3142 be returned to its author. The motion prevailed.

Ozment moved that H. F. No. 3245 be returned to its author. The motion prevailed.

Greiling moved that H. F. No. 3459 be returned to its author. The motion prevailed.

Solberg, by request, introduced:

House Concurrent Resolution No. 6, A House concurrent resolution recognizing the Sandy Lake Band of Mississippi Chippewa as a state recognized Indian tribe.

The concurrent resolution was referred to the Committee on Governmental Operations, Reform, Technology and Elections.

Buesgens and Lenczewski introduced:

House Concurrent Resolution No. 7, A House concurrent resolution relating to per diem payments.

The concurrent resolution was referred to the Committee on Rules and Legislative Administration.

ADJOURNMENT

Sertich moved that when the House adjourns today it adjourn until 4:00 p.m., Tuesday, March 4, 2008. The motion prevailed.

Sertich moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 4:00 p.m., Tuesday, March 4, 2008.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives