

## STATE OF MINNESOTA

## EIGHTY-SIXTH SESSION — 2010

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 NINETY-EIGHTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, MAY 6, 2010

The House of Representatives convened at 12:00 noon and was called to order by Paul Thissen, Speaker pro tempore.

Prayer was offered by the Reverend Duane V. Sarazin, River Hills United Methodist Church, Burnsville, 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	Demmer	Haws	Laine	Newton	Severson
Anderson, B.	Dettmer	Hayden	Lanning	Nornes	Shimanski
Anderson, P.	Dill	Hilstrom	Lenczewski	Norton	Simon
Anderson, S.	Dittrich	Hilty	Lesch	Obermueller	Slocum
Anzelc	Doepke	Holberg	Liebling	Olin	Smith
Atkins	Doty	Hoppe	Lieder	Otremba	Solberg
Beard	Downey	Hornstein	Loeffler	Paymar	Sterner
Benson	Drazkowski	Hortman	Loon	Pelowski	Swails
Bigham	Eastlund	Hosch	Mack	Peppin	Thao
Bly	Eken	Howes	Magnus	Persell	Thissen
Brod	Falk	Huntley	Mahoney	Peterson	Tillberry
Brown	Faust	Jackson	Marquart	Poppe	Torkelson
Brynaert	Fritz	Johnson	Masin	Reinert	Urdahl
Buesgens	Gardner	Juhnke	McFarlane	Rosenthal	Wagenius
Bunn	Garofalo	Kahn	McNamara	Rukavina	Ward
Carlson	Gottwalt	Kalin	Morgan	Ruud	Welti
Champion	Greiling	Kath	Morrow	Sailer	Westrom
Clark	Gunther	Kelly	Mullery	Sanders	Winkler
Cornish	Hackbarth	Kiffmeyer	Murdock	Scalze	Zellers
Davids	Hamilton	Knuth	Murphy, E.	Scott	
Davnie	Hansen	Koenen	Murphy, M.	Seifert	
Dean	Hausman	Kohls	Nelson	Sertich	

A quorum was present.

Emmer was excused

Lillie and Slawik were excused until 2:10 p.m. Kelliher and Mariani were excused until 3:00 p.m.

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

### REPORTS OF CHIEF CLERK

S. F. No. 2918 and H. F. No. 3281, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

### SUSPENSION OF RULES

Murphy, M., moved that the rules be so far suspended that S. F. No. 2918 be substituted for H. F. No. 3281 and that the House File be indefinitely postponed. The motion prevailed.

### PETITIONS AND COMMUNICATIONS

#### MOTION TO TAKE FROM THE TABLE

Kohls moved that H. F. No. 2323, Chapter No. 179, vetoed by the Governor on May 21, 2009 and returned to the House and laid on the table pursuant to Joint Rule 3.02(c), be now taken from the table.

A roll call was requested and properly seconded.

The question was taken on the Kohls motion and the roll was called. There were 46 yeas and 83 nays as follows:

Those who voted in the affirmative were:

Abeler	Davids	Garofalo	Kelly	McNamara	Shimanski
Anderson, B.	Dean	Gottwalt	Kiffmeyer	Murdock	Smith
Anderson, P.	Demmer	Gunther	Kohls	Nornes	Torkelson
Anderson, S.	Dettmer	Hackbarth	Lanning	Peppin	Urdahl
Beard	Doepke	Hamilton	Loon	Sanders	Westrom
Brod	Downey	Holberg	Mack	Scott	Zellers
Buesgens	Drazkowski	Hoppe	Magnus	Seifert	
Cornish	Eastlund	Howes	McFarlane	Severson	

Those who voted in the negative were:

Anzelc	Doty	Hortman	Liebling	Obermueller	Sertich
Atkins	Eken	Hosch	Lieder	Olin	Simon
Benson	Falk	Huntley	Loeffler	Otremba	Slocum
Bigham	Faust	Jackson	Mahoney	Paymar	Solberg
Bly	Fritz	Johnson	Marquart	Pelowski	Sterner
Brown	Gardner	Juhnke	Masin	Persell	Swails
Brynaert	Greiling	Kahn	Morgan	Peterson	Thao
Bunn	Hansen	Kalin	Morrow	Poppe	Thissen
Carlson	Hausman	Kath	Mullery	Reinert	Tillberry
Champion	Haws	Knuth	Murphy, E.	Rosenthal	Wagenius
Clark	Hayden	Koenen	Murphy, M.	Rukavina	Ward
Davnie	Hilstrom	Laine	Nelson	Ruud	Welti
Dill	Hilty	Lenczewski	Newton	Sailer	Winkler
Dittrich	Hornstein	Lesch	Norton	Scalze	

The motion did not prevail.

## REPORTS OF STANDING COMMITTEES AND DIVISIONS

Pelowski from the Committee on State and Local Government Operations Reform, Technology and Elections to which was referred:

H. F. No. 2227, A bill for an act relating to local government; reestablishing the Board of Innovation; imposing powers and duties on the board; appropriating money; amending Minnesota Statutes 2008, section 3.971, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 465.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

### "ARTICLE 1

#### STRATEGIC PLAN

##### Section 1. **STRATEGIC PLAN REPORT.**

By January 15, 2011, the Minnesota Innovation and Research Council shall report to the governor and the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over state government policy and finance with a strategic plan containing findings and recommendations to improve state and local government delivery of public services. The strategic plan must specify:

(1) how to enhance the public involvement and input as the public uses state and local government services and public schools;

(2) how technology can be leveraged to reduce costs and enhance quality;

(3) how service innovation will increase value or results per dollar spent; and

(4) the design for a platform that will facilitate high-quality innovation and evaluate state and local government structural redesign in the future.

The strategic plan shall also provide a process to review and modify recommendations at regular intervals in the future based on specific results measured at regular intervals.

The strategic plan shall also include any proposed legislation necessary to implement the council's recommendations.

### ARTICLE 2

#### MINNESOTA INNOVATION AND RESEARCH COUNCIL

Section 1. Minnesota Statutes 2008, section 3.971, is amended by adding a subdivision to read:

Subd. 9. **Recommendations to the Minnesota Innovation and Research Council.** The legislative auditor may make recommendations to the Minnesota Innovation and Research Council established under section 465.7902 that will assist the council in accomplishing its duties.

Sec. 2. **[465.7901] DEFINITIONS.**

Subdivision 1. **Agency.** "Agency" means a department, agency, board, or other instrumentality of state government that has jurisdiction over an administrative rule or law from which a waiver is sought under section 465.7903. If no specific agency has jurisdiction over such a law, agency refers to the attorney general.

Subd. 2. **Council.** "Council" means the Minnesota Innovation and Research Council established by section 465.7902.

Subd. 3. **Local government unit.** "Local government unit" means a county, home rule charter or statutory city, school district, town, or special taxing district.

Subd. 4. **Metropolitan agency.** "Metropolitan agency" has the meaning given in section 473.121, subdivision 5a.

Subd. 5. **Metropolitan area.** "Metropolitan area" has the meaning given in section 473.121, subdivision 2.

Subd. 6. **Metropolitan Council.** "Metropolitan Council" means the Metropolitan Council established by section 473.123.

Subd. 7. **Scope.** As used in sections 465.7901 to 465.7907 and 465.805 to 465.808, the terms defined in this section have the meanings given them.

Sec. 3. **[465.7902] MINNESOTA INNOVATION AND RESEARCH COUNCIL.**

Subdivision 1. **Membership.** The Minnesota Innovation and Research Council consists of 15 members, appointed as follows:

(1) two members of the senate, appointed by the Subcommittee on Committees of the Senate Committee on Rules and Administration;

(2) two members of the house of representatives, appointed by the speaker of the house;

(3) the commissioner of management and budget;

(4) the commissioner of administration;

(5) the state chief information officer;

(6) an administrative law judge appointed by the chief administrative law judge;

(7) the state auditor;

(8) two members with a background in academic research concerning system redesign and delivery, including one member appointed by the chancellor of the Minnesota State Colleges and Universities and one member appointed by the president of the University of Minnesota;

(9) one member with experience in the leadership of nonprofit organizations, appointed by the Minnesota Council of Nonprofits;

(10) one member with experience in foundation leadership appointed by the Minnesota Council on Foundations;

(11) one member with experience as a leader of a for-profit corporation, appointed by the Minnesota Chamber of Commerce; and

(12) one member representing public employees appointed by the American Federation of State, County and Municipal Employees.

All members must have experience or interest in the work of system redesign or public sector innovation. The legislative members serve as nonvoting members. Only members designated in clauses (3) to (7) may vote on proposed rule or law waivers under section 465.7903. A commissioner serving on the council may designate an employee from the commissioner's agency to serve as the commissioner's designee. A person registered as a lobbyist under chapter 10A may not be a member of the council.

Subd. 2. **Duties of council.** The council shall:

(1) accept applications from local government units and nonprofit organizations for waivers of administrative rules and temporary, limited exemptions from enforcement of procedural requirements in state law as provided in section 465.7903, and determine whether to approve, modify, or reject the application;

(2) accept applications for grants to local government units and related organizations proposing to design models or plans for innovative service delivery and management as provided in section 465.7905, and determine whether to approve, modify, or reject the application;

(3) accept applications from eligible local government units for service-sharing grants as provided in section 465.7905, and determine whether to approve, modify, or reject the application;

(4) make recommendations to the legislature for the authorization of pilot projects for the implementation of innovative service delivery activities that require statutory authorization;

(5) make recommendations to the legislature regarding the elimination of state mandates that inhibit local government efficiency, innovation, and cooperation by prescribing specific processes for achieving a desired outcome;

(6) investigate and review the role of unfunded state mandates in intergovernmental relations and assess their impact on state and local government objectives and responsibilities;

(7) make recommendations to the governor and the legislature regarding:

(i) allowing flexibility for local units of government in complying with specific unfunded state mandates for which terms of compliance are unnecessarily rigid or complex;

(ii) reconciling any two or more unfunded state mandates that impose contradictory or inconsistent requirements;

(iii) terminating unfunded state mandates that are duplicative, obsolete, or lacking in practical utility;

(iv) suspending, on a temporary basis, unfunded state mandates that are not vital to public health and safety and that compound the fiscal difficulties of local units of government, including recommendations for initiating the suspensions;

(v) consolidating or simplifying unfunded state mandates or the planning or reporting requirements of the mandates, in order to reduce duplication and facilitate compliance by local units of government with those mandates; and

(vi) establishing common state definitions or standards to be used by local units of government in complying with unfunded state mandates that use different definitions or standards for the same terms or principles;

(8) identify relevant unfunded state mandates;

(9) facilitate proposals for grants made by eligible applicants; and

(10) make recommendations on topics to the Legislative Audit Commission for program evaluations that are likely to result in recommendations that will improve the cost-effective delivery of government services.

The duties imposed under clauses (6) to (10) must be performed to the extent possible given existing resources. Each recommendation under clause (7) must, to the extent practicable, identify the specific unfunded state mandates to which the recommendation applies. The commissioners or directors of state agencies responsible for the promulgation or enforcement of the unfunded mandates addressed in clauses (5) to (10) shall assist the council in carrying out the council's duties under this section.

**Subd. 3. Additional coordinating functions.** The council may also:

(1) serve as a clearinghouse for existing ideas and information from community leaders;

(2) provide a Web site where interested parties may share information and practices;

(3) receive recommendations from the legislative auditor concerning waivers and other initiatives within the council's jurisdiction;

(4) conduct research concerning innovation in service delivery and local government efficiency, innovation, and cooperation;

(5) facilitate regional dialogue concerning successful innovation and collaboration; and

(6) use its best efforts to maximize public involvement in its work, including the use of best practices in social media.

**Subd. 4. Staff.** The council shall hire an executive director who serves as the state's chief innovation officer. The council may hire other staff or consultants as necessary to perform its duties. The commissioner of administration must provide administrative support services to the council.

**Subd. 5. Terms, compensation, and removal.** Members serve at the pleasure of the appointing authority. Compensation of members is governed by section 15.0575, unless otherwise provided.

**Sec. 4. [465.7903] RULE AND LAW WAIVER REQUESTS.**

**Subdivision 1. Generally.** (a) Except as provided in paragraph (b), a local government unit or a nonprofit organization may request the Minnesota Innovation and Research Council to grant a waiver from one or more administrative rules or a temporary, limited exemption from enforcement of state procedural laws governing delivery of services by the local government unit or nonprofit organization. Two or more local government units may submit a joint application for a waiver or exemption under this section if they propose to cooperate in providing a service or program that is subject to the rule or law. Before a local unit of government may submit an application to the council, the governing body of the local government unit must approve, in concept, the proposed waiver or exemption at a meeting required to be public under chapter 13D. A waiver or exemption granted to a nonprofit organization under this section applies to services provided to all of the organization's clients.

(b) A school district that is granted a variance from rules of the commissioner of education under section 122A.163 need not apply to the council for a waiver of those rules under this section. A school district may not seek a waiver of rules under this section if the commissioner of education has authority to grant a variance to the rules under section 122A.163. This paragraph does not preclude a school district from being included in a cooperative effort with another local government unit under this section.

Subd. 2. **Application.** (a) A local government unit or nonprofit organization requesting a waiver of a rule or exemption from enforcement of a law under this section shall present a written application to the council. The application must include:

(1) identification of the service or program at issue;

(2) identification of the administrative rule or the law imposing a procedural requirement with respect to which the waiver or exemption is sought; and

(3) a description of the improved service outcome sought, including an explanation of the effect of the waiver or exemption in accomplishing that outcome.

(b) A local government unit submitting an application must provide a copy to the exclusive representative certified under section 179A.12 to represent employees who provide the service or program affected by the requested waiver or exemption.

Subd. 3. **Review process.** (a) Upon receipt of an application, the council shall commence review of the application, as provided in this subdivision. The council shall dismiss an application if it finds that the application proposes a waiver of rules or exemption from enforcement of laws that would result in due process violations, violations of federal law or the state or federal constitution, or the loss of services to people who are entitled to them. If the council does not dismiss an application, the council must publish notice in the State Register before it acts on the application. The notice must list the name of the local government unit or nonprofit organization requesting the waiver or exemption, the service or program at issue, and the rule or law with respect to which the waiver of exemption is sought.

(b) The council shall determine whether a law from which an exemption for enforcement is sought is a procedural law, specifying how a local government unit or nonprofit organization is to achieve an outcome, rather than a substantive law prescribing the outcome or otherwise establishing policy. For the purposes of this section, "procedural law" does not include a statutory notice requirement. In making its determination, the council shall consider whether the law specifies such requirements as:

(1) who must deliver a service;

(2) where the service must be delivered;

(3) to whom and in what form reports regarding the service must be made; and

(4) how long or how often the service must be made available to a given recipient.

(c) If a member of the council also is a commissioner, a commissioner's designee, or the state auditor, or is employed by an agency with jurisdiction over a rule or law affected by an application, the member must not participate in the decision on the particular waiver or exemption.

(d) If the application is submitted by a local government unit or a nonprofit organization in the metropolitan area or the unit or nonprofit organization requests a waiver of a rule or temporary, limited exemptions from enforcement of a procedural law over which the Metropolitan Council or a metropolitan agency has jurisdiction, the council shall

also transmit a copy of the application to the Metropolitan Council for review and comment. The Metropolitan Council shall report its comments to the council within 60 days of the date the application was transmitted to the Metropolitan Council. The Metropolitan Council may point out any resources or technical assistance it may be able to provide a local government unit or nonprofit organization submitting a request under this section.

(e) Within 15 days after receipt of the application, the council shall transmit a copy of it to the commissioner of each agency having jurisdiction over a rule or law from which a waiver or exemption is sought. The agency may mail a notice that it has received an application for a waiver or exemption to all persons who have registered with the agency under section 14.14, subdivision 1a, identifying the rule or law from which a waiver or exemption is requested. If no agency has jurisdiction over the rule or law, the council shall transmit a copy of the application to the attorney general. The agency shall inform the council of its agreement with or objection to and grounds for objection to the waiver or exemption request within 60 days of the date when the application was transmitted to it. An agency's failure to respond under this paragraph is considered agreement to the waiver or exemption. The council shall decide whether to grant a waiver or exemption at its next regularly scheduled meeting following its receipt of an agency's response or the end of the 60-day response period. If consideration of an application is not concluded at that meeting, the matter may be carried over to the next meeting of the council. Interested persons may submit written comments to the council on the waiver or exemption request up to the time of its vote on the application.

(f) If the exclusive representative of the affected employees of the requesting local government unit objects to the waiver or exemption request, it may inform the council of the objection to and the grounds for the objection to the waiver or exemption request within 60 days of the receipt of the application.

Subd. 4. **Hearing.** If the agency or the exclusive representative does not agree with the waiver or exemption request, the council shall set a date for a hearing on the application. The hearing must be conducted informally at a meeting of the council. Persons representing the local government unit shall present their request for the waiver or exemption, and a representative from the agency shall explain the agency's objection to the waiver or exemption. Members of the council may request additional information from either party. The council may also request, either before or at the hearing, information or comments from representatives of business, labor, local governments, state agencies, consultants, and members of the public. If necessary, the hearing may be continued at a subsequent council meeting. A waiver or exemption requires a majority vote of the council members. The council may modify the terms of the waiver or exemption request in arriving at the agreement required under subdivision 5.

Subd. 5. **Conditions of agreements.** (a) If the council grants a request for a waiver or exemption, the council and the entity making the request shall enter into an agreement providing for the delivery of the service or program that is the subject of the application. The agreement must specify desired outcomes and the means of measurement by which the council will determine whether the outcomes specified in the agreement have been met. The agreement must specify the duration of the waiver or exemption. The duration of a waiver from an administrative rule may be for no less than two years and no more than four years, subject to renewal if both parties agree. An exemption from enforcement of a law terminates ten days after adjournment of the regular legislative session held during the calendar year following the year when the exemption is granted, unless the legislature has acted to extend or make permanent the exemption.

(b) If the council grants a waiver or exemption, it must report the waiver or exemption to the legislature, including the chairs of the governmental operations and appropriate policy committees in the house of representatives and senate, and the governor within 30 days.

(c) The council may reconsider or renegotiate the agreement if the rule or law affected by the waiver or exemption is amended or repealed during the term of the original agreement. A waiver of a rule under this section has the effect of a variance granted by an agency under section 14.055. The recipient of an exemption from enforcement of a procedural requirement in state law under this section is exempt from that law for the duration of the exemption. The council may require periodic reports from the recipient, or conduct investigations of the service or program.

Subd. 6. **Enforcement.** If the council finds that the recipient of a waiver or an exemption has failed to comply with the terms of the agreement under subdivision 5, it may rescind the agreement. After an agreement is rescinded, the recipient is subject to the rules and laws covered by the agreement.

Subd. 7. **Access to data.** If the recipient of a waiver or an exemption through a cooperative program under this section gains access to data that is classified as not public, the access to and use of the data for the recipient is governed by the same restrictions on access to and use of the data that apply to the unit that collected, created, received, or maintained the data.

**Sec. 5. [465.7904] WAIVERS OF STATE RULES; POLICIES.**

Subdivision 1. **Application.** A state agency may apply to the council for a waiver from:

(1) an administrative rule or policy adopted by the commissioner of management and budget that deals with the state personnel system;

(2) an administrative rule or policy of the commissioner of administration that deals with the state procurement system; or

(3) a policy of the commissioner of management and budget that deals with the state accounting system.

Two or more state agencies may submit a joint application. A waiver application must identify the rule or policy at issue, and must describe the improved outcome sought through the waiver.

Subd. 2. **Review process.** (a) The council shall review all applications submitted under this section. The council shall dismiss an application if it finds that the application proposes a waiver that would result in due process violations, violations of federal law or the state or federal constitution, or the loss of services to people who are entitled to them. If a proposed waiver would violate the terms of a collective bargaining agreement effective under chapter 179A, the waiver is not effective without the consent of the exclusive representative that is a party to the agreement. The council may approve a waiver only if the council determines that if the waiver is granted: (1) services can be provided in a more efficient or effective manner; and (2) services related to human resources must be provided in a manner consistent with section 43A.01. In the case of a waiver from a policy of the commissioner of management and budget, the council may approve the waiver only if it determines that services will be provided in a more efficient or effective manner and that state funds will be adequately accounted for and safeguarded in a manner that complies with generally accepted government accounting principles.

(b) Within 15 days of receipt of the application, the council shall send a copy of the application to: (1) the agency whose rule or policy is involved; and (2) all exclusive representatives who represent employees of the agency requesting the waiver. The agency whose rule or policy is involved may mail a copy of the application to all persons who have registered with the agency under section 14.14, subdivision 1a.

(c) The agency whose rule or policy is involved or an exclusive representative shall notify the council of its agreement with or objection to and grounds for objection to the waiver within 60 days of the date when the application was transmitted to the agency or the exclusive representative. An agency's or exclusive representative's failure to respond under this paragraph is considered agreement to the waiver.

(d) If the agency or the exclusive representative objects to the waiver, the council shall schedule a meeting at which the agency requesting the waiver may present its case for the waiver and the objecting party may respond. The council shall decide whether to grant a waiver at its next regularly scheduled meeting following its receipt of an agency's response, or the end of the 60-day response period, whichever occurs first. If consideration of an application is not concluded at the meeting, the matter may be carried over to the next meeting of the council. Interested persons may submit written comments to the council on the waiver request.

(e) If the council grants a request for a waiver, the council and the agency requesting the waiver shall enter into an agreement relating to the outcomes desired as a result of the waiver and the means of measurement to determine whether those outcomes have been achieved with the waiver. The agreement must specify the duration of the waiver, which must be for at least two years and not more than four years. If the council determines that an agency that has received a waiver is failing to comply with the terms of the agreement, the council may rescind the agreement.

Subd. 3. **Participation.** If a waiver request involves a rule or policy adopted by an official specified in section 465.7902, subdivision 1, clauses (3) to (7), that official may not participate in the evaluation of that waiver request.

Sec. 6. **[465.7905] INNOVATION AND REDESIGN GRANTS.**

Subdivision 1. **Application.** One or more local units of government, an association of local governments, the Metropolitan Council, a local unit of government acting in conjunction with an organization or a state agency, an organization established by two or more local units of government under a joint powers agreement, or a not-for-profit organization may apply to the Minnesota Innovation and Research Council for a grant to be used to: (1) develop models for service redesign; or (2) meet the start-up costs of providing shared services or functions. Agreements solely to make joint purchases do not qualify for grants. The application must specify a nonstate funding source for 25 percent of the total cost of the proposal. The application to the council must state what other sources of funding have been considered by the local units of government to implement the project and explain why it is not possible to complete the project without assistance from the council. The council may not award a grant if it determines that the local units of government could complete the project without council assistance or if it determines the applicant has not specified a nonstate funding source for 25 percent of the total cost. A copy of the application must be provided by the units to the exclusive representatives certified under section 179A.12 to represent employees who provide the service or program affected by the application.

Subd. 2. **Proposals.** (a) Proposed models for service redesign may provide options to local governments, neighborhood or community organizations, other not-for-profit organizations, or individuals to redesign service delivery. In awarding grants under this paragraph, the council must consider whether the proposal:

(1) expands consumer choices and opportunities;

(2) shifts government toward an expanded role as a purchaser, rather than a provider, of services;

(3) reduces administrative costs through statewide or regional contracting, or related administrative efficiencies;

(4) reduces administrative costs through the accumulation of multiple related services into a single contract with one provider, or related administrative efficiencies;

(5) fosters entrepreneurial leadership in the public sector; and

(6) increases value to the taxpayer or results per dollar spent.

(b) A proposal for a grant for shared services or functions must include plans to fully integrate a service or function provided by two or more local government units. The proposal must include how value for the taxpayer or results per dollar spent will be impacted.

Subd. 3. **Requirements.** A copy of the work product for which the grant was provided must be furnished to the council upon completion, and the council may disseminate it to other local units of government or interested groups. If the council finds that the work was not completed or implemented according to the terms of the grant agreement, it may require the grantee to repay all or a portion of the grant. The council shall award grants on the basis of each

qualified applicant's score under the scoring system in section 465.7906. The amount of a grant under subdivision 2, paragraph (a), may not exceed \$250,000. The amount of a grant under subdivision 2, paragraph (b), may not exceed \$100,000.

Sec. 7. **[465.7906] SCORING SYSTEM.**

In deciding whether to award a grant under section 465.7905, the council shall use the following scoring system:

(1) Up to 15 points must be awarded to reflect the extent to which the application demonstrates creative thinking, careful planning, cooperation, involvement of the clients of the affected service, and commitment to persist through challenges.

(2) Up to 25 points must be awarded to reflect the extent to which the proposed project is likely to improve the quality of the service, increase value to the taxpayers or results per dollar spent, and to have benefits for other local governments.

(3) Up to 15 points must be awarded to reflect the extent to which the application's budget provides sufficient detail, maximizes the use of state funds, documents the need for financial assistance, commits to local financial support, and limits expenditures to essential activities.

(4) Up to 15 points must be awarded to reflect the extent to which the application reflects the statutory goal of the grant program.

(5) Up to 15 points must be awarded to reflect the merit of the proposed project and the extent to which it warrants the state's financial participation.

(6) Up to five points must be awarded to reflect the cost to benefit ratio projected for the proposed project.

(7) Up to five points must be awarded to reflect the number of government units participating in the proposal.

(8) Up to five points must be awarded to reflect the minimum length of time the application commits to implementation.

Sec. 8. **[465.7907] REPAYMENT OF GRANTS.**

Subdivision 1. **Repayment procedures.** Without regard to whether a grant recipient offered to repay the grant in its original application, as part of a grant awarded under section 465.7905, the council may require the grant recipient to repay all or part of the grant if the council determines the project funded by the grant resulted in an actual savings for the participating local units of government. The grant agreement must specify how the savings are to be determined and the period of time over which the savings will be used to calculate a repayment requirement. The repayment of grant money under this section must not exceed an amount equal to the total savings achieved through the implementation of the project.

Subd. 2. **Bonus points.** In addition to the points awarded to competitive grant applications under section 465.7906, the council shall award additional points to any applicant that projects a potential cost savings through the implementation of its project and offers to repay part or all of the grant under the formula in subdivision 1.

Subd. 3. **Use of repayment revenue.** All grant money repaid to the council under this section is appropriated to the council for additional grants authorized by section 465.7905.

Sec. 9. **[465.805] POLICY INNOVATION AND RESEARCH.**

Subdivision 1. **Research topics.** The council shall periodically select policy innovation topics suitable for review and analysis by a consortium of independent organizations. Topics may include general or specific functions of state government. The council shall give primary consideration to areas of concern where a comprehensive review and analysis of available research is likely to yield recommendations for policy changes that will provide significant efficiencies and improvements in the operation of state government and an increase in value to the taxpayer. Legislators and legislative committees may provide the council with recommendations for topics. The council shall make the final determination regarding the selection of topics under this section.

Subd. 2. **Request for proposal process.** (a) After making the determination of a research topic under subdivision 1, the council shall prepare a request for proposal relating to the topic that specifies:

- (1) the precise topic and scope of the research required for the report to the commission;
- (2) the deadlines for the response to the request for proposal and for the subsequent report; and
- (3) any other restrictions or guidelines required by the commission.

The council shall make the request for proposal publicly available and must review responses from any interested party. A group of individuals or organizations may submit a response. The council may encourage the development of a collaborative design lab containing a cross-section of researchers and public sector designers from various nonprofits, businesses, foundations, and education institutions to respond to the request for proposal.

(b) After the deadline for submission of responses has expired, the council must hold a hearing to consider all submissions. The council shall consider the following factors in selecting a response to the request for proposal:

- (1) the experience and training of individuals and organizations who will prepare the report to the commission;
- (2) the reliability and credibility of individuals and organizations who will prepare the report;
- (3) the proposed method of research; and
- (4) the resources available for the preparation of the report.

(c) After consideration and hearing of the responses to the request for proposal, the council may:

- (1) select a submission;
- (2) revise the original request for proposal and extend the deadline for responses; or
- (3) terminate the request for proposal process for the selected topic.

The chief innovation officer shall periodically communicate with the researchers to make sure they are focused on answering the questions outlined in the request for proposals.

Subd. 3. **Reports to council.** The council shall hold a hearing to receive a report prepared under this section and shall ensure that the governor and the relevant committees in the legislature are provided with notice of the report and an opportunity to review the report, including an opportunity for additional hearings.

Sec. 10. **[465.808] RECEIPTS; APPROPRIATION.**

(a) The council may charge a fee for the use of services provided by the council's staff. The receipts from fees charged under this section are deposited in a special revenue account and appropriated to the council for services provided under sections 465.7901 to 465.808.

(b) The council may accept gifts and grants. Money received under this paragraph is deposited in a special revenue account and appropriated to the council for services provided under sections 465.7901 to 465.808.

Sec. 11. **[465.809] GUARANTEEING INCREASED VALUE TO THE TAXPAYER.**

Subdivision 1. **Report.** The council shall report by January 15 each year to the governor and appropriate committees of the house of representatives and senate on its activities. The report shall include the amount of the council's net spending, the amount of savings and the increased outcomes to the taxpayer that was identified by the council, and the actual documented savings to state and local governments. Entities receiving grants or waivers from the council must document and verify savings to the taxpayer from the previous year's budgets.

Subd. 2. **Savings and increased value.** The council must make every effort to obtain \$3 in savings and show increased value to the taxpayer for each net state dollar spent by the council.

Subd. 3. **Innovative practices.** The council shall promote and drive innovative practices and must make annual recommendations to the legislature. One or all of these recommendations may be in partnership with an individual, foundations, nonprofits, or businesses. The council may make endorsements of proposals of individuals, foundations, nonprofits, or businesses when making recommendations. The council must make annual recommendations to:

(1) recommend at least \$20 in savings and show increased outcomes to the taxpayer for each net state dollar spent by the council. These savings may be spread out over various budget items;

(2) recommend policy changes that will quantifiably improve desired outcome attainment to the taxpayer as compared to dollars spent. This shall not be limited to efficiency but may also include developing new approaches to achieve desired outcomes;

(3) highlight existing innovative practices or partnerships in the state; and

(4) recommend innovative models, which may include state and local government structural redesign, from across the country to the legislature; highlight innovative practices from past or contemporary reports; recommend evidence-based service delivery methods for this state; or recommend theory-based working models of approaches to policy.

Sec. 12. **APPROPRIATIONS.**

\$350,000 is appropriated from the general fund for the fiscal year ending June 30, 2011, to the Minnesota Innovation and Research Council for the following purposes:

(1) operation and administration of the council;

(2) grants for models for service redesign;

(3) grants for shared services and functions;

(4) policy innovation and research; and

(5) the strategic plan report under article 1, section 1.

The appropriations in this section are contingent on receiving a dollar-for-dollar match from private sources.

Sec. 13. **REPEALER.**

Minnesota Statutes 2008, section 6.80, is repealed."

Delete the title and insert:

"A bill for an act relating to local government; establishing Minnesota Innovation and Research Council; imposing powers and duties of council; appropriating money; amending Minnesota Statutes 2008, section 3.971, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 465; repealing Minnesota Statutes 2008, section 6.80."

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

The report was adopted.

Solberg from the Committee on Ways and Means to which was referred:

H. F. No. 3051, A bill for an act relating to state lands; modifying method of determining value of acquired stream easements; providing for designation of certain state forest boundaries; modifying state forest acquisition provisions; permitting the exchange of riparian lands within the Boundary Waters Canoe Area Wilderness; establishing a moratorium on public access development for public waters without a public access; adding to and deleting from state parks and state forests; providing for disposition of certain proceeds; requiring designation of certain school trust land as aquatic management area; authorizing and modifying public and private sales, conveyances, and exchanges of certain state land; amending Minnesota Statutes 2008, sections 84.0272, subdivision 2; 85.012, subdivision 40; 89.021, by adding a subdivision; 89.032, subdivision 2; 94.342, by adding a subdivision; 97A.141, subdivision 1; Laws 2009, chapter 176, article 4, section 9.

Reported the same back with the following amendments:

Page 8, delete section 13

Page 41, line 31, delete "58" and insert "57"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, delete everything after the semicolon

Page 1, line 9, delete "as aquatic management area;"

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

Solberg from the Committee on Ways and Means to which was referred:

H. F. No. 3124, A bill for an act relating to game and fish; modifying aquaculture provisions; modifying provisions for taking, possessing, and transporting wild animals; modifying requirements for fish and wildlife management plans; modifying game and fish license provisions; amending Minnesota Statutes 2008, sections 17.4982, subdivision 12, by adding a subdivision; 17.4991, subdivision 3; 17.4994; 84.942, subdivision 1; 84D.03, subdivision 3; 84D.11, subdivision 2a; 97A.015, subdivision 52; 97A.101, subdivision 3; 97A.311, subdivision 5; 97A.331, subdivision 4; 97A.345; 97A.405, subdivision 2; 97A.421, subdivision 4a; 97A.433, by adding a subdivision; 97A.435, subdivisions 1, 4; 97A.502; 97A.535, subdivision 2a; 97A.545, subdivision 5; 97B.015, subdivision 5a; 97B.022, subdivision 2; 97B.031, subdivision 5; 97B.075; 97B.106, subdivision 1; 97B.325; 97B.405; 97B.515, by adding a subdivision; 97B.911; 97B.915; 97B.921; 97B.925; 97C.005, subdivision 3; 97C.087, subdivision 2; 97C.205; 97C.315, subdivision 1; 97C.341; Minnesota Statutes 2009 Supplement, sections 84.95, subdivision 2; 97A.445, subdivision 1a; 97B.055, subdivision 3; 97B.811, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 17; 97B; 348; repealing Minnesota Statutes 2008, sections 84.942, subdivisions 2, 3, 4; 97A.435, subdivision 5; 97B.511; 97B.515, subdivision 3; 97B.811, subdivision 4.

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

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. Nos. 3051 and 3124 were read for the second time.

## **SECOND READING OF SENATE BILLS**

S. F. No. 2918 was read for the second time.

## **INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

Drazkowski, Shimanski, Dettmer, Scott, Buesgens and Davids introduced:

H. F. No. 3830, A bill for an act relating to public safety; illegal immigration; requiring law enforcement to enforce federal immigration laws; establishing eligibility criteria for federal and state public benefits; requiring possession of alien identification cards; prohibiting the transporting and smuggling of illegal immigrants; prohibiting illegal immigrants from working or soliciting work in the state; prohibiting the employment of illegal aliens; creating the Minnesota Illegal Immigration Enforcement Team; requiring the attorney general to represent the state against any challenges to this act; amending Minnesota Statutes 2009 Supplement, section 629.34, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 299P.

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

Torkelson introduced:

H. F. No. 3831, A bill for an act relating to employment; modifying prevailing hours of labor requirements; amending Minnesota Statutes 2008, section 177.42, subdivision 4.

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

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

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

H. F. No. 653, A bill for an act relating to elections; changing certain municipal precinct and ward boundary procedures and requirements; amending Minnesota Statutes 2008, sections 204B.135, subdivisions 1, 3; 204B.14, subdivisions 3, 4; 205.84, subdivisions 1, 2.

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

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Madam Speaker:

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

H. F. No. 655, A bill for an act relating to elections; requiring an affidavit of candidacy to state the candidate's residence address and telephone number; prohibiting placement of a candidate on the ballot if residency requirements are not met; amending Minnesota Statutes 2008, section 204B.06, subdivision 1.

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

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Madam Speaker:

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

H. F. No. 2668, A bill for an act relating to landlord and tenant; modifying certain procedures relating to expungement; providing procedures relating to the charging and recovery of various fees; providing certain rights to tenants of foreclosed properties; amending Minnesota Statutes 2008, sections 484.014, subdivision 3; 504B.111;

504B.173; 504B.178, subdivision 7; 504B.215, subdivision 4; 504B.271, subdivisions 1, 2; 504B.285, by adding subdivisions; 504B.291, subdivision 1; 504B.365, subdivision 4; Minnesota Statutes 2009 Supplement, section 504B.285, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 504B.

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

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Madam Speaker:

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

H. F. No. 3327, A bill for an act relating to city and county employees; exempting employees of a city-owned or county-owned hospital from certain reporting requirements; amending Minnesota Statutes 2008, section 471.701.

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

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Madam Speaker:

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

S. F. No. 2511.

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

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

#### CONFERENCE COMMITTEE REPORT ON S. F. NO. 2511

A bill for an act relating to state government; establishing a collaborative governance council; requiring reports; proposing coding for new law in Minnesota Statutes, chapter 6.

May 4, 2010

The Honorable James P. Metzen  
President of the Senate

The Honorable Margaret Anderson Kelliher  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 2511 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 2511 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. **[6.81] COLLABORATIVE GOVERNANCE COUNCIL.**

Subdivision 1. **Establishment; purpose; membership.** (a) A collaborative governance council is established and shall include major statewide governmental entities and nongovernmental statewide organizations as provided in this subdivision. The council has nine members, including the state auditor and one member appointed by and serving at the pleasure of each of the following:

- (1) League of Minnesota Cities;
- (2) Minnesota Association of Townships;
- (3) Association of Minnesota Counties;
- (4) Minnesota School Board Association;
- (5) American Federation of State, County, and Municipal Employees Council 5;
- (6) Education Minnesota;
- (7) Service Employees International Union; and
- (8) the Minnesota Chamber of Commerce.

The appointing authorities under this section shall complete their initial appointments no later than July 1, 2010.

(b) The council shall seek input from nonmember organizations whose expertise can help inform the council's work.

(c) In conjunction with the state auditor's duties to recommend best practices for delivery of local government services, the state auditor shall serve as chair of the council and shall convene the first meeting by July 31, 2010. The council must meet at least quarterly and must provide notice of its meetings to the public and to the members of the legislative committees and divisions with jurisdiction over state and local government, education policy and finance, and early childhood through grade 12 education policy and finance. Meetings of the council shall be open to the public.

(d) Members do not receive compensation or reimbursement of expenses from the council for service on the council.

Subd. 2. **Powers and duties; report.** (a) The council shall develop recommendations to the governor and the legislature designed to increase collaboration in government. These recommendations may include, but are not limited to, strategies, policies, or other actions focused on the following:

- (1) the review of statutes, laws, and rules that slow or prevent collaboration efforts;
- (2) the use of collaboration to improve the delivery of governmental services;
- (3) the use of technology to connect entities and share information, including broadband access;

(4) the modernization of financial transactions and their oversight by facilitating credit and debit card transactions, electronic funds, transfers, and electronic data interchange; and

(5) the creation of model forms for joint power agreements.

(b) By February 1 of each year, the council shall submit its recommendations, including any draft legislation necessary to implement its recommendations, to the governor and to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over state and local government policy and finance and early childhood through grade 12 education policy and finance.

Subd. 3. **Expiration.** This section expires June 30, 2015.

**EFFECTIVE DATE.** This section is effective June 1, 2010."

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

Senate Conferees: ANN H. REST, CLAIRE ROBLING and SANDY RUMMEL.

House Conferees: MARSHA SWAILS, JOHN WARD and CAROL MCFARLANE.

Swails moved that the report of the Conference Committee on S. F. No. 2511 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 2511, as amended by Conference, was read for the third time.

#### MOTION TO LAY ON THE TABLE

Zellers moved that S. F. No. 2511, as amended by Conference, be laid on the table.

A roll call was requested and properly seconded.

The question was taken on the Zellers motion and the roll was called. There were 44 yeas and 84 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dean	Gottwalt	Kohls	Nornes	Torkelson
Anderson, P.	Demmer	Gunther	Lanning	Peppin	Urdahl
Anderson, S.	Dettmer	Hackbarth	Loon	Sanders	Westrom
Beard	Doepke	Hamilton	Mack	Scott	Zellers
Brod	Downey	Holberg	Magnus	Seifert	
Buesgens	Drazkowski	Hoppe	McFarlane	Severson	
Cornish	Eastlund	Kelly	McNamara	Shimanski	
Davids	Garofalo	Kiffmeyer	Murdock	Smith	

Those who voted in the negative were:

Anzelc	Doty	Hortman	Lesch	Norton	Scalze
Atkins	Eken	Hosch	Liebling	Obermueller	Sertich
Benson	Falk	Howes	Lieder	Olin	Simon
Bigham	Faust	Huntley	Loeffler	Otremba	Slocum
Bly	Fritz	Jackson	Mahoney	Paymar	Solberg
Brown	Gardner	Johnson	Marquart	Pelowski	Sterner
Brynaert	Greiling	Juhnke	Masin	Persell	Swails
Bunn	Hansen	Kahn	Morgan	Peterson	Thao
Carlson	Hausman	Kalin	Morrow	Poppe	Thissen
Champion	Haws	Kath	Mullery	Reinert	Tillberry
Clark	Hayden	Knuth	Murphy, E.	Rosenthal	Wagenius
Davnie	Hilstrom	Koenen	Murphy, M.	Rukavina	Ward
Dill	Hilty	Laine	Nelson	Ruud	Welti
Dittrich	Hornstein	Lenczewski	Newton	Sailer	Winkler

The motion did not prevail.

S. F. No. 2511, A bill for an act relating to state government; establishing a collaborative governance council; requiring reports; proposing coding for new law in Minnesota Statutes, chapter 6.

The bill, as amended by Conference, was placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 101 yeas and 26 nays as follows:

Those who voted in the affirmative were:

Abeler	Dittrich	Hilstrom	Lesch	Nelson	Scalze
Anderson, P.	Doepke	Hilty	Liebling	Newton	Sertich
Anderson, S.	Doty	Hornstein	Lieder	Nornes	Simon
Anzelc	Downey	Hortman	Loeffler	Norton	Slocum
Atkins	Eken	Hosch	Loon	Obermueller	Solberg
Benson	Falk	Howes	Mack	Olin	Sterner
Bigham	Faust	Huntley	Mahoney	Otremba	Swails
Bly	Fritz	Jackson	Marquart	Paymar	Thao
Brown	Gardner	Johnson	Masin	Persell	Thissen
Brynaert	Garofalo	Juhnke	McFarlane	Peterson	Tillberry
Bunn	Gottwalt	Kahn	McNamara	Poppe	Urdahl
Carlson	Greiling	Kalin	Morgan	Reinert	Wagenius
Champion	Gunther	Kath	Morrow	Rosenthal	Ward
Clark	Hansen	Knuth	Mullery	Rukavina	Welti
Cornish	Hausman	Koenen	Murdock	Ruud	Westrom
Davids	Haws	Laine	Murphy, E.	Sailer	Winkler
Dill	Hayden	Lenczewski	Murphy, M.	Sanders	

Those who voted in the negative were:

Anderson, B.	Demmer	Hamilton	Kohls	Seifert	Zellers
Beard	Dettmer	Holberg	Magnus	Severson	
Brod	Drazkowski	Hoppe	Pelowski	Shimanski	
Buesgens	Eastlund	Kelly	Peppin	Smith	
Dean	Hackbarth	Kiffmeyer	Scott	Torkelson	

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

Madam Speaker:

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

S. F. No. 2846.

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

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

#### CONFERENCE COMMITTEE REPORT ON S. F. NO. 2846

A bill for an act relating to transportation; modifying provisions governing movement of large vehicles on public streets and highways; making technical changes; repealing certain rules related to motor carriers; amending Minnesota Statutes 2008, sections 169.801, subdivision 5; 169.823, as amended; 169.826, as amended; 169.828, subdivision 1; 169.829; 169.851, subdivision 5; 169.86, subdivisions 1a, 5; 169.862, subdivision 1; 169.863, subdivision 1; 169.864, subdivision 4; 169.871, subdivisions 1, 1a, 1b; Minnesota Statutes 2009 Supplement, sections 169.801, subdivision 10; 169.81, subdivision 3; 169.824, subdivisions 1, 2; 169.8261, subdivisions 1, 2; 169.85, subdivision 2; 169.862, subdivision 2; 169.864, subdivision 2; 169.865, subdivision 1; 169.87, subdivision 2; 221.025; 221.031, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 169; repealing Minnesota Statutes 2008, section 169.826, subdivision 6; Minnesota Rules, parts 7800.0100, subparts 4, 6, 7, 8, 11, 12, 13, 14; 7800.0200; 7800.0400; 7800.0800; 7800.0900; 7800.1000; 7800.3200, subpart 2; 7800.3300; 7805.0500; 7805.0900; 7805.1300; 8850.7950; 8850.8000; 8850.8050, subpart 2; 8850.8100; 8850.8250; 8850.8300; 8850.8350; 8850.8800; 8850.8850; 8850.9050, subpart 3; 8855.0410; 8855.0600; 8855.0850; 8920.0100; 8920.0150; 8920.0200; 8920.0300; 8920.0400; 8920.0500; 8920.0600; 8920.0700; 8920.0800; 8920.0900; 8920.1000; 8920.1100; 8920.1200; 8920.1300; 8920.1400; 8920.1500; 8920.1550; 8920.1600; 8920.1700; 8920.1800; 8920.1900; 8920.2000; 8920.2100; 8920.2200; 8920.2300; 8920.2400; 8920.2500; 8920.2600; 8920.2700; 8920.2800; 8920.2900; 8920.3000; 8920.3100; 8920.3200; 8920.3300; 8920.3400; 8920.3500; 8920.3600; 8920.3700; 8920.3800; 8920.3900; 8920.4000; 8920.4100; 8920.4200; 8920.4300; 8920.4400; 8920.4500.

May 4, 2010

The Honorable James P. Metzen  
President of the Senate

The Honorable Margaret Anderson Kelliher  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 2846 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 2846 be further amended as follows:

Page 6, line 7, delete the first "axle" and insert "axles"

Page 6, line 9, after "rearmost" insert "axles of any" and delete "groups" and insert "group"

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

Senate Conferees: ROD SKOE, RICK OLSEEN and JOE GIMSE.

House Conferees: MELISSA HORTMAN, ALICE HAUSMAN and MARY LIZ HOLBERG.

Hortman moved that the report of the Conference Committee on S. F. No. 2846 be adopted and that the bill be repassed as amended by the Conference Committee.

#### MOTION TO LAY ON THE TABLE

Kohls moved that the report of the Conference Committee on S. F. No. 2846 be laid on the table.

A roll call was requested and properly seconded.

The question was taken on the Kohls motion and the roll was called. There were 42 yeas and 83 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Davids	Eastlund	Hoppe	McFarlane	Seifert
Anderson, P.	Dean	Garofalo	Kelly	McNamara	Severson
Anderson, S.	Demmer	Gottwalt	Kiffmeyer	Murdock	Shimanski
Beard	Dettmer	Gunther	Kohls	Nornes	Torkelson
Brod	Doepke	Hackbarth	Loon	Peppin	Urdahl
Buesgens	Downey	Hamilton	Mack	Sanders	Westrom
Cornish	Draskowski	Holberg	Magnus	Scott	Zellers

Those who voted in the negative were:

Anzelc	Doty	Hortman	Lesch	Obermueller	Sertich
Atkins	Eken	Hosch	Liebling	Olin	Simon
Benson	Falk	Howes	Lieder	Otremba	Slocum
Bigham	Faust	Huntley	Loeffler	Paymar	Solberg
Bly	Fritz	Jackson	Mahoney	Pelowski	Sterner
Brown	Gardner	Johnson	Marquart	Persell	Swails
Brynaert	Greiling	Juhnke	Masin	Peterson	Thao
Bunn	Hansen	Kahn	Morgan	Poppe	Thissen
Carlson	Hausman	Kalin	Mullery	Reinert	Tillberry
Champion	Haws	Kath	Murphy, E.	Rosenthal	Wagenius
Clark	Hayden	Knuth	Murphy, M.	Rukavina	Ward
Davnie	Hilstrom	Koenen	Nelson	Ruud	Walti
Dill	Hilty	Laine	Newton	Sailer	Winkler
Dittrich	Hornstein	Lenczewski	Norton	Scalze	

The motion did not prevail.

The question recurred on the Hortman motion that the report of the Conference Committee on S. F. No. 2846 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 2846, A bill for an act relating to transportation; modifying provisions governing movement of large vehicles on public streets and highways; making technical changes; repealing certain rules related to motor carriers; amending Minnesota Statutes 2008, sections 169.801, subdivision 5; 169.823, as amended; 169.826, as amended; 169.828, subdivision 1; 169.829; 169.851, subdivision 5; 169.86, subdivisions 1a, 5; 169.862, subdivision 1; 169.863, subdivision 1; 169.864, subdivision 4; 169.871, subdivisions 1, 1a, 1b; Minnesota Statutes 2009 Supplement, sections 169.801, subdivision 10; 169.81, subdivision 3; 169.824, subdivisions 1, 2; 169.8261, subdivisions 1, 2; 169.85, subdivision 2; 169.862, subdivision 2; 169.864, subdivision 2; 169.865, subdivision 1; 169.87, subdivision 2; 221.025; 221.031, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 169; repealing Minnesota Statutes 2008, section 169.826, subdivision 6; Minnesota Rules, parts 7800.0100, subparts 4, 6, 7, 8, 11, 12, 13, 14; 7800.0200; 7800.0400; 7800.0800; 7800.0900; 7800.1000; 7800.3200, subpart 2; 7800.3300; 7805.0500; 7805.0900; 7805.1300; 8850.7950; 8850.8000; 8850.8050, subpart 2; 8850.8100; 8850.8250; 8850.8300; 8850.8350; 8850.8800; 8850.8850; 8850.9050, subpart 3; 8855.0410; 8855.0600; 8855.0850; 8920.0100; 8920.0150; 8920.0200; 8920.0300; 8920.0400; 8920.0500; 8920.0600; 8920.0700; 8920.0800; 8920.0900; 8920.1000; 8920.1100; 8920.1200; 8920.1300; 8920.1400; 8920.1500; 8920.1550; 8920.1600; 8920.1700; 8920.1800; 8920.1900; 8920.2000; 8920.2100; 8920.2200; 8920.2300; 8920.2400; 8920.2500; 8920.2600; 8920.2700; 8920.2800; 8920.2900; 8920.3000; 8920.3100; 8920.3200; 8920.3300; 8920.3400; 8920.3500; 8920.3600; 8920.3700; 8920.3800; 8920.3900; 8920.4000; 8920.4100; 8920.4200; 8920.4300; 8920.4400; 8920.4500.

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

The question was taken on the repassage of the bill and the roll was called. There were 126 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Haws	Kohls	Murphy, M.	Scott
Anderson, B.	Dill	Hayden	Laine	Nelson	Seifert
Anderson, P.	Dittrich	Hilstrom	Lanning	Newton	Sertich
Anderson, S.	Doepke	Hilty	Lenczewski	Nornes	Severson
Anzelc	Doty	Holberg	Lesch	Norton	Shimanski
Atkins	Downey	Hoppe	Liebling	Obermueller	Simon
Beard	Drazkowski	Hornstein	Lieder	Olin	Slocum
Benson	Eastlund	Hortman	Loeffler	Otremba	Smith
Bigham	Eken	Hosch	Loon	Paymar	Solberg
Bly	Falk	Howes	Mack	Pelowski	Sterner
Brod	Faust	Huntley	Magnus	Peppin	Swails
Brown	Fritz	Jackson	Mahoney	Persell	Thao
Brynaert	Gardner	Johnson	Marquart	Peterson	Thissen
Bunn	Garofalo	Juhnke	Masin	Poppe	Tillberry
Carlson	Gottwalt	Kahn	McFarlane	Reinert	Torkelson
Champion	Greiling	Kalin	McNamara	Rosenthal	Urdahl
Clark	Gunther	Kath	Morgan	Rukavina	Wagenius
Cornish	Hackbarth	Kelly	Morrow	Ruud	Ward
Davids	Hamilton	Kiffmeyer	Mullery	Sailer	Westrom
Davnie	Hansen	Knuth	Murdock	Sanders	Winkler
Demmer	Hausman	Koenen	Murphy, E.	Scalze	Zellers

Those who voted in the negative were:

Buesgens                      Dean

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

Madam Speaker:

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

S. F. No. 3128.

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

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

#### CONFERENCE COMMITTEE REPORT ON S. F. NO. 3128

A bill for an act relating to residential construction; providing for lead poisoning prevention; amending the State Building Code; modifying licensing requirements; amending Minnesota Statutes 2008, sections 326B.106, by adding subdivisions; 326B.805, by adding a subdivision.

May 4, 2010

The Honorable James P. Metzen  
President of the Senate

The Honorable Margaret Anderson Kelliher  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 3128 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 3128 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 326B.106, is amended by adding a subdivision to read:

Subd. 13. **Lead certification.** When issuing permits in compliance with the State Building Code to a residential building contractor, residential remodeler, manufactured home installer, or residential roofer licensed under section 326B.805, municipalities must verify lead certification qualifications of the licensee required under subdivision 14 for renovations performed on residential property constructed prior to 1978. Municipalities may charge a surcharge for verification of this certification under section 326B.815, subdivision 2.

**EFFECTIVE DATE.** This section is effective February 1, 2011.

Sec. 2. Minnesota Statutes 2008, section 326B.106, is amended by adding a subdivision to read:

Subd. 14. **Pre-1978 structures.** A residential building contractor, residential remodeler, manufactured home installer, or residential roofer licensed under section 326B.805 performing renovation as defined by Code of Federal Regulations, title 40, section 745.83, on a residential structure constructed prior to 1978 must be certified in accordance with Code of Federal Regulations, title 40, section 745.89, unless the property has been determined to meet an exemption under Code of Federal Regulations, title 40, section 745.82. Before performing the renovations as defined by Code of Federal Regulations, title 40, section 745.83, on a residential structure constructed prior to

1978, a licensee working on the structure must be able to provide to the commissioner information so that proof of certification can be obtained as required in this subdivision. The department shall provide on its Web site a link to the United States Environmental Protection Agency Web site for verification of certification of a licensee.

**EFFECTIVE DATE.** This section is effective February 1, 2011.

Sec. 3. Minnesota Statutes 2008, section 326B.805, is amended by adding a subdivision to read:

Subd. 1a. **Pre-1978 structures.** A licensee performing renovation defined by Code of Federal Regulations, title 40, section 745.83, on a residential structure constructed prior to 1978 must comply with section 326B.106, subdivision 14.

**EFFECTIVE DATE.** This section is effective February 1, 2011."

Delete the title and insert:

"A bill for an act relating to residential construction; providing for lead poisoning prevention; amending the State Building Code; modifying licensing requirements for firms and contractors performing work on certain structures where lead may be present; amending Minnesota Statutes 2008, sections 326B.106, by adding subdivisions; 326B.805, by adding a subdivision."

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

Senate Conferees: KENNETH KELASH, CHRIS GERLACH and JIM CARLSON.

House Conferees: KAREN CLARK, JIM DAVNIE and BOB GUNTHER.

Clark moved that the report of the Conference Committee on S. F. No. 3128 be adopted and that the bill be repassed as amended by the Conference Committee.

#### MOTION TO ADJOURN

Buesgens moved that the House adjourn until 9:00 a.m., Friday, May 7, 2010.

A roll call was requested and properly seconded.

The question was taken on the Buesgens motion and the roll was called. There were 39 yeas and 89 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dean	Garofalo	Kelly	Murdock	Shimanski
Anderson, S.	Demmer	Gottwalt	Kiffmeyer	Nornes	Smith
Beard	Dettmer	Gunther	Kohls	Peppin	Westrom
Brod	Doepke	Hackbarth	Loon	Sanders	Zellers
Buesgens	Downey	Holberg	Mack	Scott	
Cornish	Drazkowski	Hoppe	McFarlane	Seifert	
Davids	Eastlund	Howes	McNamara	Severson	

Those who voted in the negative were:

Anderson, P.	Doty	Hortman	Lillie	Olin	Slawik
Anzelc	Eken	Hosch	Loeffler	Otremba	Slocum
Atkins	Falk	Huntley	Magnus	Paymar	Solberg
Benson	Faust	Johnson	Mahoney	Pelowski	Sterner
Bigham	Fritz	Juhnke	Marquart	Persell	Swails
Bly	Gardner	Kahn	Masin	Peterson	Thao
Brown	Greiling	Kalin	Morgan	Poppe	Thissen
Brynaert	Hamilton	Kath	Morrow	Reinert	Tillberry
Bunn	Hansen	Knuth	Mullery	Rosenthal	Torkelson
Carlson	Hausman	Koenen	Murphy, E.	Rukavina	Urdahl
Champion	Haws	Laine	Murphy, M.	Ruud	Wagenius
Clark	Hayden	Lenczewski	Nelson	Sailer	Ward
Davnie	Hilstrom	Lesch	Newton	Scalze	Walti
Dill	Hilty	Liebling	Norton	Sertich	Winkler
Dittrich	Hornstein	Lieder	Obermueller	Simon	

The motion did not prevail.

The question recurred on the Clark motion that the report of the Conference Committee on S. F. No. 3128 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 3128, A bill for an act relating to residential construction; providing for lead poisoning prevention; amending the State Building Code; modifying licensing requirements; amending Minnesota Statutes 2008, sections 326B.106, by adding subdivisions; 326B.805, by adding a subdivision.

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

The question was taken on the repassage of the bill and the roll was called. There were 91 yeas and 40 nays as follows:

Those who voted in the affirmative were:

Abeler	Dittrich	Hortman	Lieder	Olin	Slocum
Anderson, S.	Doty	Hosch	Lillie	Otremba	Solberg
Anzelc	Eken	Howes	Loeffler	Paymar	Sterner
Atkins	Falk	Huntley	Mahoney	Pelowski	Swails
Benson	Faust	Jackson	Marquart	Persell	Thao
Bigham	Fritz	Johnson	Masin	Peterson	Thissen
Bly	Gardner	Juhnke	McNamara	Poppe	Tillberry
Brown	Greiling	Kahn	Morgan	Reinert	Wagenius
Brynaert	Gunther	Kalin	Morrow	Rosenthal	Ward
Bunn	Hansen	Kath	Mullery	Rukavina	Walti
Carlson	Hausman	Knuth	Murphy, E.	Ruud	Winkler
Champion	Haws	Koenen	Murphy, M.	Sailer	
Clark	Hayden	Laine	Nelson	Scalze	
Cornish	Hilstrom	Lenczewski	Newton	Sertich	
Davnie	Hilty	Lesch	Norton	Simon	
Dill	Hornstein	Liebling	Obermueller	Slawik	

Those who voted in the negative were:

Anderson, B.	Demmer	Gottwalt	Kohls	Nornes	Smith
Anderson, P.	Dettmer	Hackbarth	Lanning	Peppin	Torkelson
Beard	Doepke	Hamilton	Loon	Sanders	Urdahl
Brod	Downey	Holberg	Mack	Scott	Westrom
Buesgens	Drazkowski	Hoppe	Magnus	Seifert	Zellers
Dauids	Eastlund	Kelly	McFarlane	Severson	
Dean	Garofalo	Kiffmeyer	Murdock	Shimanski	

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

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 3106, A bill for an act relating to public safety; amending first-degree driving while impaired crime to include prior felony convictions from other states; modifying implied consent, driving while impaired, and ignition interlock provisions; amending Minnesota Statutes 2008, sections 169A.24, subdivision 1; 169A.52, subdivisions 3, 4; 169A.54, subdivisions 2, 5; 169A.55, by adding a subdivision; 169A.60, subdivision 1; 171.09; 171.30, subdivisions 1, 2a, 4; 171.306, as amended; 609.131, subdivision 2; Minnesota Statutes 2009 Supplement, sections 169A.275, subdivision 7; 169A.54, subdivision 1; repealing Minnesota Statutes 2008, sections 169A.54, subdivision 11; 169A.55, subdivision 1; 171.30, subdivision 2c; 171.305, subdivisions 1, 3, 4, 5, 6, 7, 8, 9, 10, 11.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Bigham moved that the House refuse to concur in the Senate amendments to H. F. No. 3106, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 2614, A bill for an act relating to state government; licensing; state health care programs; continuing care; children and family services; health reform; Department of Health; public health; health plans; assessing administrative penalties; modifying foreign operating corporation taxes; requiring reports; making supplemental and contingent appropriations and reductions for the Departments of Health and Human Services and other health-related boards and councils; amending Minnesota Statutes 2008, sections 62D.08, by adding a subdivision; 62J.07, subdivision 2, by adding a subdivision; 62J.38; 62J.692, subdivision 4; 62Q.19, subdivision 1; 62Q.76, subdivision 1; 62U.05; 119B.025, subdivision 1; 119B.09, subdivision 4; 119B.11, subdivision 1; 144.05, by adding a subdivision; 144.226, subdivision 3; 144.291, subdivision 2; 144.293, subdivision 4, by adding a subdivision; 144.651, subdivision 2; 144.9504, by adding a subdivision; 144A.51, subdivision 5; 144E.37; 214.40, subdivision 7; 245C.27, subdivision 2; 245C.28, subdivision 3; 246B.04, subdivision 2; 254B.01, subdivision 2; 254B.02, subdivisions 1, 5; 254B.03, subdivision 4, by adding a subdivision; 254B.05, subdivision 4; 254B.06, subdivision 2; 254B.09, subdivision 8; 256.01, by adding a subdivision; 256.9657, subdivision 3; 256B.04, subdivision 14;

256B.055, by adding a subdivision; 256B.056, subdivisions 3, 4; 256B.057, subdivision 9; 256B.0625, subdivisions 8, 8a, 8b, 18a, 22, 31, by adding subdivisions; 256B.0631, subdivisions 1, 3; 256B.0644, as amended; 256B.0754, by adding a subdivision; 256B.0915, subdivision 3b; 256B.19, subdivision 1c; 256B.441, by adding a subdivision; 256B.5012, by adding a subdivision; 256B.69, subdivisions 20, as amended, 27, by adding subdivisions; 256B.692, subdivision 1; 256B.75; 256B.76, subdivisions 2, 4, by adding a subdivision; 256D.03, subdivision 3b; 256D.0515; 256D.425, subdivision 2; 256I.05, by adding a subdivision; 256J.20, subdivision 3; 256J.24, subdivision 10; 256J.37, subdivision 3a; 256J.39, by adding subdivisions; 256L.02, subdivision 3; 256L.03, subdivision 3, by adding a subdivision; 256L.04, subdivision 7; 256L.05, by adding a subdivision; 256L.07, subdivision 1, by adding a subdivision; 256L.12, subdivisions 5, 6, 9; 256L.15, subdivision 1; 290.01, subdivision 5, by adding a subdivision; 290.17, subdivision 4; 326B.43, subdivision 2; 626.556, subdivision 10i; 626.557, subdivision 9d; Minnesota Statutes 2009 Supplement, sections 62J.495, subdivisions 1a, 3, by adding a subdivision; 157.16, subdivision 3; 245A.11, subdivision 7b; 245C.27, subdivision 1; 246B.06, subdivision 6; 252.025, subdivision 7; 252.27, subdivision 2a; 256.045, subdivision 3; 256.969, subdivision 3a; 256B.056, subdivision 3c; 256B.0625, subdivisions 9, 13e; 256B.0653, subdivision 5; 256B.0911, subdivision 1a; 256B.0915, subdivision 3a; 256B.69, subdivisions 5a, 23; 256B.76, subdivision 1; 256B.766; 256D.03, subdivision 3, as amended; 256D.44, subdivision 5; 256J.425, subdivision 3; 256L.03, subdivision 5; 256L.11, subdivision 1; 289A.08, subdivision 3; 290.01, subdivisions 19c, 19d; 327.15, subdivision 3; Laws 2005, First Special Session chapter 4, article 8, section 66, as amended; Laws 2009, chapter 79, article 3, section 18; article 5, sections 17; 18; 22; 75, subdivision 1; 78, subdivision 5; article 8, sections 2; 51; 81; article 13, sections 3, subdivisions 1, as amended, 3, as amended, 4, as amended, 8, as amended; 5, subdivision 8, as amended; Laws 2009, chapter 173, article 1, section 17; Laws 2010, chapter 200, article 1, sections 12, subdivisions 5, 6, 7, 8; 13, subdivision 1b; 16; 21; article 2, section 2, subdivisions 1, 8; proposing coding for new law in Minnesota Statutes, chapters 62A; 62D; 62E; 62J; 62Q; 144; 245; 254B; 256; 256B; proposing coding for new law as Minnesota Statutes, chapter 62V; repealing Minnesota Statutes 2008, sections 254B.02, subdivisions 2, 3, 4; 254B.09, subdivisions 4, 5, 7; 256D.03, subdivisions 3a, 3b, 5, 6, 7, 8; 290.01, subdivision 6b; 290.0921, subdivision 7; Minnesota Statutes 2009 Supplement, section 256D.03, subdivision 3; Laws 2009, chapter 79, article 7, section 26, subdivision 3; Laws 2010, chapter 200, article 1, sections 12, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10; 18; 19.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Huntley moved that the House refuse to concur in the Senate amendments to H. F. No. 2614, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

S. F. Nos. 2702, 3379 and 2900.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

### **FIRST READING OF SENATE BILLS**

S. F. No. 2702, A bill for an act relating to health; establishing licensure for birth centers; appropriating money; amending Minnesota Statutes 2008, sections 62Q.19, subdivision 1; 144.651, subdivision 2; 144A.51, subdivision 5; 256B.0625, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time.

Ruud moved that S. F. No. 2702 and H. F. No. 3046, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 3379, A bill for an act relating to public safety; appropriating money to match federal disaster assistance made available through FEMA Public Assistance Program.

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

S. F. No. 2900, A bill for an act relating to natural resources; modifying aquaculture provisions; modifying disposal restrictions for certain livestock taken by wild animals; modifying provisions for taking, possessing, and transporting wild animals; modifying requirements for fish and wildlife management plans; modifying game and fish provisions; modifying game and fish license requirements and fees for youths; increasing certain fishing license fees; modifying certain requirements for invasive species control; modifying certain administrative accounts; modifying electronic transaction provisions; providing for certain registration exemptions; modifying all-terrain vehicle definitions; modifying all-terrain vehicle operation restrictions; modifying state trails and canoe and boating routes; modifying fees and disposition of certain receipts; modifying certain competitive bidding exemptions; modifying horse trail pass provisions; modifying beaver dam provisions; modifying the Water Law; modifying nongame wildlife check offs; modifying method of determining value of acquired stream easements; providing for certain historic property exemption; modifying adding to and deleting from state parks and state forests; authorizing public and private sales, conveyances, and exchanges of certain state land; providing exemptions from rulemaking and requiring rulemaking; providing criminal penalties; appropriating money; amending Minnesota Statutes 2008, sections 17.4982, subdivision 12, by adding a subdivision; 17.4991, subdivision 3; 17.4994; 35.82, subdivision 2; 84.025, subdivision 9; 84.027, subdivision 15; 84.0272, subdivision 2; 84.0856; 84.0857; 84.82, subdivision 3, by adding a subdivision; 84.92, subdivisions 9, 10; 84.922, subdivision 5, by adding a subdivision; 84.925, subdivision 1; 84.942, subdivision 1; 84D.03, subdivision 3; 84D.13, subdivision 3; 85.012, subdivision 40; 85.015, subdivision 14; 85.22, subdivision 5; 85.32, subdivision 1; 85.43; 85.46, as amended; 86B.101; 89.032, subdivision 2; 97A.015, subdivision 52, by adding a subdivision; 97A.055, subdivision 4b; 97A.101, subdivision 3; 97A.145, subdivision 2; 97A.311, subdivision 5; 97A.331, by adding subdivisions; 97A.420, subdivisions 2, 3, 4, 6, by adding a subdivision; 97A.421, subdivision 4a, by adding a subdivision; 97A.433, by adding a subdivision; 97A.435, subdivision 1; 97A.445, subdivision 5; 97A.451, subdivision 3; 97A.475, subdivisions 3a, 4, 43, 44; 97A.535, subdivision 2a; 97A.545, subdivision 5; 97B.015; 97B.020; 97B.021, subdivision 1; 97B.022, subdivision 2; 97B.031, subdivision 5; 97B.045, by adding a subdivision; 97B.075; 97B.106, subdivision 1; 97B.211, subdivision 1; 97B.301, subdivisions 3, 6; 97B.325; 97B.405; 97B.515, by adding a subdivision; 97B.601, subdivision 4; 97B.665, subdivision 2; 97B.711, by adding a subdivision; 97B.803; 97C.005, subdivision 3; 97C.087, subdivision 2; 97C.205; 97C.341; 103A.305; 103G.271, subdivision 3; 103G.285, subdivision 5; 103G.301, subdivision 6; 103G.305, subdivision 2; 103G.315, subdivision 11; 103G.515, subdivision 5; 290.431; 290.432; Minnesota Statutes 2009 Supplement, sections 84.928, subdivision 1; 84.95, subdivision 2; 85.015, subdivision 13; 86A.09, subdivision 1; 97A.075, subdivision 1; 97A.445, subdivision 1a; 97A.451, subdivision 2; 97A.475, subdivisions 2, 3; 97B.055, subdivision 3; 97C.395, subdivision 1; 103G.201; Laws 2008, chapter 368, article 1, section 34, as amended; Laws 2009, chapter 176, article 4, section 9; proposing coding for new law in Minnesota Statutes, chapters 17; 84D; 85; 97B; 97C; 103G; repealing Minnesota Statutes 2008, sections 84.02, subdivisions 1, 2, 3, 4, 5, 6, 7, 8; 84.942, subdivisions 2, 3, 4; 97A.435, subdivision 5; 97A.451, subdivisions 3a, 4; 97A.485, subdivision 12; 97B.022, subdivision 1; 97B.511; 97B.515, subdivision 3; 97B.665, subdivision 1; 97C.346; 103G.295; 103G.650; Minnesota Statutes 2009 Supplement, sections 3.3006; 84.02, subdivisions 4a, 6a, 6b; Laws 2009, chapter 172, article 5, section 8.

The bill was read for the first time.

Dill moved that S. F. No. 2900 and H. F. No. 3124, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

**CALENDAR FOR THE DAY**

S. F. No. 1886 was reported to the House.

Sterner moved to amend S. F. No. 1886, the second engrossment, as follows:

Page 1, line 8, delete "A residential building"

Page 1, delete line 9

Page 1, delete line 10 and insert "A residential contractor providing residential roofing"

Page 1, line 12, delete the comma

Page 1, lines 13, 15, and 16, delete "roofer" and insert "contractor"

Page 1, after line 15, insert:

"For purposes of this section, "residential contractor" means a residential roofer, as defined in section 326B.802, subdivision 14, a residential contractor, as defined in section 326B.802, subdivision 11, and a residential remodeler, as defined in section 326B.802, subdivision 12."

Page 1, line 23, delete "residential roofer" and insert "contractor" and after "provide" insert "residential roofing"

Page 2, lines 2, 13, and 25, delete "48" and insert "72"

Page 2, lines 4, 10, 24, 28, and 35, delete "residential roofer" and insert "contractor"

Page 2, line 5, delete "residential"

Page 2, line 6, delete "roofer" and insert "contractor"

Page 2, line 25, delete "residential roofer's" and insert "contractor's"

Page 3, line 1, delete "residential roofer" and insert "contractor" and delete "residential"

Page 3, line 2, delete "roofer" and insert "contractor"

Page 3, after line 2, insert:

"Subd. 4. **Definition.** For the purposes of this section, "contractor" means a residential building contractor who is providing roofing services, a residential remodeler who is providing roofing services, or a residential roofer."

The motion prevailed and the amendment was adopted.

S. F. No. 1886, A bill for an act relating to commerce; regulating contracts and insurance claims for residential roofing goods and services; proposing coding for new law in Minnesota Statutes, chapters 325E; 326B.

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

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 9 nays as follows:

Those who voted in the affirmative were:

Abeler	Dittrich	Hornstein	Lieder	Obermueller	Slawik
Anderson, P.	Doty	Hortman	Lillie	Olin	Slocum
Anderson, S.	Eastlund	Hosch	Loeffler	Otremba	Smith
Anzelc	Eken	Howes	Loon	Paymar	Solberg
Atkins	Falk	Huntley	Mack	Pelowski	Sterner
Beard	Faust	Jackson	Magnus	Peppin	Swails
Benson	Fritz	Johnson	Mahoney	Persell	Thao
Bigham	Gardner	Juhnke	Marquart	Peterson	Thissen
Bly	Garofalo	Kahn	Masin	Poppe	Tillberry
Brown	Gottwalt	Kalin	McFarlane	Reinert	Torkelson
Brynaert	Greiling	Kath	McNamara	Rosenthal	Urdahl
Bunn	Gunther	Kelly	Morgan	Rukavina	Wagenius
Carlson	Hamilton	Kiffmeyer	Morrow	Ruud	Ward
Champion	Hansen	Knuth	Mullery	Sailer	Welti
Clark	Hausman	Koenen	Murdock	Sanders	Westrom
Cornish	Haws	Kohls	Murphy, E.	Scalze	Winkler
Davids	Hayden	Laine	Murphy, M.	Scott	Zellers
Davnie	Hilstrom	Lanning	Nelson	Seifert	
Dean	Hilty	Lenczewski	Newton	Sertich	
Dettmer	Holberg	Lesch	Nornes	Severson	
Dill	Hoppe	Liebling	Norton	Simon	

Those who voted in the negative were:

Anderson, B.	Buesgens	Doepke	Drazkowski	Shimanski
Brod	Demmer	Downey	Hackbarth	

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

S. F. No. 2971 was reported to the House.

Hilty moved to amend S. F. No. 2971, the third engrossment, as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 3009, the first engrossment:

"Section 1. Minnesota Statutes 2008, section 16E.15, subdivision 2, is amended to read:

Subd. 2. **Software sale fund.** (a) Except as provided in ~~paragraphs~~ paragraph (b) ~~and (c)~~, proceeds of the sale or licensing of software products or services by the chief information officer must be credited to the enterprise technology revolving fund. If a state agency other than the Office of Enterprise Technology has contributed to the development of software sold or licensed under this section, the chief information officer may reimburse the agency by discounting computer services provided to that agency.

(b) Proceeds of the sale or licensing of software products or services developed by the Pollution Control Agency, or custom developed by a vendor for the agency, must be credited to the environmental fund.

~~(c) Proceeds of the sale or licensing of software products or services developed by the Department of Education, or custom developed by a vendor for the agency, to support the achieved savings assessment program, must be appropriated to the commissioner of education and credited to the weatherization program to support weatherization activities.~~

Sec. 2. Minnesota Statutes 2008, section 216B.241, subdivision 2, is amended to read:

Subd. 2. **Programs.** (a) The commissioner may require public utilities to make investments and expenditures in energy conservation improvements, explicitly setting forth the interest rates, prices, and terms under which the improvements must be offered to the customers. The required programs must cover no more than a three-year period. Public utilities shall file conservation improvement plans by June 1, on a schedule determined by order of the commissioner, but at least every three years. Plans received by a public utility by June 1 must be approved or approved as modified by the commissioner by December 1 of that same year. The commissioner shall evaluate the program on the basis of cost-effectiveness and the reliability of technologies employed. The commissioner's order must provide to the extent practicable for a free choice, by consumers participating in the program, of the device, method, material, or project constituting the energy conservation improvement and for a free choice of the seller, installer, or contractor of the energy conservation improvement, provided that the device, method, material, or project seller, installer, or contractor is duly licensed, certified, approved, or qualified, including under the residential conservation services program, where applicable.

(b) The commissioner may require a utility to make an energy conservation improvement investment or expenditure whenever the commissioner finds that the improvement will result in energy savings at a total cost to the utility less than the cost to the utility to produce or purchase an equivalent amount of new supply of energy. The commissioner shall nevertheless ensure that every public utility operate one or more programs under periodic review by the department.

(c) Each public utility subject to subdivision 1a may spend and invest annually up to ten percent of the total amount required to be spent and invested on energy conservation improvements under this section by the utility on research and development projects that meet the definition of energy conservation improvement in subdivision 1 and that are funded directly by the public utility.

(d) A public utility may not spend for or invest in energy conservation improvements that directly benefit a large energy facility or a large electric customer facility for which the commissioner has issued an exemption pursuant to subdivision 1a, paragraph (b). The commissioner shall consider and may require a utility to undertake a program suggested by an outside source, including a political subdivision, a nonprofit corporation, or community organization.

(e) A utility, a political subdivision, or a nonprofit or community organization that has suggested a program, the attorney general acting on behalf of consumers and small business interests, or a utility customer that has suggested a program and is not represented by the attorney general under section 8.33 may petition the commission to modify or revoke a department decision under this section, and the commission may do so if it determines that the program is not cost-effective, does not adequately address the residential conservation improvement needs of low-income persons, has a long-range negative effect on one or more classes of customers, or is otherwise not in the public interest. The commission shall reject a petition that, on its face, fails to make a reasonable argument that a program is not in the public interest.

(f) The commissioner may order a public utility to include, with the filing of the utility's ~~proposed conservation improvement plan under paragraph (a)~~ annual status report, the results of an independent audit of all or a selection of the utility's conservation improvement programs and expenditures performed by the department or an auditor with experience in the provision of energy conservation and energy efficiency services approved by the commissioner and chosen by the utility. The audit must specify the energy savings or increased efficiency in the use of energy within the service territory of the utility that is the result of the spending and investments. The audit must evaluate the cost-effectiveness of the utility's conservation programs.

Sec. 3. Minnesota Statutes 2008, section 216B.812, subdivision 2, is amended to read:

Subd. 2. **Pilot projects.** (a) In consultation with appropriate representatives from state agencies, local governments, universities, businesses, and other interested parties, the Department of Commerce shall ~~report back to the legislature by November 1, 2005, and every two years thereafter, with~~ develop a slate of proposed pilot projects that contribute to realizing Minnesota's hydrogen economy goal as set forth in section 216B.8109. The Department of Commerce must consider the following nonexclusive list of priorities in developing the proposed slate of pilot projects:

(1) deploy "bridge" technologies such as hybrid-electric, off-road, and fleet vehicles running on hydrogen or fuels blended with hydrogen;

(2) lead to cost-competitive, on-site renewable hydrogen production technologies;

(3) demonstrate nonvehicle applications for hydrogen;

(4) improve the cost and efficiency of hydrogen from renewable energy sources; and

(5) improve the cost and efficiency of hydrogen production using direct solar energy without electricity generation as an intermediate step.

(b) For deployment projects that do not involve a demonstration component, individual system components of the technology should, if feasible, meet commercial performance standards and systems modeling must be completed to predict commercial performance, risk, and synergies. In addition, the proposed pilots should meet as many of the following criteria as possible:

(1) advance energy security;

(2) capitalize on the state's native resources;

(3) result in economically competitive infrastructure being put in place;

(4) be located where it will link well with existing and related projects and be accessible to the public, now or in the future;

(5) demonstrate multiple, integrated aspects of renewable hydrogen infrastructure;

(6) include an explicit public education and awareness component;

(7) be scalable to respond to changing circumstances and market demands;

(8) draw on firms and expertise within the state where possible;

(9) include an assessment of its economic, environmental, and social impact; and

(10) serve other needs beyond hydrogen development.

Sec. 4. Minnesota Statutes 2008, section 216C.264, is amended to read:

**216C.264 COORDINATING RESIDENTIAL WEATHERIZATION PROGRAMS.**

Subdivision 1. **Agency designation.** The department is the state agency to apply for, receive, and disburse money made available to the state by federal law for the purpose of weatherizing the residences of low-income persons. The commissioner must coordinate available federal money with state money appropriated for this purpose.

Subd. 2. **Grants.** The commissioner must make grants of federal and state money to community action agencies and other public or private nonprofit agencies for the purpose of weatherizing the residences of low-income persons. ~~Grant applications must be submitted in accordance with rules promulgated by the commissioner.~~

Subd. 3. **Benefits of weatherization.** In the case of any grant made to an owner of a rental dwelling unit for weatherization, the commissioner must require that (1) the benefits of weatherization assistance in connection with the dwelling unit accrue primarily to the low-income family that resides in the unit; (2) the rents on the dwelling unit will not be raised because of any increase in value due solely to the weatherization assistance; and (3) no undue or excessive enhancement will occur to the value of the dwelling unit.

~~Subd. 4. **Rules.** The commissioner must promulgate rules that describe procedures for the administration of grants, data to be reported by grant recipients, and compliance with relevant federal regulations. The commissioner must require that a rental unit weatherized under this section be rented to a household meeting the income limits of the program for 24 of the 36 months after weatherization is complete. In applying this restriction to multiunit buildings weatherized under this section, the commissioner must require that occupancy continue to reflect the proportion of eligible households in the building at the time of weatherization.~~

Subd. 5. **Grant allocation.** The commissioner must distribute supplementary state grants in a manner consistent with the goal of producing the maximum number of weatherized units. Supplementary state grants are provided primarily for the payment of additional labor costs for the federal weatherization program, and as an incentive for the increased production of weatherized units.

Criteria for the allocation of state grants to local agencies include existing local agency production levels, emergency needs, and the potential for maintaining or increasing acceptable levels of production in the area.

An eligible local agency may receive advance funding for 90 days' production, but thereafter must receive grants solely on the basis of program criteria.

Subd. 6. **Eligibility criteria.** To the extent allowed by federal regulations, the commissioner must ensure that the same income eligibility criteria apply to both the weatherization program and the energy assistance program.

Sec. 5. Minnesota Statutes 2008, section 216E.18, subdivision 3, is amended to read:

Subd. 3. **Funding; assessment.** The commission shall finance its baseline studies, general environmental studies, development of criteria, inventory preparation, monitoring of conditions placed on site and route permits, and all other work, other than specific site and route designation, from an assessment made quarterly, at least 30 days before the start of each quarter, by the commission against all utilities with annual retail kilowatt-hour sales greater than 4,000,000 kilowatt-hours in the previous calendar year.

Each share shall be determined as follows: (1) the ratio that the annual retail kilowatt-hour sales in the state of each utility bears to the annual total retail kilowatt-hour sales in the state of all these utilities, multiplied by 0.667, plus (2) the ratio that the annual gross revenue from retail kilowatt-hour sales in the state of each utility bears to the annual total gross revenues from retail kilowatt-hour sales in the state of all these utilities, multiplied by 0.333, as determined by the commission. The assessment shall be credited to the special revenue fund and shall be paid to the state treasury within 30 days after receipt of the bill, which shall constitute notice of said assessment and demand of payment thereof. The total amount which may be assessed to the several utilities under authority of this subdivision shall not exceed the sum of the annual budget of the commission for carrying out the purposes of this subdivision. The assessment for the ~~second~~ third quarter of each fiscal year shall be adjusted to compensate for the amount by which actual expenditures by the commission for the preceding fiscal year were more or less than the estimated expenditures previously assessed.

Sec. 6. Minnesota Statutes 2008, section 326B.106, subdivision 12, is amended to read:

Subd. 12. **Separate metering for electric service.** The standards concerning heat loss, illumination, and climate control adopted pursuant to subdivision 1, shall require that electrical service to individual dwelling units in buildings containing two or more units be separately metered, with individual metering readily accessible to the individual occupants. The standards authorized by this subdivision shall only apply to buildings constructed after the effective date of the amended standards. Buildings intended for occupancy primarily by persons who are 62 years of age or older or disabled, supportive housing, or which buildings that contain a majority of units not equipped with complete kitchen facilities, shall be exempt from the provisions of this subdivision. For purposes of this section, "supportive housing" means housing made available to individuals and families with multiple barriers to obtaining and maintaining housing, including those who are formerly homeless or at risk of homelessness and those who have a mental illness, substance abuse disorder, debilitating disease, or a combination of these conditions.

Sec. 7. **REPEALER.**

Minnesota Statutes 2008, sections 216C.19, subdivisions 2, 3, 13, 14, 15, 16, 18, 19, and 20; and 216C.262, are repealed.

Minnesota Statutes 2009 Supplement, section 216C.19, subdivision 17, is repealed."

Delete the title and insert:

"A bill for an act relating to energy; making technical changes related to utility report filings, hydrogen energy projects, weatherization programs, public utility commission assessments, and utility metering for supporting housing; removing obsolete and redundant language; amending Minnesota Statutes 2008, sections 16E.15, subdivision 2; 216B.241, subdivision 2; 216B.812, subdivision 2; 216C.264; 216E.18, subdivision 3; 326B.106, subdivision 12; repealing Minnesota Statutes 2008, sections 216C.19, subdivisions 2, 3, 13, 14, 15, 16, 18, 19, 20; 216C.262; Minnesota Statutes 2009 Supplement, section 216C.19, subdivision 17."

The motion prevailed and the amendment was adopted.

Hilty, Faust, Norton and Obermueller moved to amend S. F. No. 2971, the third engrossment, as amended, as follows:

Page 4, after line 11, insert:

"Sec. 4. **[216B.1695] NUCLEAR POWER PLANT; COST RECOVERY.**

(a) The commission may not allow any of the following costs attributable to the construction of a nuclear generating plant begun after July 1, 2010, to be recovered from Minnesota ratepayers until the plant begins operating at a monthly load capacity factor of at least 85 percent:

(1) planning, design, safety, environmental, or engineering studies undertaken prior to construction; or

(2) the costs of obtaining regulatory approval, including permits, licenses and any other approval required prior to construction from federal, state and local authorities.

(b) The commission may not allow any of the following costs attributable to the construction of a nuclear generating plant begun after July 1, 2010, to be recovered from Minnesota ratepayers:

(1) any construction costs exceeding the projected construction cost of the generating plant and any ancillary facility constructed by the utility to temporarily or permanently store nuclear waste generated by the plant, as identified in the utility's certificate of need application submitted under section 216B.243;

(2) the costs of insuring the plant against accidents that exceed the cost of insurance for a fossil fuel plant of equivalent capacity; or

(3) contributions from the plant to provide and maintain local fire protection and emergency services to the plant in case of an accident.

(c) Except for regulatory costs of state agencies, no revenues from taxes or fees imposed by the state of Minnesota may be used to pay for any portion of the preconstruction, construction, maintenance, or operating costs of a nuclear generating plant, or to assume any financial risk associated with an accidental release of radioactivity from the generating plant or an ancillary facility constructed by the utility that owns the generating plant to temporarily or permanently store nuclear waste generated by the plant.

Sec. 5. Minnesota Statutes 2008, section 216B.243, subdivision 3b, is amended to read:

Subd. 3b. **Nuclear power plant; new construction prohibited; relicensing.** (a) The commission may ~~not~~ issue a certificate of need for the construction of a ~~new~~ nuclear-powered electric generating plant provided that the certificate of need application contains a separate estimate of preconstruction and construction costs that does not include any of the costs identified in section 216B.1695, paragraphs (a) and (b).

(b) Any certificate of need for additional storage of spent nuclear fuel for a facility seeking a license extension shall address the impacts of continued operations over the period for which approval is sought."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

Lesch was excused between the hours of 3:55 p.m. and 6:05 p.m.

Brod moved to amend the Hilty et al amendment to S. F. No. 2971, the third engrossment, as amended, as follows:

Page 1, line 5, delete "not"

Page 1, line 13, delete "not"

Page 1, line 24, after "regulatory" insert "and public safety"

Page 2, line 7, delete "does not include" and insert "includes"

A roll call was requested and properly seconded.

## CALL OF THE HOUSE

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

Abeler	Dean	Hausman	Kohls	Murphy, E.	Seifert
Anderson, B.	Demmer	Haws	Laine	Murphy, M.	Sertich
Anderson, P.	Dettmer	Hayden	Lanning	Newton	Severson
Anderson, S.	Dill	Hilstrom	Lenczewski	Nornes	Shimanski
Anzelc	Dittrich	Hilty	Liebling	Norton	Simon
Atkins	Doepke	Holberg	Lieder	Obermueller	Slawik
Beard	Doty	Hornstein	Lillie	Olin	Slocum
Benson	Downey	Hortman	Loeffler	Otremba	Smith
Bigham	Drazkowski	Hosch	Loon	Paymar	Solberg
Bly	Eastlund	Howes	Mack	Pelowski	Sterner
Brod	Eken	Huntley	Magnus	Peppin	Swails
Brown	Falk	Jackson	Mahoney	Persell	Thao
Brynaert	Faust	Johnson	Mariani	Peterson	Thissen
Buesgens	Fritz	Juhnke	Marquart	Poppe	Tillberry
Bunn	Gardner	Kahn	Masin	Reinert	Urdahl
Carlson	Garofalo	Kalin	McFarlane	Rosenthal	Wagenius
Champion	Gottwalt	Kath	McNamara	Ruud	Ward
Clark	Greiling	Kelly	Morgan	Sailer	Welti
Cornish	Gunther	Kiffmeyer	Morrow	Sanders	Westrom
Davids	Hamilton	Knuth	Mullery	Scalze	Winkler
Davnie	Hansen	Koenen	Murdock	Scott	Spk. Kelliher

Morrow 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.

Zellers was excused between the hours of 4:15 p.m. and 4:30 p.m.

The question recurred on the Brod amendment to the Hilty et al amendment and the roll was called. There were 53 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Faust	Juhnke	Mahoney	Scott
Anderson, B.	Demmer	Garofalo	Kelly	McFarlane	Seifert
Anderson, P.	Dettmer	Gottwalt	Kiffmeyer	McNamara	Severson
Anderson, S.	Dill	Gunther	Koenen	Murdock	Shimanski
Beard	Doepke	Hackbarth	Kohls	Nornes	Smith
Brod	Doty	Hamilton	Lanning	Norton	Torkelson
Buesgens	Downey	Holberg	Loon	Olin	Urdahl
Cornish	Drazkowski	Hoppe	Mack	Peppin	Westrom
Davids	Eastlund	Howes	Magnus	Sanders	

Those who voted in the negative were:

Anzelc	Bly	Carlson	Dittrich	Gardner	Haws
Atkins	Brown	Champion	Eken	Greiling	Hayden
Benson	Brynaert	Clark	Falk	Hansen	Hilstrom
Bigham	Bunn	Davnie	Fritz	Hausman	Hilty

Hornstein	Knuth	Masin	Otremba	Ruud	Swails
Hortman	Laine	Morgan	Paymar	Sailer	Thao
Hosch	Lenczewski	Morrow	Pelowski	Scalze	Thissen
Huntley	Liebling	Mullery	Persell	Sertich	Tillberry
Jackson	Lieder	Murphy, E.	Peterson	Simon	Wagenius
Johnson	Lillie	Murphy, M.	Poppe	Slawik	Ward
Kahn	Loeffler	Nelson	Reinert	Slocum	Welti
Kalin	Mariani	Newton	Rosenthal	Solberg	Winkler
Kath	Marquart	Obermueller	Rukavina	Sterner	Spk. Kelliher

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

Peppin moved to amend the Hilty et al amendment to S. F. No. 2971, the third engrossment, as amended, as follows:

Page 2, lines 6 to 8, delete the new language

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

The question recurred on the Hilty et al amendment and the roll was called. There were 73 yeas and 59 nays as follows:

Those who voted in the affirmative were:

Anderson, P.	Dittrich	Huntley	Marquart	Poppe	Solberg
Atkins	Doty	Jackson	Masin	Reinert	Swails
Beard	Downey	Johnson	Morgan	Rosenthal	Thao
Benson	Eken	Juhnke	Morrow	Rukavina	Thissen
Bigham	Faust	Kalin	Murphy, M.	Ruud	Tillberry
Bly	Fritz	Kath	Nelson	Sailer	Urdahl
Brown	Gardner	Kelly	Norton	Sanders	Ward
Bunn	Garofalo	Kiffmeyer	Obermueller	Scalze	Welti
Carlson	Gottwalt	Knuth	Olin	Seifert	
Davids	Haws	Koenen	Otremba	Sertich	
Demmer	Hilstrom	Lanning	Pelowski	Severson	
Dettmer	Hilty	Lillie	Persell	Shimanski	
Dill	Hosch	Mack	Peterson	Slawik	

Those who voted in the negative were:

Abeler	Davnie	Hansen	Laine	McNamara	Slocum
Anderson, B.	Dean	Hausman	Lenczewski	Mullery	Smith
Anderson, S.	Doepke	Hayden	Liebling	Murdock	Sterner
Anzelc	Drazkowski	Holberg	Lieder	Murphy, E.	Torkelson
Brod	Eastlund	Hoppe	Loeffler	Newton	Wagenius
Brynaert	Falk	Hornstein	Loon	Nornes	Westrom
Buesgens	Greiling	Hortman	Magnus	Paymar	Winkler
Champion	Gunther	Howes	Mahoney	Peppin	Zellers
Clark	Hackbarth	Kahn	Mariani	Scott	Spk. Kelliher
Cornish	Hamilton	Kohls	McFarlane	Simon	

The motion prevailed and the amendment was adopted.

## CALL OF THE HOUSE LIFTED

Morrow moved that the call of the House be lifted. The motion prevailed and it was so ordered.

Koenen, Eken, Lieder, Dill, Olin, Westrom, Otremba, Beard and Juhnke moved to amend S. F. No. 2971, the third engrossment, as amended, as follows:

Page 6, after line 2, insert:

"Sec. 6. Minnesota Statutes 2008, section 216H.03, is amended to read:

**216H.03 FAILURE TO ADOPT GREENHOUSE GAS CONTROL PLAN.**

Subdivision 1. **Definition; new large energy facility.** For the purpose of this section, "new large energy facility" means a large energy facility, as defined in section 216B.2421, subdivision 2, clause (1), that is not in operation as of January 1, 2007, but does not include a facility that (1) uses natural gas as a primary fuel, (2) is designed to provide peaking, intermediate, emergency backup, or contingency services, (3) uses a simple cycle or combined cycle turbine technology, and (4) is capable of achieving full load operations within 45 minutes of startup for a simple cycle facility, or is capable of achieving minimum load operations within 185 minutes of startup for a combined cycle facility.

Subd. 2. **Definition; statewide power sector carbon dioxide emissions.** For the purpose of this section, "statewide power sector carbon dioxide emissions" means the total annual emissions of carbon dioxide from the generation of electricity within the state and all emissions of carbon dioxide from the generation of electricity imported from outside the state and consumed in Minnesota. Emissions of carbon dioxide associated with transmission and distribution line losses are included in this definition. Carbon dioxide that is injected into geological formations to prevent its release to the atmosphere in compliance with applicable laws, and emissions of carbon dioxide associated with the combustion of biomass, as defined in section 216B.2411, subdivision 2, paragraph (c), clauses (1) to (4), are not counted as contributing to statewide power sector carbon dioxide emissions.

Subd. 3. **Long-term increased emissions from power plants prohibited.** Unless preempted by federal law, until a comprehensive and enforceable state law or rule pertaining to greenhouse gases that directly limits and substantially reduces, over time, statewide power sector carbon dioxide emissions is enacted and in effect, and except as allowed in subdivisions 4 to 7, on and after August 1, 2009, no person shall:

~~(1) construct within the state a new large energy facility that would contribute to statewide power sector carbon dioxide emissions;~~

~~(2) import or commit to import from outside the state power from a new large energy facility that would contribute to statewide power sector carbon dioxide emissions; or~~

~~(3) enter into a new long term power purchase agreement that would increase statewide power sector carbon dioxide emissions. For purposes of this section, a long term power purchase agreement means an agreement to purchase 50 megawatts of capacity or more for a term exceeding five years.~~

Subd. 4. **Exception for facilities that offset emissions.** (a) The ~~prohibitions~~ prohibition in subdivision 3 ~~do~~ does not apply if the project proponent demonstrates to the Public Utilities Commission's satisfaction that it will offset the new contribution to statewide power sector carbon dioxide emissions with a carbon dioxide reduction project identified in paragraph (b) and in compliance with paragraph (c).

(b) A project proponent may offset in an amount equal to or greater than the proposed new contribution to statewide power sector carbon dioxide emissions in either, or a combination of both, of the following ways:

(1) by reducing an existing facility's contribution to statewide power sector carbon dioxide emissions; or

(2) by purchasing carbon dioxide allowances from a state or group of states that has a carbon dioxide cap and trade system in place that produces verifiable emissions reductions.

(c) The Public Utilities Commission shall not find that a proposed carbon dioxide reduction project identified in paragraph (b) acceptably offsets a new contribution to statewide power sector carbon dioxide emissions unless the proposed offsets are permanent, quantifiable, verifiable, enforceable, and would not have otherwise occurred. This section does not exempt emissions that have been offset under this subdivision and emissions exempted under subdivisions 5 to 7 from a cap and trade system if adopted by the state.

Subd. 5. **Exception for new steel production facility.** The ~~prohibitions~~ prohibition in subdivision 3 ~~de~~ does not apply to increases in statewide power sector carbon dioxide emissions from a new steel production project located in a taconite relief area that has filed an application for an air quality permit from the Pollution Control Agency prior to January 1, 2007.

Subd. 6. **Exception for iron nugget production facility.** The ~~prohibitions~~ prohibition in subdivision 3 ~~de~~ does not apply to an iron nugget production facility that began construction prior to January 31, 2007, nor to associated mining activities and beneficiation facilities with a concentrate capacity of up to three million tons annually. For the purposes of this subdivision, "iron nugget" means a product with at least 90 percent iron content.

Subd. 7. **Other exemptions.** The ~~prohibitions~~ prohibition in subdivision 3 ~~de~~ does not apply to:

(1) a new large energy facility under consideration by the Public Utilities Commission pursuant to proposals or applications filed with the Public Utilities Commission before April 1, 2007, or to any power purchase agreement related to a facility described in this clause. The exclusion of pending proposals and applications from the prohibitions in subdivision 3 does not limit the applicability of any other law and is not an expression of legislative intent regarding whether any pending proposal or application should be approved or denied;

(2) a contract not subject to commission approval that was entered into prior to April 1, 2007, to purchase power from a new large energy facility that was approved by a comparable authority in another state prior to that date, for which municipal or public power district bonds have been issued, and on which construction has begun; or

(3) a new large energy facility or a power purchase agreement between a Minnesota utility and a new large energy facility located outside Minnesota that the Public Utilities Commission has determined is essential to ensure the long-term reliability of Minnesota's electric system, to allow electric service for increased industrial demand, or to avoid placing a substantial financial burden on Minnesota ratepayers. An order of the commission granting an exemption under this clause is stayed until the June 1 following the next regular or annual session of the legislature that begins after the date of the commission's final order.

Subd. 8. **Enforcement.** Whenever the commission or the Department of Commerce determines that any person is violating or about to violate this section, it may refer the matter to the attorney general who shall take appropriate legal action. This section may be enforced by the attorney general on the same basis as a law listed in section 8.31, subdivision 1, except that the remedies provided by section 8.31, subdivision 3a, do not apply to a violation of this section."

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.

Hackbarth, Seifert, Nornes, Severson, Beard, Urdahl, Peppin, Zellers, Sanders, Westrom and Drazkowski moved to amend S. F. No. 2971, the third engrossment, as amended, as follows:

Page 6, delete section 7, and insert:

"Sec. 7. **REPEALER.**

(a) Minnesota Statutes 2008, sections 216C.19, subdivisions 2, 3, 13, 14, 15, 16, 18, 19, and 20; 216C.262; 216H.03; and 216H.06, are repealed.

(b) Minnesota Statutes 2009 Supplement, section 216C.19, subdivision 17, is repealed."

Amend the title accordingly

A roll call was requested and properly seconded.

#### CALL OF THE HOUSE

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

Abeler	Demmer	Haws	Kohls	Murphy, M.	Sertich
Anderson, B.	Dettmer	Hayden	Laine	Nelson	Severson
Anderson, P.	Dittrich	Hilstrom	Lanning	Newton	Shimanski
Anderson, S.	Doepke	Hilty	Lenczewski	Nornes	Simon
Anzelc	Doty	Holberg	Liebling	Norton	Slawik
Atkins	Downey	Hoppe	Lieder	Obermueller	Slocum
Beard	Drazkowski	Hornstein	Lillie	Paymar	Smith
Benson	Eastlund	Hortman	Loeffler	Pelowski	Solberg
Bigham	Eken	Hosch	Loon	Peppin	Sterner
Brown	Falk	Howes	Mack	Persell	Swails
Brynaert	Faust	Huntley	Magnus	Peterson	Thao
Buesgens	Fritz	Jackson	Mahoney	Poppe	Thissen
Bunn	Gardner	Johnson	Mariani	Reinert	Tillberry
Carlson	Garofalo	Juhnke	Marquart	Rosenthal	Torkelson
Champion	Gottwalt	Kahn	Masin	Ruud	Urdahl
Clark	Greiling	Kalin	McFarlane	Sailer	Ward
Cornish	Gunther	Kath	McNamara	Sanders	Wolti
Davids	Hackbarth	Kelly	Mullery	Scalze	Westrom
Davnie	Hamilton	Knuth	Murdock	Scott	Winkler
Dean	Hausman	Koenen	Murphy, E.	Seifert	Spk. Kelliher

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.

The question recurred on the Hackbarth et al amendment and the roll was called. There were 58 yeas and 74 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Beard	Cornish	Demmer	Doepke	Drazkowski
Anderson, P.	Brod	Davids	Dettmer	Doty	Eastlund
Anderson, S.	Buesgens	Dean	Dill	Downey	Eken

Faust	Holberg	Koenen	Marquart	Peppin	Torkelson
Fritz	Hoppe	Kohls	McFarlane	Sanders	Urdahl
Garofalo	Howes	Lanning	McNamara	Scott	Welti
Gottwalt	Juhnke	Lieder	Murdock	Seifert	Westrom
Gunther	Kath	Loon	Nornes	Severson	Zellers
Hackbarth	Kelly	Mack	Olin	Shimanski	
Hamilton	Kiffmeyer	Magnus	Otremba	Smith	

Those who voted in the negative were:

Abeler	Dittrich	Huntley	Masin	Peterson	Sterner
Anzelc	Falk	Jackson	Morgan	Poppe	Swails
Atkins	Gardner	Johnson	Morrow	Reinert	Thao
Benson	Greiling	Kahn	Mullery	Rosenthal	Thissen
Bigham	Hansen	Kalin	Murphy, E.	Rukavina	Tillberry
Bly	Hausman	Knuth	Murphy, M.	Ruud	Wagenius
Brown	Haws	Laine	Nelson	Sailer	Ward
Brynaert	Hayden	Lenczewski	Newton	Scalze	Winkler
Bunn	Hilstrom	Liebling	Norton	Sertich	Spk. Kelliher
Carlson	Hilty	Lillie	Obermueller	Simon	
Champion	Hornstein	Loeffler	Paymar	Slawik	
Clark	Hortman	Mahoney	Pelowski	Slocum	
Davnie	Hosch	Mariani	Persell	Solberg	

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

#### CALL OF THE HOUSE LIFTED

Sertich moved that the call of the House be lifted. The motion prevailed and it was so ordered.

Kohls moved that the House recess.

A roll call was requested and properly seconded.

The question was taken on the Kohls motion and the roll was called. There were 45 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Abeler	Cornish	Eastlund	Kelly	Murdock	Shimanski
Anderson, B.	Davids	Garofalo	Kiffmeyer	Nornes	Smith
Anderson, P.	Dean	Gottwalt	Kohls	Peppin	Urdahl
Anderson, S.	Demmer	Gunther	Lanning	Rosenthal	Westrom
Atkins	Dettmer	Hackbarth	Loon	Sanders	Zellers
Beard	Doepke	Holberg	Mack	Scott	
Brod	Downey	Hoppe	McFarlane	Seifert	
Buesgens	Draskowski	Howes	McNamara	Severson	

Those who voted in the negative were:

Anzelc	Bly	Bunn	Clark	Dittrich	Falk
Benson	Brown	Carlson	Davnie	Doty	Faust
Bigham	Brynaert	Champion	Dill	Eken	Fritz

Gardner	Huntley	Liebling	Newton	Ruud	Thissen
Hamilton	Jackson	Lieder	Norton	Sailer	Tillberry
Hansen	Johnson	Loeffler	Obermueller	Scalze	Torkelson
Hausman	Juhnke	Mahoney	Olin	Sertich	Wagenius
Haws	Kahn	Marquart	Otremba	Simon	Ward
Hayden	Kalin	Masin	Paymar	Slawik	Welti
Hilstrom	Kath	Morgan	Persell	Slocum	Winkler
Hilty	Knuth	Morrow	Peterson	Solberg	Spk. Kelliher
Hornstein	Koenen	Mullery	Poppe	Sterner	
Hortman	Laine	Murphy, E.	Reinert	Swails	
Hosch	Lenczewski	Nelson	Rukavina	Thao	

The motion did not prevail.

Kelly and Drazkowski moved to amend S. F. No. 2971, the third engrossment, as amended, as follows:

Page 3, after line 15, insert:

"Sec. 3. Minnesota Statutes 2008, section 216B.1691, subdivision 2b, is amended to read:

Subd. 2b. **Modification or delay of standard.** (a) The commission shall modify or delay the implementation of a standard obligation, in whole or in part, if the commission determines it is in the public interest to do so. The commission, when requested to modify or delay implementation of a standard, must consider:

(1) the impact of implementing the standard on its customers' utility costs, including the economic and competitive pressure on the utility's customers;

(2) the effects of implementing the standard on the reliability of the electric system;

(3) technical advances or technical concerns;

(4) delays in acquiring sites or routes due to rejection or delays of necessary siting or other permitting approvals;

(5) the availability of suitable sites for the location of eligible energy technology facilities, considering local land use restrictions;

(6) delays, cancellations, or nondelivery of necessary equipment for construction or commercial operation of an eligible energy technology facility;

~~(6)~~ (7) transmission constraints preventing delivery of service; and

~~(7)~~ (8) other statutory obligations imposed on the commission or a utility.

The commission may modify or delay implementation of a standard obligation under clauses (1) to (3) only if it finds implementation would cause significant rate impact, requires significant measures to address reliability, or raises significant technical issues. The commission may modify or delay implementation of a standard obligation under clauses (4) to (6) only if it finds that the circumstances described in those clauses were due to circumstances beyond an electric utility's control and make compliance not feasible.

(b) When considering whether to delay or modify implementation of a standard obligation, the commission must give due consideration to a preference for electric generation through use of eligible energy technology and to the achievement of the standards set by this section.

(c) An electric utility requesting a modification or delay in the implementation of a standard must file a plan to comply with its standard obligation in the same proceeding that it is requesting the delay.

**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

The motion prevailed and the amendment was adopted.

Urdahl, Emmer and Westrom offered an amendment to S. F. No. 2971, the third engrossment, as amended.

#### POINT OF ORDER

Hilty raised a point of order pursuant to rule 3.21 that the Urdahl et al amendment was not in order.

#### CALL OF THE HOUSE

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

Abeler	Davnie	Hackbarth	Koenen	Newton	Scott
Anderson, P.	Dean	Hamilton	Kohls	Nornes	Seifert
Anderson, S.	Demmer	Hausman	Laine	Norton	Severson
Anzelc	Dill	Haws	Lanning	Obermueller	Slawik
Atkins	Dittrich	Hilty	Lenczewski	Olin	Slocum
Beard	Doepke	Holberg	Liebling	Otremba	Smith
Benson	Doty	Hornstein	Lieder	Paymar	Sterner
Bigham	Downey	Hosch	Loon	Peppin	Swails
Bly	Eastlund	Huntley	Mack	Persell	Thao
Brod	Eken	Jackson	Mahoney	Poppe	Thissen
Brown	Falk	Johnson	Mariani	Reinert	Tillberry
Brynaert	Faust	Kahn	Masin	Rosenthal	Torkelson
Bunn	Fritz	Kalin	McFarlane	Rukavina	Urdahl
Champion	Gardner	Kath	McNamara	Ruud	Ward
Clark	Garofalo	Kelly	Morrow	Sailer	Welti
Cornish	Gottwalt	Kiffmeyer	Murdock	Sanders	Zellers
Davids	Greiling	Knuth	Nelson	Scalze	Spk. Kelliher

Morrow 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.

Speaker pro tempore Thissen ruled the Hilty point of order well taken and the Urdahl et al amendment out of order.

## CALL OF THE HOUSE LIFTED

Morrow moved that the call of the House be lifted. The motion prevailed and it was so ordered.

Westrom moved to amend S. F. No. 2971, the third engrossment, as amended, as follows:

Page 6, after line 2, insert:

"Sec. 6. Minnesota Statutes 2008, section 216H.03, is amended to read:

**216H.03 FAILURE TO ADOPT GREENHOUSE GAS CONTROL PLAN.**

Subdivision 1. **Definition; new large energy facility.** For the purpose of this section, "new large energy facility" means a large energy facility, as defined in section 216B.2421, subdivision 2, clause (1), that is not in operation as of January 1, 2007, but does not include a facility that (1) uses natural gas as a primary fuel, (2) is designed to provide peaking, intermediate, emergency backup, or contingency services, (3) uses a simple cycle or combined cycle turbine technology, and (4) is capable of achieving full load operations within 45 minutes of startup for a simple cycle facility, or is capable of achieving minimum load operations within 185 minutes of startup for a combined cycle facility.

Subd. 2. **Definition; statewide power sector carbon dioxide emissions.** For the purpose of this section, "statewide power sector carbon dioxide emissions" means the total annual emissions of carbon dioxide from the generation of electricity within the state and all emissions of carbon dioxide from the generation of electricity imported from outside the state and consumed in Minnesota. Emissions of carbon dioxide associated with transmission and distribution line losses are included in this definition. Carbon dioxide that is injected into geological formations to prevent its release to the atmosphere in compliance with applicable laws, and emissions of carbon dioxide associated with the combustion of biomass, as defined in section 216B.2411, subdivision 2, paragraph (c), clauses (1) to (4), are not counted as contributing to statewide power sector carbon dioxide emissions.

Subd. 3. **Long-term increased emissions from power plants prohibited.** Unless preempted by federal law, until a comprehensive and enforceable state law or rule pertaining to greenhouse gases that directly limits and substantially reduces, over time, statewide power sector carbon dioxide emissions is enacted and in effect, and except as allowed in subdivisions 4 to 7, on and after August 1, 2009, no person shall:

~~(1) construct within the state a new large energy facility that would contribute to statewide power sector carbon dioxide emissions;~~

~~(2) import or commit to import from outside the state power from a new large energy facility that would contribute to statewide power sector carbon dioxide emissions; or~~

~~(3) enter into a new long term power purchase agreement that would increase statewide power sector carbon dioxide emissions. For purposes of this section, a long term power purchase agreement means an agreement to purchase 50 megawatts of capacity or more for a term exceeding five years.~~

Subd. 4. **Exception for facilities that offset emissions.** (a) The ~~prohibitions~~ prohibition in subdivision 3 ~~do~~ does not apply if the project proponent demonstrates to the Public Utilities Commission's satisfaction that it will offset the new contribution to statewide power sector carbon dioxide emissions with a carbon dioxide reduction project identified in paragraph (b) and in compliance with paragraph (c).

(b) A project proponent may offset in an amount equal to or greater than the proposed new contribution to statewide power sector carbon dioxide emissions in either, or a combination of both, of the following ways:

(1) by reducing an existing facility's contribution to statewide power sector carbon dioxide emissions; or

(2) by purchasing carbon dioxide allowances from a state or group of states that has a carbon dioxide cap and trade system in place that produces verifiable emissions reductions.

(c) The Public Utilities Commission shall not find that a proposed carbon dioxide reduction project identified in paragraph (b) acceptably offsets a new contribution to statewide power sector carbon dioxide emissions unless the proposed offsets are permanent, quantifiable, verifiable, enforceable, and would not have otherwise occurred. This section does not exempt emissions that have been offset under this subdivision and emissions exempted under subdivisions 5 to 7 from a cap and trade system if adopted by the state.

Subd. 5. **Exception for new steel production facility.** The ~~prohibitions~~ prohibition in subdivision 3 ~~de~~ does not apply to increases in statewide power sector carbon dioxide emissions from a new steel production project located in a taconite relief area that has filed an application for an air quality permit from the Pollution Control Agency prior to January 1, 2007.

Subd. 6. **Exception for iron nugget production facility.** The ~~prohibitions~~ prohibition in subdivision 3 ~~de~~ does not apply to an iron nugget production facility that began construction prior to January 31, 2007, nor to associated mining activities and beneficiation facilities with a concentrate capacity of up to three million tons annually. For the purposes of this subdivision, "iron nugget" means a product with at least 90 percent iron content.

Subd. 7. **Other exemptions.** The ~~prohibitions~~ prohibition in subdivision 3 ~~de~~ does not apply to:

(1) a new large energy facility under consideration by the Public Utilities Commission pursuant to proposals or applications filed with the Public Utilities Commission before April 1, 2007, or to any power purchase agreement related to a facility described in this clause. The exclusion of pending proposals and applications from the prohibitions in subdivision 3 does not limit the applicability of any other law and is not an expression of legislative intent regarding whether any pending proposal or application should be approved or denied;

(2) a contract not subject to commission approval that was entered into prior to April 1, 2007, to purchase power from a new large energy facility that was approved by a comparable authority in another state prior to that date, for which municipal or public power district bonds have been issued, and on which construction has begun; or

(3) a new large energy facility or a power purchase agreement between a Minnesota utility and a new large energy facility located outside Minnesota that the Public Utilities Commission has determined is essential to ensure the long-term reliability of Minnesota's electric system, to allow electric service for increased industrial demand, or to avoid placing a substantial financial burden on Minnesota ratepayers. An order of the commission granting an exemption under this clause is stayed until the June 1 following the next regular or annual session of the legislature that begins after the date of the commission's final order.

Subd. 8. **Enforcement.** Whenever the commission or the Department of Commerce determines that any person is violating or about to violate this section, it may refer the matter to the attorney general who shall take appropriate legal action. This section may be enforced by the attorney general on the same basis as a law listed in section 8.31, subdivision 1, except that the remedies provided by section 8.31, subdivision 3a, do not apply to a violation of this section.

**EFFECTIVE DATE.** This section is effective January 1, 2011."

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 Westrom amendment and the roll was called. There were 58 yeas and 74 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Demmer	Gunther	Koenen	Murdock	Shimanski
Anderson, P.	Dettmer	Hackbarth	Kohls	Nornes	Smith
Anderson, S.	Doepke	Hamilton	Lanning	Olin	Torkelson
Beard	Doty	Holberg	Lieder	Pelowski	Urdahl
Brod	Downey	Hoppe	Loon	Peppin	Ward
Brown	Drazkowski	Hosch	Mack	Poppe	Welti
Buesgens	Eastlund	Howes	Magnus	Sanders	Westrom
Cornish	Fritz	Kath	Marquart	Scott	Zellers
Davids	Garofalo	Kelly	McFarlane	Seifert	
Dean	Gottwalt	Kiffmeyer	McNamara	Severson	

Those who voted in the negative were:

Abeler	Dittrich	Hortman	Mahoney	Paymar	Solberg
Anzelc	Eken	Huntley	Mariani	Persell	Sterner
Atkins	Falk	Jackson	Masin	Peterson	Swails
Benson	Faust	Johnson	Morgan	Reinert	Thao
Bigham	Gardner	Juhnke	Morrow	Rosenthal	Thissen
Bly	Greiling	Kahn	Mullery	Rukavina	Tillberry
Brynaert	Hansen	Kalin	Murphy, E.	Ruud	Wagenius
Bunn	Hausman	Knuth	Murphy, M.	Sailer	Winkler
Carlson	Haws	Laine	Nelson	Scalze	Spk. Kelliher
Champion	Hayden	Lenczewski	Newton	Sertich	
Clark	Hilstrom	Liebling	Norton	Simon	
Davnie	Hilty	Lillie	Obermueller	Slawik	
Dill	Hornstein	Loeffler	Otremba	Slocum	

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

Hackbarth was excused between the hours of 5:55 p.m. and 8:10 p.m.

S. F. No. 2971, A bill for an act relating to energy; making technical changes and modifying provisions related to utility report filings, hydrogen energy projects, weatherization programs, high-voltage transmission lines, public utility commission assessments, and utility metering for supportive housing; removing obsolete and redundant language; authorizing individuals and entities to take certain easements in agricultural land; providing for certain reporting requirements; providing for wind and solar easements; amending Minnesota Statutes 2008, sections 16E.15, subdivision 2; 117.225; 216B.16, by adding a subdivision; 216B.241, subdivision 2; 216B.812, subdivision 2; 216C.264; 216E.03, subdivision 7; 216E.18, subdivision 3; 326B.106, subdivision 12; 500.221, subdivisions 2, 4;

Minnesota Statutes 2009 Supplement, section 117.189; Laws 2008, chapter 296, article 1, section 25; repealing Minnesota Statutes 2008, sections 216C.19, subdivisions 2, 3, 13, 14, 15, 16, 18, 19, 20; 216C.262; Minnesota Statutes 2009 Supplement, section 216C.19, subdivision 17.

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

The question was taken on the passage of the bill and the roll was called. There were 86 yeas and 43 nays as follows:

Those who voted in the affirmative were:

Abeler	Doty	Juhnke	Mahoney	Olin	Slocum
Anderson, S.	Eken	Kahn	Marquart	Otremba	Solberg
Anzelc	Faust	Kalin	Masin	Pelowski	Sterner
Atkins	Fritz	Kath	McFarlane	Persell	Swails
Beard	Gardner	Kelly	McNamara	Peterson	Thao
Benson	Hansen	Knuth	Morgan	Poppe	Thissen
Bigham	Haws	Koenen	Morrow	Reinert	Tillberry
Bly	Hayden	Laine	Murdock	Rosenthal	Ward
Brown	Hilstrom	Lanning	Murphy, E.	Rukavina	Welti
Brynaert	Hilty	Lenczewski	Murphy, M.	Ruud	Westrom
Bunn	Hosch	Liebling	Nelson	Sailer	Spk. Kelliher
Carlson	Howes	Lieder	Newton	Scalze	
Cornish	Huntley	Lillie	Nornes	Sertich	
Dill	Jackson	Loeffler	Norton	Simon	
Dittrich	Johnson	Loon	Obermueller	Slawik	

Those who voted in the negative were:

Anderson, B.	Dean	Gottwalt	Hortman	Peppin	Wagenius
Anderson, P.	Demmer	Greiling	Kiffmeyer	Sanders	Winkler
Brod	Dettmer	Gunther	Kohls	Scott	Zellers
Buesgens	Doepke	Hamilton	Mack	Seifert	
Champion	Downey	Hausman	Magnus	Severson	
Clark	Eastlund	Holberg	Mariani	Shimanski	
Davids	Falk	Hoppe	Mullery	Torkelson	
Davnie	Garfalo	Hornstein	Paymar	Urdahl	

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

S. F. No. 3080 was reported to the House.

Hilty moved to amend S. F. No. 3080, the first engrossment, as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 3667, the first engrossment:

"Section 1. Minnesota Statutes 2008, section 216B.1692, subdivision 8, is amended to read:

Subd. 8. **Sunset.** This section is effective until December 31, ~~2013~~ 2015, and applies to plans, projects, and riders approved before that date and modifications made to them after that date.

Sec. 2. Minnesota Statutes 2008, section 216B.6851, subdivision 3, is amended to read:

Subd. 3. **Plan for 90 percent reduction required.** A public utility that elects to be regulated under this section must file a mercury emissions-reduction plan that is designed to achieve total mercury reduction at targeted and supplemental units owned by the utility equivalent to a goal of 90 percent reduction of mercury emissions at the utility's targeted units by December 31, ~~2014~~ 2018.

Sec. 3. Minnesota Statutes 2008, section 216B.6851, subdivision 5, is amended to read:

Subd. 5. **Early action; wet scrubbed units.** (a) The utility electing for regulation under this section shall file an initial plan for mercury emissions reduction at one of its two wet scrubbed units on or before December 31, 2007. The plan must provide for mercury emissions reduction to be implemented at that unit by December 31, 2010. If the plan is approved by the commission, and implemented by the utility, the utility may have until July 1, ~~2014~~ 2015, to file its plans for reduction at its other wet scrubbed unit at the qualifying facility, and may have until December 31, ~~2014~~ 2018, to implement mercury emissions reduction at that unit.

(b) Until the utility files its plans for the other wet scrubbed unit, the utility must submit to the commission and agency, by July 1 each year, beginning in 2011, a report containing the following information:

(1) mercury control plans for units subject to this section, including how elements of the plans may affect the performance and cost-effectiveness of emission controls for air pollutants other than mercury;

(2) an assessment of the impacts of federal laws regulating various air pollutants emitted by coal-fired power plants that can reasonably be expected to be enacted by 2018 on the utility's units subject to this section, and potential utility responses to those laws, including, but not limited, to:

(i) installing pollution control equipment;

(ii) using pollution allowances to achieve regulatory compliance; and

(iii) retiring or repowering the plant that is the subject of the filing with cleaner fuels considering the costs of complying with state and federal environmental regulations.

For each potential response, the report must include an analysis of the impacts on ratepayers, the utility's financial position, and utility operations, including the impacts on the service life of affected units.

(c) The utility shall consult with the agency, the Department of Commerce, and other interested stakeholders to determine which future federal laws to assess under paragraph (b), clause (2), and the scope of the assessment of the impact of those laws.

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

Sec. 4. Minnesota Statutes 2008, section 216B.6851, subdivision 6, is amended to read:

Subd. 6. **Agency review and commission approval.** (a) The agency shall review the utility's plans as provided in section 216B.684.

(b) The Public Utilities Commission shall review and evaluate a utility's mercury emissions-reduction plans submitted under this section. In its review, the commission shall consider the environmental and public health benefits, the agency's determination of technical feasibility, competitiveness of customer rates, and cost-effectiveness of the utility's proposed mercury-control initiatives in light of the Pollution Control Agency's review

under paragraph (a). Within 180 days of receiving the agency's report, the commission shall approve a utility's mercury emissions-reduction plan that the commission reasonably expects will come closest to achieving total mercury reductions at targeted and supplemental units owned by the utility equivalent to a goal of 90 percent reduction of mercury emissions at the utility's targeted units by December 31, ~~2014~~ 2018, in a manner that provides for increased environmental and public health benefits without imposing excessive costs on the utility's customers. If the commission is unable to approve the utility's 90 percent reduction plan filed under subdivision 3, the commission, in consultation with the Pollution Control Agency, shall order the utility to implement the most stringent mercury-control alternative proposed by the utility under this section that provides for increased environmental and public health benefits without imposing excessive costs on the utility's customers.

(c) At each targeted and supplemental unit included in a plan under this section, a utility shall propose to implement mercury emissions-control measures that will result in the greatest reduction of mercury emitted from that unit that is technically feasible without imposing excessive costs."

Delete the title and insert:

"A bill for an act relating to energy; modifying programs for reducing emissions at electric generating plants; amending Minnesota Statutes 2008, sections 216B.1692, subdivision 8; 216B.6851, subdivisions 3, 5, 6."

The motion prevailed and the amendment was adopted.

S. F. No. 3080, A bill for an act relating to energy; modifying programs for reducing emissions at electric generating plants; amending Minnesota Statutes 2008, sections 216B.1692, subdivision 8; 216B.685, subdivision 4.

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

The question was taken on the passage of the bill and the roll was called. There were 117 yeas and 14 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Hilstrom	Lenczewski	Olin	Slawik
Anderson, B.	Demmer	Hilty	Lieder	Otremba	Slocum
Anderson, P.	Dettmer	Holberg	Lillie	Pelowski	Smith
Anderson, S.	Dill	Hoppe	Loon	Peppin	Solberg
Anzelc	Dittrich	Hortman	Mack	Persell	Sterner
Atkins	Doepke	Hosch	Magnus	Peterson	Swails
Beard	Doty	Howes	Mahoney	Poppe	Thao
Benson	Downey	Huntley	Marquart	Reinert	Thissen
Bigham	Drazkowski	Jackson	Masin	Rosenthal	Tillberry
Bly	Eastlund	Johnson	McFarlane	Rukavina	Torkelson
Brod	Eken	Juhnke	McNamara	Ruud	Urdahl
Brown	Faust	Kalin	Morgan	Sailer	Ward
Brynaert	Fritz	Kath	Morrow	Sanders	Walti
Buesgens	Gardner	Kelly	Murdock	Scalze	Westrom
Bunn	Garofalo	Kiffmeyer	Murphy, M.	Scott	Winkler
Carlson	Gottwalt	Knuth	Nelson	Seifert	Zellers
Champion	Gunther	Koenen	Newton	Sertich	Spk. Kelliher
Clark	Hamilton	Kohls	Nornes	Severson	
Cornish	Hansen	Laine	Norton	Shimanski	
Davids	Haws	Lanning	Obermueller	Simon	

Those who voted in the negative were:

Davnie	Hausman	Kahn	Mariani	Paymar
Falk	Hayden	Liebling	Mullery	Wagenius
Greiling	Hornstein	Loeffler	Murphy, E.	

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

Speaker pro tempore Thissen called Juhnke to the Chair.

Kohls was excused between the hours of 6:15 p.m. and 7:15 p.m.

H. F. No. 3033 was reported to the House.

Loon, Westrom and Beard moved to amend H. F. No. 3033, the first engrossment, as follows:

Page 3, line 17, before the semicolon, insert "or by an electrical contractor or residential building contractor licensed in this state who has completed any installation training offered by the manufacturer of the solar photovoltaic module to be installed"

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

Anderson, B.; Shimanski; Drazkowski and Kelly moved to amend H. F. No. 3033, the first engrossment, as follows:

Page 2, after line 13, insert:

"(e) After January 1, 2012, any funds collected under this subdivision for purposes other than payment of renewable energy production incentives, as specified in subdivision 2, are to be refunded to the ratepayers of the utility subject to subdivision 1.

(f) This section expires January 1, 2021."

Page 2, before line 15, insert:

"Sec. 2. Minnesota Statutes 2009 Supplement, section 116C.779, subdivision 2, is amended to read:

Subd. 2. **Renewable energy production incentive.** (a) Until January 1, 2021, \$10,900,000 annually must be allocated from available funds in the account to fund renewable energy production incentives. \$9,400,000 of this annual amount is for incentives for electricity generated by wind energy conversion systems that are eligible for the incentives under section 216C.41 or Laws 2005, chapter 40.

(b) The balance of this amount, up to \$1,500,000 annually, may be used for production incentives for on-farm biogas recovery facilities and hydroelectric facilities that are eligible for the incentive under section 216C.41 or for production incentives for other renewables, to be provided in the same manner as under section 216C.41.

(c) Any portion of the \$10,900,000 not expended in any calendar year for the incentive is available for other spending purposes under this section, except that, after January 1, 2012, the unexpended portion of the \$10,900,000 must be refunded to the ratepayers of the utility subject to subdivision 1. This subdivision does not create an obligation to contribute funds to the account.

(d) The Department of Commerce shall determine eligibility of projects under section 216C.41 for the purposes of this subdivision. At least quarterly, the Department of Commerce shall notify the public utility of the name and address of each eligible project owner and the amount due to each project under section 216C.41. The public utility shall make payments within 15 working days after receipt of notification of payments due.

Sec. 3. Minnesota Statutes 2009 Supplement, section 116C.779, subdivision 3, is amended to read:

Subd. 3. **Initiative for Renewable Energy and the Environment.** (a) Beginning July 1, 2009, and each July 1 through ~~2012~~ 2011, \$5,000,000 must be allocated from the renewable development account to fund a grant to the Board of Regents of the University of Minnesota for the Initiative for Renewable Energy and the Environment for the purposes described in paragraph (b). The Initiative for Renewable Energy and the Environment must set aside at least 15 percent of the funds received annually under the grant for qualified projects conducted at a rural campus or experiment station. Any set-aside funds not awarded to a rural campus or experiment station at the end of the fiscal year revert back to the Initiative for Renewable Energy and the Environment for its exclusive use. This subdivision does not create an obligation to contribute funds to the account.

(b) Activities funded under this grant may include, but are not limited to:

(1) environmentally sound production of energy from a renewable energy source, including biomass and agricultural crops;

(2) environmentally sound production of hydrogen from biomass and any other renewable energy source for energy storage and energy utilization;

(3) development of energy conservation and efficient energy utilization technologies;

(4) energy storage technologies; and

(5) analysis of policy options to facilitate adoption of technologies that use or produce low-carbon renewable energy.

(c) For the purposes of this subdivision:

(1) "biomass" means plant and animal material, agricultural and forest residues, mixed municipal solid waste, and sludge from wastewater treatment; and

(2) "renewable energy source" means hydro, wind, solar, biomass, and geothermal energy, and microorganisms used as an energy source.

(d) Beginning January 15 of 2010, and each year thereafter, the director of the Initiative for Renewable Energy and the Environment at the University of Minnesota shall submit a report to the chair and ranking minority members of the senate and house of representatives committees with primary jurisdiction over energy finance describing the activities conducted during the previous year funded under this subdivision."

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 Anderson, B., et al amendment and the roll was called. There were 43 yeas and 86 nays as follows:

Those who voted in the affirmative were:

Abeler	Davids	Garofalo	Kelly	Peppin	Urdahl
Anderson, B.	Dean	Gottwalt	Kiffmeyer	Sanders	Westrom
Anderson, P.	Demmer	Gunther	Lanning	Scott	Zellers
Anderson, S.	Dettmer	Hamilton	Mack	Seifert	
Beard	Doepke	Holberg	Magnus	Severson	
Brod	Downey	Hoppe	McFarlane	Shimanski	
Buesgens	Drazkowski	Howes	McNamara	Smith	
Cornish	Eastlund	Kath	Nornes	Torkelson	

Those who voted in the negative were:

Anzelc	Eken	Huntley	Mahoney	Paymar	Solberg
Atkins	Falk	Jackson	Mariani	Pelowski	Sterner
Benson	Faust	Johnson	Marquart	Persell	Swails
Bigham	Fritz	Juhnke	Masin	Peterson	Thao
Bly	Gardner	Kahn	Morgan	Poppe	Thissen
Brown	Greiling	Kalin	Morrow	Reinert	Tillberry
Brynaert	Hansen	Knuth	Mullery	Rosenthal	Wagenius
Bunn	Hausman	Koenen	Murphy, E.	Rukavina	Ward
Carlson	Haws	Laine	Murphy, M.	Ruud	Welti
Champion	Hayden	Lenczewski	Nelson	Sailer	Winkler
Clark	Hilstrom	Lesch	Newton	Scalze	Spk. Kelliher
Davnie	Hilty	Liebling	Norton	Sertich	
Dill	Hornstein	Lieder	Obermueller	Simon	
Dittrich	Hortman	Lillie	Olin	Slawik	
Doty	Hosch	Loeffler	Otremba	Slocum	

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

Hoppe, Hackbarth and Magnus moved to amend H. F. No. 3033, the first engrossment, as follows:

Page 2, line 33, before the period, insert "except that after December 31, 2011, "qualified property" means a residence, multifamily, business, or publicly owned building located in the taconite assistance area defined in section 273.1341"

Page 4, after line 6, insert:

"Sec. 3. Minnesota Statutes 2009 Supplement, section 298.292, subdivision 2, is amended to read:

Subd. 2. **Use of money.** Money in the Douglas J. Johnson economic protection trust fund may be used for the following purposes:

(1) to provide loans, loan guarantees, interest buy-downs and other forms of participation with private sources of financing, but a loan to a private enterprise shall be for a principal amount not to exceed one-half of the cost of the project for which financing is sought, and the rate of interest on a loan to a private enterprise shall be no less than the lesser of eight percent or an interest rate three percentage points less than a full faith and credit obligation of the United States government of comparable maturity, at the time that the loan is approved;

(2) to fund reserve accounts established to secure the payment when due of the principal of and interest on bonds issued pursuant to section 298.2211;

(3) to pay in periodic payments or in a lump-sum payment any or all of the interest on bonds issued pursuant to chapter 474 for the purpose of constructing, converting, or retrofitting heating facilities in connection with district heating systems or systems utilizing alternative energy sources;

(4) to invest in a venture capital fund or enterprise that will provide capital to other entities that are engaging in, or that will engage in, projects or programs that have the purposes set forth in subdivision 1. No investments may be made in a venture capital fund or enterprise unless at least two other unrelated investors make investments of at least \$500,000 in the venture capital fund or enterprise, and the investment by the Douglas J. Johnson economic protection trust fund may not exceed the amount of the largest investment by an unrelated investor in the venture capital fund or enterprise. For purposes of this subdivision, an "unrelated investor" is a person or entity that is not related to the entity in which the investment is made or to any individual who owns more than 40 percent of the value of the entity, in any of the following relationships: spouse, parent, child, sibling, employee, or owner of an interest in the entity that exceeds ten percent of the value of all interests in it. For purposes of determining the limitations under this clause, the amount of investments made by an investor other than the Douglas J. Johnson economic protection trust fund is the sum of all investments made in the venture capital fund or enterprise during the period beginning one year before the date of the investment by the Douglas J. Johnson economic protection trust fund; ~~and~~

(5) to purchase forest land in the taconite assistance area defined in section 273.1341 to be held and managed as a public trust for the benefit of the area for the purposes authorized in section 298.22, subdivision 5a. Property purchased under this section may be sold by the commissioner upon approval by at least seven Iron Range Resources and Rehabilitation Board members. The net proceeds must be deposited in the trust fund for the purposes and uses of this section; and

(6) for rebates to property owners who install solar photovoltaic modules manufactured in Minnesota, as specified in section 116C.7791.

Money from the trust fund shall be expended only in or for the benefit of the taconite assistance area defined in section 273.1341."

Page 4, line 9, delete everything after "2011"

Page 4, line 10, delete everything before "from"

Page 4, after line 12, insert:

"(b) \$4,000,000 in fiscal year 2012 and \$5,000,000 in each fiscal year from 2013 to 2015, is transferred from the fund established in Minnesota Statutes, section 289.292, to the commissioner of commerce. The commissioner of commerce must place the funds in the special revenue fund."

Reletter the paragraphs in sequence

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

Loon moved to amend H. F. No. 3033, the first engrossment, as follows:

Page 3, line 32, delete "\$5" and insert "\$1"

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.

Westrom moved to amend H. F. No. 3033, the first engrossment, as follows:

Page 2, line 32, delete "the assigned service area of the utility subject to" and insert "this state"

Page 2, delete line 33

Page 4, after line 5, insert:

"Subd. 5. **Right of first refusal.** A utility has the right of first refusal to purchase the electrical energy produced within its service area under this section."

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.

Peppin and Westrom moved to amend H. F. No. 3033, the first engrossment, as follows:

Page 1, delete section 1

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 Peppin and Westrom amendment and the roll was called. There were 44 yeas and 87 nays as follows:

Those who voted in the affirmative were:

Abeler	Dauids	Garofalo	Kiffmeyer	Nornes	Torkelson
Anderson, B.	Dean	Gottwalt	Lanning	Peppin	Urdahl
Anderson, P.	Demmer	Gunther	Loon	Sanders	Westrom
Anderson, S.	Dettmer	Hamilton	Mack	Scott	Zellers
Beard	Doepke	Holberg	Magnus	Seifert	
Brod	Downey	Hoppe	McFarlane	Severson	
Buesgens	Drazkowski	Howes	McNamara	Shimanski	
Cornish	Eastlund	Kelly	Murdock	Smith	

Those who voted in the negative were:

Anzelc	Eken	Huntley	Loeffler	Otremba	Slocum
Atkins	Falk	Jackson	Mahoney	Paymar	Solberg
Benson	Faust	Johnson	Mariani	Pelowski	Sterner
Bigham	Fritz	Juhnke	Marquart	Persell	Swails
Bly	Gardner	Kahn	Masin	Peterson	Thao
Brown	Greiling	Kalin	Morgan	Poppe	Thissen
Brynaert	Hansen	Kath	Morrow	Reinert	Tillberry
Bunn	Hausman	Knuth	Mullery	Rosenthal	Wagenius
Carlson	Haws	Koenen	Murphy, E.	Rukavina	Ward
Champion	Hayden	Laine	Murphy, M.	Ruud	Welti
Clark	Hilstrom	Lenczewski	Nelson	Sailer	Winkler
Davnie	Hilty	Lesch	Newton	Scalze	Spk. Kelliher
Dill	Hornstein	Liebling	Norton	Sertich	
Dittrich	Hortman	Lieder	Obermueller	Simon	
Doty	Hosch	Lillie	Olin	Slawik	

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

Anderson, S., moved to amend H. F. No. 3033, the first engrossment, as follows:

Page 4, after line 20, insert:

"(d) The commissioner of commerce shall determine as a percentage the number of ratepayers that are not eligible for the funds appropriated under paragraph (a). The commissioner shall reduce the appropriation by that percentage in fiscal year 2011 and each fiscal year thereafter."

A roll call was requested and properly seconded.

The question was taken on the Anderson, S., amendment and the roll was called. There were 45 yeas and 86 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Beard	Cornish	Demmer	Downey	Garofalo
Anderson, P.	Brod	Dauids	Dettmer	Drazkowski	Gottwalt
Anderson, S.	Buesgens	Dean	Doepke	Eastlund	Gunther

Hamilton	Kiffmeyer	Magnus	Peppin	Seifert	Westrom
Holberg	Lanning	McFarlane	Reinert	Severson	Zellers
Hoppe	Lenczewski	McNamara	Rosenthal	Shimanski	
Kath	Loon	Murdock	Sanders	Smith	
Kelly	Mack	Nornes	Scott	Torkelson	

Those who voted in the negative were:

Abeler	Doty	Hosch	Loeffler	Otremba	Sterner
Anzelc	Eken	Howes	Mahoney	Paymar	Swails
Atkins	Falk	Huntley	Mariani	Pelowski	Thao
Benson	Faust	Jackson	Marquart	Persell	Thissen
Bigham	Fritz	Johnson	Masin	Peterson	Tillberry
Bly	Gardner	Juhnke	Morgan	Poppe	Urdahl
Brown	Greiling	Kahn	Morrow	Rukavina	Wagenius
Brynaert	Hansen	Kalin	Mullery	Ruud	Ward
Bunn	Hausman	Knuth	Murphy, E.	Sailer	Welti
Carlson	Haws	Koenen	Murphy, M.	Scalze	Winkler
Champion	Hayden	Laine	Nelson	Sertich	Spk. Kelliher
Clark	Hilstrom	Lesch	Newton	Simon	
Davnie	Hilty	Liebling	Norton	Slawik	
Dill	Hornstein	Lieder	Obermueller	Slocum	
Dittrich	Hortman	Lillie	Olin	Solberg	

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

H. F. No. 3033, A bill for an act relating to energy; modifying fee for storage of spent nuclear fuel; establishing rebate program for solar photovoltaic modules; appropriating money; amending Minnesota Statutes 2008, section 116C.779, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 116C.

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 98 yeas and 33 nays as follows:

Those who voted in the affirmative were:

Abeler	Eken	Huntley	Mahoney	Olin	Solberg
Anderson, S.	Falk	Jackson	Mariani	Otremba	Sterner
Anzelc	Faust	Johnson	Marquart	Paymar	Swails
Atkins	Fritz	Juhnke	Masin	Pelowski	Thao
Benson	Gardner	Kahn	McFarlane	Persell	Thissen
Bigham	Greiling	Kalin	McNamara	Peterson	Tillberry
Bly	Gunther	Kath	Morgan	Poppe	Urdahl
Brown	Hansen	Knuth	Morrow	Reinert	Wagenius
Brynaert	Hausman	Koenen	Mullery	Rosenthal	Ward
Bunn	Haws	Laine	Murdock	Rukavina	Welti
Carlson	Hayden	Lenczewski	Murphy, E.	Ruud	Westrom
Champion	Hilstrom	Lesch	Murphy, M.	Sailer	Winkler
Clark	Hilty	Liebling	Nelson	Scalze	Spk. Kelliher
Davnie	Hornstein	Lieder	Newton	Sertich	
Dill	Hortman	Lillie	Nornes	Simon	
Dittrich	Hosch	Loeffler	Norton	Slawik	
Doty	Howes	Magnus	Obermueller	Slocum	

Those who voted in the negative were:

Anderson, B.	Davids	Draskowski	Hoppe	Peppin	Smith
Anderson, P.	Dean	Eastlund	Kelly	Sanders	Torkelson
Beard	Demmer	Garofalo	Kiffmeyer	Scott	Zellers
Brod	Dettmer	Gottwalt	Lanning	Seifert	
Buesgens	Doepke	Hamilton	Loon	Severson	
Cornish	Downey	Holberg	Mack	Shimanski	

The bill was passed and its title agreed to.

S. F. No. 1537 was reported to the House.

#### MOTION TO LAY ON THE TABLE

Brod moved that S. F. No. 1537 be laid on the table.

A roll call was requested and properly seconded.

The question was taken on the Brod motion and the roll was called. There were 43 yeas and 86 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dean	Gottwalt	Loon	Peppin	Urdahl
Anderson, P.	Demmer	Gunther	Mack	Sanders	Westrom
Anderson, S.	Dettmer	Hamilton	Magnus	Scott	Zellers
Beard	Doepke	Holberg	McFarlane	Seifert	
Brod	Downey	Hoppe	McNamara	Severson	
Buesgens	Draskowski	Howes	Murdock	Shimanski	
Cornish	Eastlund	Kelly	Nornes	Smith	
Davids	Garofalo	Kiffmeyer	Olin	Torkelson	

Those who voted in the negative were:

Anzelc	Eken	Huntley	Loeffler	Paymar	Solberg
Atkins	Falk	Jackson	Mahoney	Pelowski	Sterner
Benson	Faust	Johnson	Mariani	Persell	Swails
Bigham	Fritz	Juhnke	Marquart	Peterson	Thao
Bly	Gardner	Kahn	Masin	Poppe	Thissen
Brown	Greiling	Kalin	Morgan	Reinert	Tillberry
Brynaert	Hansen	Kath	Morrow	Rosenthal	Wagenius
Bunn	Hausman	Knuth	Mullery	Rukavina	Ward
Carlson	Haws	Koenen	Murphy, E.	Ruud	Welti
Champion	Hayden	Laine	Murphy, M.	Sailer	Winkler
Clark	Hilstrom	Lenczewski	Nelson	Scalze	Spk. Kelliher
Davnie	Hilty	Lesch	Newton	Sertich	
Dill	Hornstein	Liebling	Norton	Simon	
Dittrich	Hortman	Lieder	Obermueller	Slawik	
Doty	Hosch	Lillie	Otremba	Slocum	

The motion did not prevail.

Abeler was excused between the hours of 6:55 p.m. and 7:35 p.m.

Drazkowski moved to amend S. F. No. 1537, the second unofficial engrossment, as follows:

Page 3, after line 11, insert:

"Sec. 3. **ENERGY REDUCTION REPORT.**

Subdivision 1. **Definition.** For the purposes of this section, "study area" means those portions of Wabasha and Goodhue Counties located within one mile of the high-voltage transmission line extending from Hampton to Rochester proposed by CAPX2020 that has applied for a route permit from the Minnesota Public Utilities Commission.

Subd. 2. **Report.** (a) By February 15, 2011, an organization with experience in energy conservation and energy planning at the neighborhood level that serves as project manager must submit a report to the chairs and ranking minority members of the senate and house of representatives committees with primary jurisdiction over energy policy that contains the following information:

(1) projections of the amount of energy that can be conserved and generated through the implementation of cost-effective energy efficiency investments; innovative energy storage projects, including thermal energy storage; smart-grid technologies; and energy produced from distributed generation projects fueled by solar photovoltaic and other renewable energy sources located in the study area;

(2) for each energy-reducing or energy-generating element recommended, estimates of the amount of energy conserved or generated, the reduction in peak demand requirements in the focused study area, and the cost per unit of energy saved or generated; and

(3) an estimate of the number of green jobs that would be created through implementation of the report's recommendations.

(b) Information requests with respect to the study are governed by the rules for contested case hearings in Minnesota Rules, part 1400.6700.

(c) The project manager may contract for portions of the work required to complete the report.

Subd. 3. **Community steering report.** (a) The project manager shall convene a community steering committee to provide input to the report. Appointments to the steering committee must reflect the diversity of the study area, and include representatives of study area residents, including homeowners, building owners and renters, businesses, churches, other institutions, including local hospitals, and local elected officials representing the study area. All meetings held by the community steering committee or any subcommittees it creates must be public meetings, with advance notice given to the public.

(b) The project manager shall seek to maximize the participation of study area residents, stakeholders, and institutions in recommending ideas to be included within the scope of the report and in reviewing initial and successive drafts of the report, including providing stipends for reasonable expenses when necessary to increase participation, but not including per diem payments. The project manager shall contact representatives of similar successful projects in other states to benefit from their experience and to learn about best practices for increasing public participation that can be replicated in Minnesota. The report must incorporate and respond to comments from the study area and the steering committee.

Subd. 4. **Energy savings.** The utility that serves the study area may apply energy savings resulting directly from the implementation of recommendations contained in the report regarding energy efficiency investments to its energy-savings goal under section 216B.241, subdivision 1c."

Page 3, line 20, delete "\$100,000" and insert "\$150,000"

Page 3, after line 30, insert:

"(d) \$50,000 from the money deposited in the special revenue fund under paragraph (b) is appropriated to the commissioner of commerce for transfer to Wabasha County for a grant to an organization with experience in energy conservation and energy planning at the neighborhood level that is selected by Wabasha County, in consultation with Goodhue County, to serve as project manager for the purpose of completing the report required under section 4."

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 32 yeas and 96 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dean	Hamilton	Magnus	Shimanski	Westrom
Anderson, P.	Demmer	Hoppe	Nornes	Slawik	Zellers
Beard	Dettmer	Hosch	Pelowski	Smith	
Brod	Drazkowski	Howes	Scott	Thissen	
Buesgens	Eastlund	Kelly	Seifert	Torkelson	
Cornish	Gottwalt	Kiffmeyer	Severson	Walti	

Those who voted in the negative were:

Anderson, S.	Doepke	Hilty	Liebling	Murphy, M.	Sailer
Anzelc	Doty	Hornstein	Lieder	Nelson	Sanders
Atkins	Downey	Hortman	Lillie	Newton	Scalze
Benson	Eken	Huntley	Loeffler	Norton	Sertich
Bigham	Falk	Jackson	Loon	Obermueller	Simon
Bly	Faust	Johnson	Mack	Olin	Slocum
Brown	Fritz	Juhnke	Mahoney	Otremba	Solberg
Brynaert	Gardner	Kahn	Mariani	Paymar	Sterner
Bunn	Garofalo	Kalin	Marquart	Peppin	Swails
Carlson	Greiling	Kath	Masin	Persell	Thao
Champion	Gunther	Knuth	McNamara	Peterson	Tillberry
Clark	Hansen	Koenen	Morgan	Poppe	Urdahl
Davids	Hausman	Laine	Morrow	Reinert	Wagenius
Davnie	Haws	Lanning	Mullery	Rosenthal	Ward
Dill	Hayden	Lenczewski	Murdock	Rukavina	Winkler
Dittrich	Hilstrom	Lesch	Murphy, E.	Ruud	Spk. Kelliher

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

Ruud was excused between the hours of 7:00 p.m. and 7:50 p.m.

Anderson, S., moved to amend S. F. No. 1537, the second unofficial engrossment, as follows:

Page 1, after line 12, insert:

"(b) The costs to a utility of participating in a certificate of need process required under this section must be recovered solely from ratepayers who reside in the city where the high-voltage transmission line is proposed to be located."

Page 1, line 13, delete "(b)" and insert "(c)"

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 Anderson, S., amendment and the roll was called. There were 51 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dean	Gottwalt	Kiffmeyer	Nornes	Shimanski
Anderson, P.	Demmer	Gunther	Lanning	Paymar	Smith
Anderson, S.	Dettmer	Hamilton	Lenczewski	Peppin	Torkelson
Beard	Doepke	Holberg	Loon	Peterson	Urdahl
Brod	Downey	Hoppe	Mack	Rosenthal	Westrom
Buesgens	Drazkowski	Howes	Magnus	Sanders	Zellers
Bunn	Eastlund	Kalin	McFarlane	Scott	
Cornish	Gardner	Kath	McNamara	Seifert	
Davids	Garofalo	Kelly	Murdock	Severson	

Those who voted in the negative were:

Anzelc	Doty	Hortman	Lillie	Obermueller	Slocum
Atkins	Eken	Hosch	Loeffler	Olin	Solberg
Benson	Falk	Huntley	Mariani	Otremba	Sterner
Bigham	Faust	Jackson	Marquart	Pelowski	Swails
Bly	Fritz	Johnson	Masin	Persell	Thao
Brown	Greiling	Juhnke	Morgan	Poppe	Thissen
Brynaert	Hansen	Kahn	Morrow	Reinert	Tillberry
Carlson	Hausman	Knuth	Mullery	Rukavina	Wagenius
Champion	Haws	Koenen	Murphy, E.	Sailer	Ward
Clark	Hayden	Laine	Murphy, M.	Scalze	Walti
Davnie	Hilstrom	Lesch	Nelson	Sertich	Winkler
Dill	Hilty	Liebling	Newton	Simon	Spk. Kelliher
Dittrich	Hornstein	Lieder	Norton	Slawik	

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

Westrom moved to amend S. F. No. 1537, the second unofficial engrossment, as follows:

Page 3, delete subdivision 4

A roll call was requested and properly seconded.

The question was taken on the Westrom amendment and the roll was called. There were 43 yeas and 86 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dean	Gottwalt	Kohls	Nornes	Urdahl
Anderson, P.	Demmer	Gunther	Lanning	Sanders	Westrom
Anderson, S.	Dettmer	Hamilton	Loon	Scott	Zellers
Beard	Doepke	Holberg	Mack	Seifert	
Brod	Downey	Hoppe	Magnus	Severson	
Buesgens	Draskowski	Howes	McFarlane	Shimanski	
Cornish	Eastlund	Kelly	McNamara	Smith	
Davids	Garofalo	Kiffmeyer	Murdock	Torkelson	

Those who voted in the negative were:

Anzelc	Eken	Huntley	Mahoney	Paymar	Solberg
Atkins	Falk	Jackson	Mariani	Pelowski	Sterner
Benson	Faust	Johnson	Marquart	Peppin	Swails
Bigham	Fritz	Juhnke	Masin	Persell	Thao
Bly	Gardner	Kahn	Morgan	Peterson	Thissen
Brown	Greiling	Kath	Morrow	Poppe	Tillberry
Brynaert	Hansen	Knuth	Mullery	Reinert	Wagenius
Bunn	Hausman	Koenen	Murphy, E.	Rosenthal	Ward
Carlson	Haws	Laine	Murphy, M.	Rukavina	Welti
Champion	Hayden	Lenczewski	Nelson	Sailer	Winkler
Clark	Hilstrom	Lesch	Newton	Scalze	Spk. Kelliher
Davnie	Hilty	Liebling	Norton	Sertich	
Dill	Hornstein	Lieder	Obermueller	Simon	
Dittrich	Hortman	Lillie	Olin	Slawik	
Doty	Hosch	Loeffler	Otremba	Slocum	

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

S. F. No. 1537 was read for the third time.

#### MOTION TO ADJOURN SINE DIE

Buesgens moved that the House adjourn sine die. The motion did not prevail.

S. F. No. 1537, A bill for an act relating to energy; requiring a certificate of need for certain transmission lines.

The bill was placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 85 yeas and 45 nays as follows:

Those who voted in the affirmative were:

Abeler	Doty	Hosch	Lillie	Otremba	Solberg
Anzelc	Eken	Howes	Loeffler	Paymar	Swails
Atkins	Falk	Huntley	Mahoney	Pelowski	Thao
Benson	Faust	Jackson	Mariani	Persell	Thissen
Bigham	Fritz	Johnson	Marquart	Peterson	Tillberry
Bly	Gardner	Juhnke	Masin	Poppe	Wagenius
Brown	Greiling	Kahn	Morgan	Rosenthal	Ward
Brynaert	Hansen	Kath	Morrow	Rukavina	Welti
Bunn	Hausman	Knuth	Mullery	Ruud	Winkler
Carlson	Haws	Koenen	Murphy, E.	Sailer	Spk. Kelliher
Champion	Hayden	Laine	Murphy, M.	Scalze	
Clark	Hilstrom	Lenczewski	Nelson	Sertich	
Davnie	Hilty	Lesch	Newton	Simon	
Dill	Hornstein	Liebling	Norton	Slawik	
Dittrich	Hortman	Lieder	Olin	Slocum	

Those who voted in the negative were:

Anderson, B.	Dean	Gottwalt	Lanning	Obermueller	Sterner
Anderson, P.	Demmer	Gunther	Loon	Peppin	Torkelson
Anderson, S.	Dettmer	Hamilton	Mack	Sanders	Urdahl
Beard	Doepke	Holberg	Magnus	Scott	Westrom
Brod	Downey	Hoppe	McFarlane	Seifert	Zellers
Buesgens	Drazkowski	Kelly	McNamara	Severson	
Cornish	Eastlund	Kiffmeyer	Murdock	Shimanski	
Davids	Garofalo	Kohls	Nornes	Smith	

The bill was passed and its title agreed to.

S. F. No. 3081 was reported to the House.

Welti moved to amend S. F. No. 3081, the first engrossment, as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 3641, the first engrossment:

"Section 1. Minnesota Statutes 2009 Supplement, section 216B.1612, subdivision 2, is amended to read:

Subd. 2. **Definitions.** (a) The terms used in this section have the meanings given them in this subdivision.

(b) "C-BED tariff" or "tariff" means a community-based energy development tariff.

(c) "Qualifying ~~owner~~ beneficiary" means:

(1) a Minnesota resident;

~~(2) a limited liability company that is organized under chapter 322B and that is made up of members who are Minnesota residents;~~

~~(3)~~ (2) a Minnesota nonprofit organization organized under chapter 317A;

~~(4)~~ (3) a Minnesota cooperative association organized under chapter 308A or 308B, including a rural electric cooperative association or a generation and transmission cooperative on behalf of and at the request of a member distribution utility;

~~(5)~~ (4) a Minnesota political subdivision or local government including, but not limited to, a municipal electric utility, or a municipal power agency on behalf of and at the request of a member distribution utility; the office of the commissioner of Iron Range resources and rehabilitation; a county, statutory or home rule charter city, town, school district, or public or private higher education institution; or any other local or regional governmental organization such as a board, commission, or association; ~~or~~

~~(6)~~ (5) a tribal council; ~~or~~

~~(6) a legal entity (i) formed for a purpose other than to participate in C-BED projects; (ii) whose principal place of business or principal executive office is located in Minnesota; and (iii) that provides labor, services, equipment, components, or financing to a C-BED project.~~

A public utility, as defined in section 216B.02, subdivision 4, is not a qualifying beneficiary.

~~(d) "Net present value rate" means a rate equal to the net present value of the nominal payments to a project divided by the total expected energy production of the project over the life of its power purchase agreement. "Qualifying revenue" includes, but is not limited to:~~

~~(1) royalties, distributions, dividends, and other payments flowing to individuals who are qualifying beneficiaries;~~

~~(2) fees for consulting, development, professional, construction, and operations and maintenance services paid to qualifying beneficiaries;~~

~~(3) interest and fees paid to financial institutions that are qualifying beneficiaries;~~

~~(4) the value-added portion of payments for goods manufactured in Minnesota; and~~

~~(5) production taxes.~~

~~(e) "Discount rate" means the ten-year United States Treasury Yield as quoted in the Wall Street Journal as of the date of application for determination under subdivision 10, plus five percent; except that the discount rate applicable to any qualifying revenues contingent upon an equity investor earning a specified internal rate of return is the ten-year United States Treasury Yield, plus eight percent.~~

~~(f) "Standard reliability criteria" means:~~

~~(1) can be safely integrated into and operated within the utility's grid without causing any adverse or unsafe consequences; and~~

~~(2) is consistent with the utility's resource needs as identified in its most recent resource plan submitted under section 216B.2422.~~

~~(f)~~ (g) "Renewable" refers to a technology listed in section 216B.1691, subdivision 1, paragraph (a).

~~(g)~~ (h) "Community-based energy development project" or "C-BED project" means a new renewable energy project that either as a stand-alone project or part of a partnership under subdivision 8:

(1) has no single qualifying ~~owner~~ beneficiary, including any parent company or subsidiary of the qualifying beneficiary, owning more than 15 percent of a C-BED wind energy project unless: (i) the C-BED wind energy project consists of only one or two turbines; or (ii) the qualifying ~~owner~~ beneficiary is a public entity listed under paragraph (c), clause ~~(5)~~ (4), that is not a municipal utility;

(2) demonstrates that at least 51 percent of the net present value of the gross revenues from a power purchase agreement over the life of the project ~~will flow to~~ are qualifying owners and other local entities revenues; and

(3) has a resolution of support adopted by the county board of each county in which the project is to be located, or in the case of a project located within the boundaries of a reservation, the tribal council for that reservation.

(i) "Value-added portion" means the difference between the total sales price and the total cost of components, materials, and services purchased from or provided outside of Minnesota.

Sec. 2. Minnesota Statutes 2008, section 216B.1612, subdivision 3, is amended to read:

Subd. 3. **Tariff rate.** (a) The tariff described in subdivision 4 must ~~have a rate schedule that allows for a net present value rate over the 20 year life of the power purchase agreement. The tariff must provide for a rate that is higher in the first ten years of the power purchase agreement than in the last ten years. The discount rate required to calculate the net present value must be the utility's normal discount rate used for its other business purposes.~~

(b) The commission shall consider mechanisms to encourage the aggregation of C-BED projects.

(c) The commission shall require that ~~qualifying and nonqualifying owners~~ C-BED projects provide sufficient security to secure performance under the power purchase agreement, ~~and shall prohibit the transfer of the C-BED project to a nonqualifying owner during the initial 20 years of the contract.~~

Sec. 3. Minnesota Statutes 2008, section 216B.1612, subdivision 5, is amended to read:

Subd. 5. **Priority for C-BED projects.** (a) A utility subject to section 216B.1691 that needs to construct new generation, or purchase the output from new generation, as part of its plan to satisfy its good faith objective and standard under that section must take reasonable steps to determine if one or more C-BED projects are available that meet the utility's cost and reliability requirements, applying standard reliability criteria, to fulfill some or all of the identified need at minimal impact to customer rates.

Nothing in this section shall be construed to obligate a utility to enter into a power purchase agreement under a C-BED tariff developed under this section.

(b) Each utility shall include in its resource plan submitted under section 216B.2422 a description of its efforts to purchase energy from C-BED projects, including a list of the projects under contract and the amount of C-BED energy purchased.

(c) The commission shall consider the efforts and activities of a utility to purchase energy from C-BED projects when evaluating its good faith effort towards meeting the renewable energy objective under section 216B.1691.

(d) A municipal power agency or generation and transmission cooperative shall, when issuing a request for proposals for C-BED projects to satisfy its standard obligation under section 216B.1691, provide notice to its member distribution utilities that they may propose, in partnership with other qualifying ~~owners~~ beneficiaries, a C-BED project for the consideration of the municipal power agency or generation and transmission cooperative.

Sec. 4. Minnesota Statutes 2008, section 216B.1612, subdivision 7, is amended to read:

Subd. 7. **Other C-BED tariff issues.** (a) A community-based project developer and a utility shall negotiate the rate and power purchase agreement terms consistent with the tariff established under subdivision 4.

(b) At the discretion of the developer, a community-based project developer and a utility may negotiate a power purchase agreement with terms different from the tariff established under subdivision 4.

(c) ~~A qualifying owner, or any combination of qualifying owners, may develop a joint venture project with a nonqualifying renewable energy project developer. C-BED project may be jointly developed with a non-C-BED project. However, the terms of the C-BED tariff may only apply to the portion of the energy production of the total project that is directly proportional to the equity share of the project owned by the qualifying owners energy produced by the C-BED project.~~

~~(d)~~ A project that is operating under a power purchase agreement under a C-BED tariff is not eligible for net energy billing under section 216B.164, subdivision 3, or for production incentives under section 216C.41.

~~(e)~~ (d) A public utility must receive commission approval of a power purchase agreement for a C-BED tariffed project. The commission shall provide the utility's ratepayers an opportunity to address the reasonableness of the proposed power purchase agreement. Unless a party objects to a contract within 30 days of submission of the contract to the commission the contract is deemed approved.

Sec. 5. Minnesota Statutes 2008, section 216B.1612, is amended by adding a subdivision to read:

Subd. 10. **C-BED eligibility determination.** A developer of a C-BED project may seek a predetermination of C-BED eligibility from the commissioner of commerce at any time, and must obtain a determination of C-BED eligibility from the commissioner of commerce, based on the project's final financing terms, before construction may begin. In seeking a determination of eligibility under this subdivision, a developer of a C-BED project must submit to the commissioner of commerce detailed financial projections demonstrating that, based on a net present value analysis, and applying the discount rate to qualifying revenues and gross revenues from a power purchase agreement, the project meets the requirements of subdivision 2, paragraph (h), clause (1)."

The motion prevailed and the amendment was adopted.

Speaker pro tempore Juhnke called Thissen to the Chair.

Welti moved to amend S. F. No. 3081, the first engrossment, as amended, as follows:

Page 1, line 13, after "resident" insert "individually or as a member of a Minnesota limited liability company organized under chapter 322B and formed for the purpose of developing a C-BED project"

Page 2, line 4, before "financing" insert "debt"

Page 2, line 12, after "flowing" insert "directly or indirectly"

Page 2, line 14, before "fees" insert "reasonable"

Page 3, line 2, strike everything after "(4)" and insert a semicolon

Page 3, line 24, before the period, insert ", and shall prohibit transfer of a C-BED project during the initial term of a power purchase agreement if the transfer will result in the project's no longer qualifying under section 216B.1612, subdivision 2, paragraph (h)"

Page 5, after line 1, before "A" insert "(a)"

Page 5, after line 9, insert:

"(b) A project is not required to obtain a predetermination of C-BED eligibility under this subdivision if it has received, prior to the effective date of this act: (1) an opinion letter from the commissioner indicating that the project qualifies as a C-BED project under this section; or (2) written notification from the Midwest Independent Systems Operator that the project retains a position in the interconnection queue.

(c) The commissioner's reexamination of the continued C-BED eligibility of a project that obtained its initial opinion letter regarding C-BED eligibility from the commissioner before the effective date of this act must only consider whether the project qualifies as a C-BED project based on the statutes applicable at the time the initial notice of C-BED eligibility was issued.

Sec. 6. **EFFECTIVE DATE.**

Sections 1 to 5 are effective the day following final enactment."

The motion prevailed and the amendment was adopted.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2614:

Huntley, Clark, Thissen, Hosch and Abeler.

#### CALENDAR FOR THE DAY, Continued

Speaker pro tempore Thissen called Juhnke to the Chair.

Drazkowski and Kelly moved to amend S. F. No. 3081, the first engrossment, as amended, as follows:

Page 3, line 5, strike "and"

Page 3, line 8, strike the period and insert "; and"

Page 3, after line 8, insert:

"(4) does not require a certificate of need under section 216B.243."

The motion prevailed and the amendment was adopted.

Abeler was excused between the hours of 8:30 p.m. and 10:35 p.m.

Falk moved to amend S. F. No. 3081, the first engrossment, as amended, as follows:

Page 2, line 4, delete "and"

Page 2, line 5, strike the period, and insert ": and"

Page 2, after line 5, insert:

"(iv) that is not wholly or partially owned by a foreign entity."

ReNUMBER the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

Welti moved to amend the Falk amendment to S. F. No. 3081, the first engrossment, as amended, as follows:

Page 1, line 6, delete "or partially"

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 100 yeas and 32 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Champion	Downey	Hamilton	Jackson	Lanning
Anderson, P.	Clark	Drazkowski	Haws	Juhnke	Lenczewski
Anderson, S.	Cornish	Eastlund	Hayden	Kahn	Lieder
Beard	Dauids	Eken	Hilstrom	Kalin	Lillie
Bigham	Dean	Faust	Hilty	Kath	Loeffler
Brod	Demmer	Gardner	Holberg	Kelly	Loon
Brown	Dettmer	Garofalo	Hoppe	Kiffmeyer	Mack
Brynaert	Dittrich	Gottwalt	Hornstein	Knuth	Magnus
Buesgens	Doepke	Gunther	Hosch	Kohls	Marquart
Carlson	Doty	Hackbarth	Howes	Laine	McFarlane

McNamara	Nornes	Persell	Sanders	Simon	Welti
Morrow	Norton	Peterson	Scalze	Slawik	Westrom
Mullery	Obermueller	Poppe	Scott	Smith	Winkler
Murdock	Olin	Reinert	Seifert	Swails	Zellers
Murphy, E.	Otremba	Rosenthal	Sertich	Torkelson	Spk. Kelliher
Murphy, M.	Pelowski	Ruud	Severson	Urdahl	
Nelson	Peppin	Sailer	Shimanski	Ward	

Those who voted in the negative were:

Anzelc	Dill	Hortman	Mahoney	Rukavina	Tillberry
Atkins	Falk	Huntley	Mariani	Slocum	Wagenius
Benson	Fritz	Johnson	Masin	Solberg	
Bly	Greiling	Koenen	Morgan	Sterner	
Bunn	Hansen	Lesch	Newton	Thao	
Davnie	Hausman	Liebling	Paymar	Thissen	

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

The question recurred on the Falk amendment, as amended, and the roll was called. There were 63 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Bigham	Gardner	Hosch	Lieder	Norton	Simon
Brynaert	Greiling	Howes	Loeffler	Olin	Slawik
Champion	Hansen	Jackson	Mariani	Otremba	Solberg
Clark	Hausman	Johnson	Marquart	Paymar	Swails
Davnie	Haws	Kahn	Masin	Persell	Ward
Dittrich	Hayden	Kalin	Morgan	Peterson	Welti
Doty	Hilstrom	Kelly	Morrow	Reinert	Winkler
Downey	Hilty	Knuth	Mullery	Rosenthal	Spk. Kelliher
Drazkowski	Hoppe	Koenen	Murphy, E.	Sailer	
Eken	Hornstein	Kohls	Murphy, M.	Scalze	
Faust	Hortman	Liebling	Nelson	Sertich	

Those who voted in the negative were:

Anderson, B.	Carlson	Gottwalt	Lesch	Pelowski	Sterner
Anderson, P.	Cornish	Gunther	Lillie	Peppin	Thao
Anderson, S.	Davids	Hackbarth	Loon	Poppe	Thissen
Anzelc	Dean	Hamilton	Mack	Rukavina	Tillberry
Atkins	Demmer	Holberg	Magnus	Ruud	Torkelson
Beard	Dettmer	Huntley	Mahoney	Sanders	Urdahl
Benson	Dill	Juhnke	McFarlane	Scott	Wagenius
Bly	Doepke	Kath	McNamara	Seifert	Westrom
Brod	Eastlund	Kiffmeyer	Murdock	Severson	Zellers
Brown	Falk	Laine	Newton	Shimanski	
Buesgens	Fritz	Lanning	Nornes	Slocum	
Bunn	Garofalo	Lenczewski	Obermueller	Smith	

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

S. F. No. 3081, A bill for an act relating to energy; modifying community-based energy development program; amending Minnesota Statutes 2008, section 216B.1612, subdivisions 3, 5, 7, by adding a subdivision; Minnesota Statutes 2009 Supplement, section 216B.1612, subdivision 2.

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

The question was taken on the passage of the bill and the roll was called. There were 103 yeas and 29 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dettmer	Holberg	Liebling	Nornes	Severson
Anderson, P.	Dittrich	Hoppe	Lieder	Norton	Shimanski
Anderson, S.	Doepke	Hornstein	Lillie	Obermueller	Simon
Atkins	Doty	Hosch	Loeffler	Olin	Slawik
Beard	Downey	Howes	Loon	Otremba	Smith
Bigham	Drazkowski	Huntley	Mack	Pelowski	Swails
Brod	Eastlund	Jackson	Magnus	Peppin	Torkelson
Brown	Eken	Juhnke	Mahoney	Persell	Urdahl
Brynaert	Faust	Kahn	Mariani	Poppe	Ward
Buesgens	Fritz	Kalin	Marquart	Reinert	Welti
Bunn	Gardner	Kath	McFarlane	Rosenthal	Westrom
Carlson	Garofalo	Kelly	McNamara	Ruud	Winkler
Champion	Gottwalt	Kiffmeyer	Morrow	Sailer	Spk. Kelliher
Clark	Gunther	Knuth	Mullery	Sanders	
Cornish	Hackbarth	Kohls	Murdock	Scalze	
Davids	Hamilton	Laine	Murphy, E.	Scott	
Dean	Haws	Lanning	Murphy, M.	Seifert	
Demmer	Hilty	Lenczewski	Nelson	Sertich	

Those who voted in the negative were:

Anzelc	Falk	Hilstrom	Masin	Rukavina	Thissen
Benson	Greiling	Hortman	Morgan	Slocum	Tillberry
Bly	Hansen	Johnson	Newton	Solberg	Wagenius
Davnie	Hausman	Koenen	Paymar	Sterner	Zellers
Dill	Hayden	Lesch	Peterson	Thao	

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

There being no objection, the order of business reverted to Reports of Standing Committees and Divisions.

## REPORTS OF STANDING COMMITTEES AND DIVISIONS

Sertich from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 2227, A bill for an act relating to local government; establishing Minnesota Innovation and Research Council; imposing powers and duties of council; appropriating money; amending Minnesota Statutes 2008, section

3.971, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 465; repealing Minnesota Statutes 2008, section 6.80.

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

Joint Rule 2.03 has been waived for any subsequent committee action on this bill.

The report was adopted.

Sertich from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 2405, A bill for an act relating to the legislature; proposing an amendment to the Minnesota Constitution, article IV, section 4; providing for temporary successors to members of the legislature called into active military service; providing for implementing statutory language; proposing coding for new law in Minnesota Statutes, chapter 3.

Reported the same back with the following amendments:

Page 2, line 16, after "member" insert ", or to the minority leader of that house if the person is a member of the minority caucus."

Page 2, line 19, after "officer" insert "or minority leader, as applicable."

Page 2, line 24, after "officer" insert ", or minority leader if the legislator is a member of the minority caucus."

Page 2, lines 26 and 32, after "officer" insert "or minority leader"

Page 3, line 7, after "officer" insert "or minority leader"

With the recommendation that when so amended the bill pass.

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. No. 2405 was read for the second time.

Speaker pro tempore Juhnke called Pelowski to the Chair.

## **FISCAL CALENDAR**

Pursuant to rule 1.22, Solberg requested immediate consideration of H. F. No. 3790.

H. F. No. 3790 was reported to the House.

The Speaker assumed the Chair.

Murphy, M.; Haws; Brown; Lillie; Morgan; Urdahl; Faust; Hoppe; Hansen; Kelliher; Davids; Eken; Dill; Wagenius; Loeffler and Hausman moved to amend H. F. No. 3790, the first engrossment.

Buesgens requested a division of the Murphy, M., et al amendment to H. F. No. 3790, the first engrossment.

Buesgens further requested that the second portion of the divided Murphy, M., et al amendment be voted on first.

The second portion of the Murphy, M., et al amendment to H. F. No. 3790, the first engrossment, reads as follows:

Page 24, after line 6, insert:

"Sec. 6. **REPEALER.**

Minnesota Statutes 2009 Supplement, sections 3.3006; and 84.02, subdivisions 4a, 6a, and 6b, are repealed."

Page 24, line 30, delete "shall be" and insert "is to"

Page 24, delete lines 31 to 33

Page 25, line 1, delete "to be used by"

Page 27, delete section 5

Page 29, delete section 6

Page 36, line 28, delete "portion" and insert "limited sample"

Page 36, line 31, delete everything after "clean water fund."

Page 36, line 32, delete "state-issued bonds" and insert "and the arts and cultural heritage funds"

Page 36, line 32, after "audit" insert "must be based solely on the project's goals, parameters, and outcomes, as contained in approved project proposals and accomplishment plans, and"

Page 37, line 3, after "possible" insert ", and may not exceed one-quarter of one percent of available funds within the applicable dedicated fund in any given biennium"

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 Murphy, M., et al amendment and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dettmer	Hayden	Lanning	Nelson	Sertich
Anderson, P.	Dill	Hilstrom	Lenczewski	Newton	Severson
Anderson, S.	Dittrich	Hilty	Lesch	Nornes	Shimanski
Anzelc	Doepke	Holberg	Liebling	Norton	Simon
Atkins	Doty	Hoppe	Lieder	Obermueller	Slawik
Beard	Downey	Hornstein	Lillie	Olin	Slocum
Benson	Drazkowski	Hortman	Loeffler	Otremba	Smith
Bigham	Eastlund	Hosch	Loon	Paymar	Solberg
Bly	Eken	Howes	Mack	Pelowski	Sterner
Brod	Falk	Huntley	Magnus	Peppin	Swails
Brown	Faust	Jackson	Mahoney	Persell	Thao
Brynaert	Fritz	Johnson	Mariani	Peterson	Thissen
Buesgens	Gardner	Juhnke	Marquart	Poppe	Tillberry
Bunn	Garofalo	Kahn	Masin	Reinert	Torkelson
Carlson	Gottwalt	Kalin	McFarlane	Rosenthal	Urdahl
Champion	Greiling	Kath	McNamara	Rukavina	Wagenius
Clark	Gunther	Kelly	Morgan	Ruud	Ward
Cornish	Hackbarth	Kiffmeyer	Morrow	Sailer	Welti
Davids	Hamilton	Knuth	Mullery	Sanders	Westrom
Davnie	Hansen	Koenen	Murdock	Scalze	Winkler
Dean	Hausman	Kohls	Murphy, E.	Scott	Zellers
Demmer	Haws	Laine	Murphy, M.	Seifert	Spk. Kelliher

The motion prevailed and the second portion of the Murphy, M., et al amendment was adopted.

The first portion of the Murphy, M., et al amendment to H. F. No. 3790, the first engrossment, as amended, reads as follows:

Page 23, after line 18, insert:

"Sec. 3. Minnesota Statutes 2008, section 97A.056, is amended by adding a subdivision to read:

Subd. 1a. **Definitions.** For the purposes of this section, the following terms have the meanings given them:

(1) "protect" means action to maintain the ability of habitat and related natural systems to sustain fish, game, or wildlife through, but not limited to, acquisition of fee title or conservation easements;

(2) "restore" means action to renew degraded, damaged, or destroyed wetlands, prairies, forests, and habitat for fish, game, and wildlife with the ultimate goal of restoration to a desired conservation condition; and

(3) "enhance" means action to improve in value, quality, and desirability in order to increase the ecological value of wetlands, prairies, forests, and habitat for fish, game, and wildlife."

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 Murphy, M., et al amendment and the roll was called. There were 110 yeas and 22 nays as follows:

Those who voted in the affirmative were:

Anderson, P.	Dittrich	Hornstein	Liebling	Norton	Slocum
Anderson, S.	Doty	Hortman	Lieder	Obermueller	Smith
Anzelc	Downey	Hosch	Lillie	Olin	Solberg
Atkins	Drazkowski	Howes	Loeffler	Otremba	Sterner
Beard	Eken	Huntley	Mack	Paymar	Swails
Benson	Falk	Jackson	Mahoney	Pelowski	Thao
Bigham	Faust	Johnson	Mariani	Persell	Thissen
Bly	Fritz	Juhnke	Marquart	Peterson	Tillberry
Brown	Gardner	Kahn	Masin	Poppe	Urdahl
Brynaert	Gottwalt	Kalin	McFarlane	Reinert	Wagenius
Bunn	Greiling	Kath	McNamara	Rosenthal	Ward
Carlson	Gunther	Kelly	Morgan	Rukavina	Welti
Champion	Hansen	Kiffmeyer	Morrow	Ruud	Winkler
Clark	Hausman	Knuth	Mullery	Sailer	Zellers
Cornish	Haws	Koenen	Murdock	Sanders	Spk. Kelliher
Davids	Hayden	Laine	Murphy, E.	Scalze	
Davnie	Hilstrom	Lanning	Murphy, M.	Sertich	
Demmer	Hilty	Lenczewski	Nelson	Simon	
Dill	Hoppe	Lesch	Newton	Slawik	

Those who voted in the negative were:

Anderson, B.	Dettmer	Hackbarth	Loon	Scott	Torkelson
Brod	Doepke	Hamilton	Magnus	Seifert	Westrom
Buesgens	Eastlund	Holberg	Nornes	Severson	
Dean	Garofalo	Kohls	Peppin	Shimanski	

The motion prevailed and the first portion of the Murphy, M., et al amendment was adopted.

The Speaker called Pelowski to the Chair.

Hamilton moved amend H. F. No. 3790, the first engrossment, as amended, as follows:

Page 12, line 31, delete "20" and insert "10"

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

Paymar and Holberg moved to amend H. F. No. 3790, the first engrossment, as amended, as follows:

Page 14, delete lines 22 to 29

A roll call was requested and properly seconded.

The question was taken on the Paymar and Holberg amendment and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dill	Hilstrom	Lenczewski	Newton	Severson
Anderson, S.	Dittrich	Hilty	Lesch	Nornes	Shimanski
Anzelc	Doepke	Holberg	Liebling	Norton	Simon
Atkins	Doty	Hoppe	Lieder	Obermueller	Slawik
Beard	Downey	Hornstein	Lillie	Olin	Slocum
Benson	Drazkowski	Hortman	Loeffler	Otremba	Smith
Bigham	Eastlund	Hosch	Loon	Paymar	Solberg
Bly	Eken	Howes	Mack	Pelowski	Sterner
Brod	Falk	Huntley	Magnus	Peppin	Swails
Brown	Faust	Jackson	Mahoney	Persell	Thao
Brynaert	Fritz	Johnson	Mariani	Peterson	Thissen
Buesgens	Gardner	Juhnke	Marquart	Poppe	Tillberry
Bunn	Garofalo	Kahn	Masin	Reinert	Torkelson
Carlson	Gottwalt	Kalin	McFarlane	Rosenthal	Urdahl
Champion	Greiling	Kath	McNamara	Rukavina	Wagenius
Clark	Gunther	Kelly	Morgan	Ruud	Ward
Cornish	Hackbarth	Kiffmeyer	Morrow	Sailer	Welti
Davids	Hamilton	Knuth	Mullery	Sanders	Westrom
Davnie	Hansen	Koenen	Murdock	Scalze	Winkler
Dean	Hausman	Kohls	Murphy, E.	Scott	Zellers
Demmer	Haws	Laine	Murphy, M.	Seifert	Spk. Kelliher
Dettmer	Hayden	Lanning	Nelson	Sertich	

The motion prevailed and the amendment was adopted.

Urdahl moved to amend H. F. No. 3790, the first engrossment, as amended, as follows:

Page 40, after line 30, insert:

"Sec. 9. **LITCHFIELD OPERA HOUSE.**

The Greater Litchfield Opera House Association may acquire, restore, upgrade and improve the Litchfield Opera House with any future appropriations for this project from the arts and cultural heritage fund."

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 Urdahl amendment and the roll was called. There were 24 yeas and 109 nays as follows:

Those who voted in the affirmative were:

Abeler	Beard	Juhnke	McNamara	Paymar	Thissen
Anderson, P.	Davids	Koenen	Murdock	Rukavina	Urdahl
Anderson, S.	Gardner	Lanning	Newton	Shimanski	Westrom
Anzelc	Hosch	McFarlane	Nornes	Thao	Zellers

Those who voted in the negative were:

Anderson, B.	Dittrich	Hayden	Lenczewski	Norton	Simon
Atkins	Doepke	Hilstrom	Lesch	Obermueller	Slawik
Benson	Doty	Hilty	Liebling	Olin	Slocum
Bigham	Downey	Holberg	Lieder	Otremba	Smith
Bly	Drazkowski	Hoppe	Lillie	Pelowski	Solberg
Brod	Eastlund	Hornstein	Loeffler	Peppin	Sterner
Brown	Eken	Hortman	Loon	Persell	Swails
Brynaert	Falk	Howes	Mack	Peterson	Tillberry
Buesgens	Faust	Huntley	Magnus	Poppe	Torkelson
Bunn	Fritz	Jackson	Mahoney	Reinert	Wagenius
Carlson	Garofalo	Johnson	Mariani	Rosenthal	Ward
Champion	Gottwalt	Kahn	Marquart	Ruud	Welti
Clark	Greiling	Kalin	Masin	Sailer	Winkler
Cornish	Gunther	Kath	Morgan	Sanders	Spk. Kelliher
Davnie	Hackbarth	Kelly	Morrow	Scalze	
Dean	Hamilton	Kiffmeyer	Mullery	Scott	
Demmer	Hansen	Knuth	Murphy, E.	Seifert	
Dettmer	Hausman	Kohls	Murphy, M.	Sertich	
Dill	Haws	Laine	Nelson	Severson	

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

Anderson, S.; Hamilton and Drazkowski moved to amend H. F. No. 3790, the first engrossment, as amended, as follows:

Page 40, after line 33, insert:

"Sec. 9. **LAKE ZUMBRO.**

The county of Olmsted may restore, upgrade and improve Lake Zumbro and may allocate any future appropriations for this project from the clean water fund.

Sec. 10. **SCHMIDT LAKE.**

The city of Plymouth may restore, upgrade and improve Schmidt Lake and may allocate any future appropriations for this project from the clean water fund.

Sec. 11. **THOMPSON LAKE.**

The county of Dakota may restore, upgrade, and improve Thompson Lake and may allocate any future appropriations for this project from the clean water fund."

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 Anderson, S., et al amendment and the roll was called. There were 15 yeas and 117 nays as follows:

Those who voted in the affirmative were:

Abeler	Demmer	Hackbarth	Murdock	Smith
Anderson, S.	Drazkowski	Lanning	Norton	Urdahl
Beard	Gunther	McNamara	Peterson	Welti

Those who voted in the negative were:

Anderson, B.	Dill	Hilty	Lenczewski	Newton	Shimanski
Anderson, P.	Dittrich	Holberg	Lesch	Nornes	Simon
Anzelc	Doepke	Hoppe	Liebling	Obermueller	Slawik
Atkins	Doty	Hornstein	Lieder	Olin	Slocum
Benson	Downey	Hortman	Lillie	Otremba	Solberg
Bigham	Eastlund	Hosch	Loeffler	Paymar	Sterner
Bly	Eken	Howes	Loon	Pelowski	Swails
Brod	Falk	Huntley	Mack	Peppin	Thao
Brown	Faust	Jackson	Magnus	Persell	Thissen
Brynaert	Fritz	Johnson	Mahoney	Poppe	Tillberry
Buesgens	Gardner	Juhnke	Mariani	Reinert	Torkelson
Bunn	Garofalo	Kahn	Marquart	Rosenthal	Wagenius
Carlson	Gottwalt	Kalin	Masin	Rukavina	Ward
Champion	Greiling	Kath	McFarlane	Ruud	Westrom
Clark	Hamilton	Kelly	Morgan	Sailer	Winkler
Cornish	Hansen	Kiffmeyer	Morrow	Sanders	Zellers
Davids	Hausman	Knuth	Mullery	Scalze	Spk. Kelliher
Davnie	Haws	Koenen	Murphy, E.	Seifert	
Dean	Hayden	Kohls	Murphy, M.	Sertich	
Dettmer	Hilstrom	Laine	Nelson	Severson	

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

H. F. No. 3790, A bill for an act relating to state government; appropriating money from constitutionally dedicated funds and providing for expenditure accountability, administration, and governance of outdoor heritage, clean water, parks and trails, and arts and cultural heritage purposes; establishing and modifying grants, programs, fees, and accounts; requiring reports; amending Minnesota Statutes 2008, sections 3.971, by adding a subdivision; 97A.056, by adding subdivisions; Minnesota Statutes 2009 Supplement, sections 85.53, subdivision 2; 114D.50, subdivision 4; 129D.17, subdivision 2; Laws 2009, chapter 172, article 2, section 4; proposing coding for new law in Minnesota Statutes, chapter 3; repealing Minnesota Statutes 2009 Supplement, sections 3.3006; 84.02, subdivisions 4a, 6a, 6b; Laws 2009, chapter 172, article 5, section 9.

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

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

Those who voted in the affirmative were:

Abeler	Benson	Brown	Carlson	Cornish	Dill
Anzelc	Bigham	Brynaert	Champion	Davids	Dittrich
Atkins	Bly	Bunn	Clark	Davnie	Doepke

Doty	Hoppe	Lenczewski	Mullery	Peterson	Swails
Eken	Hornstein	Lesch	Murdock	Poppe	Thao
Falk	Hortman	Liebling	Murphy, E.	Reinert	Thissen
Faust	Hosch	Lieder	Murphy, M.	Rosenthal	Tillberry
Fritz	Howes	Lillie	Nelson	Ruud	Torkelson
Gardner	Huntley	Loeffler	Newton	Sailer	Urdahl
Greiling	Jackson	Mahoney	Nornes	Scalze	Wagenius
Gunther	Johnson	Mariani	Norton	Sertich	Ward
Hansen	Kahn	Marquart	Obermueller	Simon	Welti
Hausman	Kalin	Masin	Olin	Slawik	Winkler
Haws	Kath	McFarlane	Otremba	Slocum	Spk. Kelliher
Hayden	Knuth	McNamara	Paymar	Smith	
Hilstrom	Koenen	Morgan	Pelowski	Solberg	
Hilty	Laine	Morrow	Persell	Sterner	

Those who voted in the negative were:

Anderson, B.	Dean	Garofalo	Kelly	Peppin	Shimanski
Anderson, P.	Demmer	Gottwalt	Kiffmeyer	Rukavina	Westrom
Anderson, S.	Dettmer	Hackbarth	Lanning	Sanders	Zellers
Beard	Downey	Hamilton	Loon	Scott	
Brod	Drazkowski	Holberg	Mack	Seifert	
Buesgens	Eastlund	Juhnke	Magnus	Severson	

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

Dill and Thissen were excused for the remainder of today's session.

Pursuant to rule 1.50, Sertich moved that the House be allowed to continue in session after 12:00 midnight.

A roll call was requested and properly seconded.

The question was taken on the Sertich motion and the roll was called. There were 104 yeas and 27 nays as follows:

Those who voted in the affirmative were:

Abeler	Cornish	Gottwalt	Howes	Lesch	Morrow
Anzelc	Davnie	Greiling	Huntley	Liebling	Mullery
Atkins	Demmer	Gunther	Jackson	Lieder	Murdock
Benson	Dettmer	Hamilton	Johnson	Lillie	Murphy, E.
Bigham	Dittrich	Hansen	Kahn	Loeffler	Murphy, M.
Bly	Doty	Hausman	Kalin	Magnus	Nelson
Brod	Drazkowski	Haws	Kath	Mahoney	Newton
Brown	Eken	Hayden	Kelly	Mariani	Norton
Brynaert	Falk	Hilstrom	Kiffmeyer	Marquart	Obermueller
Bunn	Faust	Hilty	Knuth	Masin	Olin
Carlson	Fritz	Hornstein	Koenen	McFarlane	Paymar
Champion	Gardner	Hortman	Laine	McNamara	Pelowski
Clark	Garofalo	Hosch	Lenczewski	Morgan	Persell

Peterson	Ruud	Sertich	Swails	Ward	Spk. Kelliher
Poppe	Sailer	Simon	Thao	Welti	
Reinert	Scalze	Slawik	Tillberry	Westrom	
Rosenthal	Scott	Slocum	Torkelson	Winkler	
Rukavina	Seifert	Solberg	Wagenius	Zellers	

Those who voted in the negative were:

Anderson, B.	Davids	Hackbarth	Lanning	Peppin	Sterner
Anderson, P.	Dean	Holberg	Loon	Sanders	Urdahl
Anderson, S.	Doepke	Hoppe	Mack	Severson	
Beard	Downey	Juhnke	Nornes	Shimanski	
Buesgens	Eastlund	Kohls	Otremba	Smith	

The motion prevailed.

### **FISCAL CALENDAR, Continued**

Pursuant to rule 1.22, Solberg requested immediate consideration of S. F. No. 3275.

S. F. No. 3275 was reported to the House.

Kelly moved to amend S. F. No. 3275, the unofficial engrossment, as follows:

Page 48, after line 32, insert:

"Sec. 76. **REFUSE MANAGEMENT PILOT PROJECT; CANNON RIVER.**

The commissioner of natural resources shall establish a two-year pilot project on the Cannon River that allows canoe and inner tube rental establishments to take responsibility for the management of their patrons refuse on the river, including allowing canoe and inner tube establishments to provide disposable refuse containers to each group, rather than each person if needed."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

### **MOTION TO LAY ON THE TABLE**

McNamara moved that S. F. No. 3275 be laid on the table.

A roll call was requested and properly seconded.

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

Those who voted in the affirmative were:

Anderson, B.	Dean	Gottwalt	Kohls	Nornes	Smith
Anderson, P.	Demmer	Gunther	Loon	Peppin	Torkelson
Anderson, S.	Dettmer	Hackbarth	Mack	Sanders	Urdahl
Beard	Doepke	Hamilton	Magnus	Scott	Westrom
Brod	Downey	Holberg	McFarlane	Seifert	Zellers
Buesgens	Drazkowski	Hoppe	McNamara	Severson	
Davids	Garfalo	Kiffmeyer	Murdock	Shimanski	

Those who voted in the negative were:

Anzels	Eastlund	Hosch	Liebling	Norton	Sertich
Atkins	Eken	Howes	Lieder	Obermueller	Simon
Benson	Falk	Huntley	Lillie	Olin	Slawik
Bigham	Faust	Jackson	Loeffler	Otremba	Slocum
Bly	Fritz	Johnson	Mahoney	Paymar	Solberg
Brown	Gardner	Juhnke	Mariani	Pelowski	Sterner
Brynaert	Greiling	Kahn	Marquart	Persell	Swails
Bunn	Hansen	Kalin	Masin	Peterson	Thao
Carlson	Hausman	Kath	Morgan	Poppe	Tillberry
Champion	Haws	Kelly	Morrow	Reinert	Wagenius
Clark	Hayden	Knuth	Mullery	Rosenthal	Ward
Cornish	Hilstrom	Koenen	Murphy, E.	Rukavina	Welti
Davnie	Hilty	Laine	Murphy, M.	Ruud	Winkler
Dittrich	Hornstein	Lenczewski	Nelson	Sailer	Spk. Kelliher
Doty	Hortman	Lesch	Newton	Scalze	

The motion did not prevail.

The question recurred on the Kelly amendment to S. F. No. 3275, the unofficial engrossment. The motion prevailed and the amendment was adopted.

Davids was excused for the remainder of today's session.

Lanning moved to amend S. F. No. 3275, the unofficial engrossment, as amended, as follows:

Page 28, after line 10, insert:

"Sec. 48. **[103A.212] BASIN WATERSHED MANAGEMENT POLICY.**

The quality of life of every Minnesotan depends on water. Minnesota's rivers, lakes, streams, wetlands and groundwater provide a foundation for drinking water and the state's recreational, municipal, commercial, industrial, agricultural, environmental, aesthetic, and economic well-being. The legislature finds that it is in the public interest

to manage groundwater and surface water resources from the perspective of aquifers, watersheds, and river basins to achieve protection, preservation, enhancement, and restoration of the state's valuable groundwater and surface water resources."

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 Lanning amendment and the roll was called. There were 108 yeas and 22 nays as follows:

Those who voted in the affirmative were:

Abeler	Doepke	Hortman	Lieder	Nornes	Severson
Anderson, S.	Doty	Hosch	Lillie	Norton	Simon
Anzelc	Eken	Howes	Loeffler	Obermueller	Slawik
Atkins	Falk	Huntley	Loon	Olin	Slocum
Benson	Faust	Jackson	Magnus	Otremba	Smith
Bigham	Fritz	Johnson	Mahoney	Paymar	Solberg
Bly	Gardner	Juhnke	Mariani	Pelowski	Sterner
Brod	Gottwalt	Kahn	Marquart	Persell	Swails
Brown	Greiling	Kalin	Masin	Peterson	Tillberry
Brynaert	Hamilton	Kath	McFarlane	Poppe	Torkelson
Bunn	Hansen	Kelly	McNamara	Reinert	Urdahl
Carlson	Hausman	Kiffmeyer	Morrow	Rosenthal	Wagenius
Champion	Haws	Knuth	Mullery	Ruud	Ward
Clark	Hayden	Laine	Murdock	Sailer	Welti
Cornish	Hilstrom	Lanning	Murphy, E.	Scalze	Westrom
Demmer	Hilty	Lenczewski	Murphy, M.	Scott	Winkler
Dettmer	Hoppe	Lesch	Nelson	Seifert	Zellers
Dittrich	Hornstein	Liebling	Newton	Sertich	Spk. Kelliher

Those who voted in the negative were:

Anderson, B.	Davnie	Eastlund	Holberg	Morgan	Shimanski
Anderson, P.	Dean	Garofalo	Koenen	Peppin	Thao
Beard	Downey	Gunther	Kohls	Rukavina	
Buesgens	Drazkowski	Hackbarth	Mack	Sanders	

The motion prevailed and the amendment was adopted.

#### FISCAL CALENDAR ANNOUNCEMENT

Pursuant to rule 1.22, Faust announced his intention to place S. F. No. 2918; and H. F. Nos. 3729 and 2690 on the Fiscal Calendar for Friday, May 7, 2010.

**FISCAL CALENDAR, Continued**

Hortman moved to amend S. F. No. 3275, the unofficial engrossment, as amended, as follows:

Page 2, line 19, delete "submission"

Page 2, line 20, delete everything before the period and insert "conclusion of the project prerequisites in section 116D.04, subdivision 2b"

Page 35, line 14, delete "submission"

Page 35, line 15, delete everything before the period and insert "conclusion of the project prerequisites in section 116D.04, subdivision 2b"

Page 41, line 14, strike "during a 30 day period" and insert "within 30 business days"

A roll call was requested and properly seconded.

The question was taken on the Hortman amendment and the roll was called. There were 90 yeas and 39 nays as follows:

Those who voted in the affirmative were:

Abeler	Downey	Hosch	Liebling	Nelson	Sailer
Anzelc	Eken	Howes	Lieder	Newton	Scalze
Atkins	Faust	Huntley	Lillie	Norton	Sertich
Benson	Fritz	Jackson	Loeffler	Obermueller	Simon
Bigham	Gardner	Johnson	Loon	Olin	Slawik
Bly	Greiling	Kahn	Mack	Otremba	Slocum
Brown	Hansen	Kalin	Mahoney	Paymar	Solberg
Brynaert	Hausman	Kath	Mariani	Pelowski	Sterner
Carlson	Haws	Knuth	Marquart	Persell	Swails
Champion	Hayden	Koenen	Masin	Peterson	Thao
Clark	Hilstrom	Kohls	Morgan	Poppe	Tillberry
Cornish	Hilty	Laine	Morrow	Reinert	Wagenius
Davnie	Hoppe	Lanning	Mullery	Rosenthal	Ward
Dittrich	Hornstein	Lenczewski	Murphy, E.	Rukavina	Welti
Doepke	Hortman	Lesch	Murphy, M.	Ruud	Spk. Kelliher

Those who voted in the negative were:

Anderson, B.	Dean	Garofalo	Kelly	Peppin	Torkelson
Anderson, P.	Demmer	Gottwalt	Kiffmeyer	Sanders	Urdahl
Anderson, S.	Dettmer	Gunther	Magnus	Scott	Westrom
Beard	Doty	Hackbarth	McFarlane	Seifert	Zellers
Brod	Drazkowski	Hamilton	McNamara	Severson	
Buesgens	Eastlund	Holberg	Murdock	Shimanski	
Bunn	Falk	Juhnke	Nornes	Smith	

The motion prevailed and the amendment was adopted.

Ruud moved to amend S. F. No. 3275, the unofficial engrossment, as amended, as follows:

Page 22, after line 23, insert:

"Sec. 40. Minnesota Statutes 2008, section 86B.501, is amended by adding a subdivision to read:

Subd. 4. **Rowing team members; personal flotation devices.** Notwithstanding subdivision 1, a member of a rowing team is not required to wear or possess, and no local ordinance or rule may require a member of a rowing team to wear or possess, a personal flotation device in a racing shell if a chase boat carrying the devices prescribed under subdivision 1 accompanies the racing shell.

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

Renumber the sections in sequence and correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Kohls moved to amend S. F. No. 3275, the unofficial engrossment, as amended, as follows:

Page 34, after line 23, insert:

"Sec. 61. Minnesota Statutes 2008, section 115.55, is amended by adding a subdivision to read:

Subd. 5c. **Exemption.** Notwithstanding any law to the contrary, if a local unit of government approves a system in error, and the system is subsequently found noncompliant, the system is not subject to upgrade, replacement, or discontinuation of use requirements provided the noncompliance stems only from the initial error in approval and no malfunction of the system exists."

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.

Urdahl moved to amend S. F. No. 3275, the unofficial engrossment, as amended, as follows:

Page 40, delete section 65, and insert:

"Sec. 65. Minnesota Statutes 2008, section 116D.04, subdivision 2a, is amended to read:

**Subd. 2a. When prepared.** Where there is potential for significant environmental effects resulting from any major governmental action, the action shall be preceded by a detailed environmental impact statement prepared by the responsible governmental unit. A responsible governmental unit may contract for the preparation of an environmental impact statement. The environmental impact statement shall be an analytical rather than an encyclopedic document which describes the proposed action in detail, analyzes its significant environmental

impacts, discusses appropriate alternatives to the proposed action and their impacts, and explores methods by which adverse environmental impacts of an action could be mitigated. ~~The environmental impact statement shall also analyze those economic, employment and sociological effects that cannot be avoided should the action be implemented.~~ To ensure its use in the decision-making process, the environmental impact statement shall be prepared as rapidly and early as practical in the formulation of an action. No mandatory environmental impact statement may be required for an ethanol plant, as defined in section 41A.09, subdivision 2a, paragraph (b), that produces less than 125,000,000 gallons of ethanol annually and is located outside of the seven-county metropolitan area.

(a) The board shall by rule establish categories of actions for which environmental impact statements and for which environmental assessment worksheets shall be prepared as well as categories of actions for which no environmental review is required under this section.

(b) The responsible governmental unit shall promptly publish notice of the completion of an environmental assessment worksheet in a manner to be determined by the board and shall provide copies of the environmental assessment worksheet to the board and its member agencies. Comments on the need for an environmental impact statement may be submitted to the responsible governmental unit during a 30 day period following publication of the notice that an environmental assessment worksheet has been completed. The responsible governmental unit's decision on the need for an environmental impact statement shall be based on the environmental assessment worksheet and the comments received during the comment period, and shall be made within 15 days after the close of the comment period. ~~The board's chair may extend the 15-day period by not more than 15 additional days upon the request of the responsible governmental unit.~~

(c) ~~An environmental assessment worksheet shall also be prepared for a proposed action whenever material evidence accompanying a petition by not less than 25 individuals, submitted before the proposed project has received final approval by the appropriate governmental units, demonstrates that, because of the nature or location of a proposed action, there may be potential for significant environmental effects. Petitions requesting the preparation of an environmental assessment worksheet shall be submitted to the board. The chair of the board shall determine the appropriate responsible governmental unit and forward the petition to it. A decision on the need for an environmental assessment worksheet shall be made by the responsible governmental unit within 15 days after the petition is received by the responsible governmental unit. The board's chair may extend the 15-day period by not more than 15 additional days upon request of the responsible governmental unit.~~

~~(d)~~ Except in an environmentally sensitive location where Minnesota Rules, part 4410.4300, subpart 29, item B, applies, the proposed action is exempt from environmental review under this chapter and rules of the board, if:

(1) the proposed action is:

(i) an animal feedlot facility with a capacity of less than 1,000 animal units; or

(ii) an expansion of an existing animal feedlot facility with a total cumulative capacity of less than 1,000 animal units;

(2) the application for the animal feedlot facility includes a written commitment by the proposer to design, construct, and operate the facility in full compliance with Pollution Control Agency feedlot rules; and

(3) the county board holds a public meeting for citizen input at least ten business days prior to the Pollution Control Agency or county issuing a feedlot permit for the animal feedlot facility unless another public meeting for citizen input has been held with regard to the feedlot facility to be permitted. The exemption in this paragraph is in addition to other exemptions provided under other law and rules of the board.

(e) ~~(d)~~ The board may, prior to final approval of a proposed project, require preparation of an environmental assessment worksheet by a responsible governmental unit selected by the board for any action where environmental review under this section has not been specifically provided for by rule or otherwise initiated.

(f) ~~(e)~~ An ~~early and open~~ expedited process shall be utilized to limit the scope of the environmental impact statement to a discussion of those impacts, which, because of the nature or location of the project, have the potential for significant environmental effects. The same process shall be utilized to determine the form, content and level of detail of the statement as well as the alternatives which are appropriate for consideration in the statement. In addition, the permits which will be required for the proposed action shall be identified during the scoping process. Further, the process shall identify those permits for which information will be developed concurrently with the environmental impact statement. The board shall provide in its rules for the expeditious completion of the scoping process. The determinations reached in the process shall be incorporated into the order requiring the preparation of an environmental impact statement.

(g) ~~(f)~~ The responsible governmental unit shall, to the extent practicable, avoid duplication and ensure coordination between state and federal environmental review and between environmental review and environmental permitting. Whenever practical, information needed by a governmental unit for making final decisions on permits or other actions required for a proposed project shall be developed in conjunction with the preparation of an environmental impact statement.

(h) ~~(g)~~ An environmental impact statement shall be prepared and its adequacy determined within ~~280~~ 120 days after notice of its preparation ~~unless the time is extended by consent of the parties or by the governor for good cause. The responsible governmental unit shall determine the adequacy of an environmental impact statement, unless within 60 days after notice is published that an environmental impact statement will be prepared, the board chooses to determine the adequacy of an environmental impact statement.~~ If an environmental impact statement is found to be inadequate, the responsible governmental unit shall have ~~60~~ 45 days to prepare an adequate environmental impact statement. If the responsible governmental unit fails to act within the time required under this paragraph, the environmental impact statement is deemed adequate, unless a written contract of exception has been agreed to by the project proposer.

(h) The total time allowed for public comments during an environmental assessment worksheet or environmental impact statement process shall be 30 days.

Sec. 66. Minnesota Statutes 2008, section 116D.04, subdivision 3a, is amended to read:

Subd. 3a. **Final decisions.** Within ~~90~~ 60 days after final approval of an environmental impact statement, final decisions shall be made by the appropriate governmental units on those permits which were identified as required and for which information was developed concurrently with the preparation of the environmental impact statement. Provided, however, that the ~~90-day~~ 60-day period may be extended where a longer period is required by federal law or state statute or is consented to by the permit applicant. The permit decision shall include the reasons for the decision, including any conditions under which the permit is issued, together with a final order granting or denying the permit.

Sec. 67. Minnesota Statutes 2008, section 116D.04, subdivision 11, is amended to read:

Subd. 11. **Failure to act.** If the board or governmental unit which is required to act within a time period specified in this section fails to so act, ~~any person may seek an order of the district court requiring the board or governmental unit to immediately take the action mandated by subdivisions 2a and 3a~~ the permit or other government action necessary is deemed approved and the project proposer may proceed with the project.

Sec. 68. Minnesota Statutes 2008, section 116D.04, subdivision 13, is amended to read:

Subd. 13. **Enforcement.** This section may be enforced by injunction, action to compel performance, or other appropriate action in the district court of the county where the violation takes place. ~~Upon the request of the board or the chair of the board, the attorney general may bring an action under this subdivision."~~

Page 43, after line 4, insert:

"Sec. 71. Minnesota Statutes 2008, section 116D.04, is amended by adding a subdivision to read:

Subd. 15. **Rules.** The board shall, by June 30, 2011, amend rules to conform to the changes to this section. The rules adopted under this section are not subject to the rulemaking procedures of chapter 14 and section 14.386 does not apply. Subsequent rulemaking authority under this section must be explicitly authorized by the legislature."

Page 49, delete section 78 and insert:

"Sec. 84. **REPEALER.**

(a) Minnesota Statutes 2008, sections 90.172; 103G.295; 103G.650; and 116D.04, subdivisions 4a, 5a, 9, and 10, are repealed.

(b) Minnesota Statutes 2009 Supplement, section 88.795, is repealed."

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 Urdahl amendment and the roll was called. There were 53 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Demmer	Garofalo	Kelly	McNamara	Seifert
Anderson, P.	Dettmer	Gottwalt	Kiffmeyer	Murdock	Severson
Anderson, S.	Doepke	Gunther	Koenen	Nornes	Shimanski
Beard	Doty	Hackbarth	Kohls	Olin	Smith
Brod	Downey	Hamilton	Lanning	Otremba	Torkelson
Brown	Drazkowski	Holberg	Loon	Peppin	Urdahl
Buesgens	Eastlund	Hoppe	Mack	Rukavina	Westrom
Cornish	Eken	Howes	Magnus	Sanders	Zellers
Dean	Faust	Juhnke	McFarlane	Scott	

Those who voted in the negative were:

Anzelc	Bly	Champion	Falk	Hansen	Hilstrom
Atkins	Brynaert	Clark	Fritz	Hausman	Hilty
Benson	Bunn	Davnie	Gardner	Haws	Hornstein
Bigham	Carlson	Dittrich	Greiling	Hayden	Hortman

Hosch	Lenczewski	Masin	Obermueller	Sailer	Thao
Huntley	Lesch	Morgan	Paymar	Scalze	Tillberry
Jackson	Liebling	Morrow	Pelowski	Sertich	Wagenius
Johnson	Lieder	Mullery	Persell	Simon	Ward
Kahn	Lillie	Murphy, E.	Peterson	Slawik	Welti
Kalin	Loeffler	Murphy, M.	Poppe	Slocum	Winkler
Kath	Mahoney	Nelson	Reinert	Solberg	Spk. Kelliher
Knuth	Mariani	Newton	Rosenthal	Sterner	
Laine	Marquart	Norton	Ruud	Swails	

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

Westrom and Gardner moved to amend S. F. No. 3275, the unofficial engrossment, as amended, as follows:

Page 48, delete section 75

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 Westrom and Gardner amendment and the roll was called. There were 53 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Garofalo	Kiffmeyer	Nornes	Smith
Anderson, B.	Demmer	Gottwalt	Kohls	Peppin	Sterner
Anderson, P.	Dettmer	Gunther	Lanning	Rosenthal	Swails
Anderson, S.	Dittrich	Hackbarth	Loon	Rukavina	Thao
Beard	Doepke	Hamilton	Mack	Sanders	Torkelson
Brod	Downey	Holberg	Magnus	Scott	Urdahl
Buesgens	Draskowski	Hoppe	McFarlane	Seifert	Westrom
Bunn	Eastlund	Howes	McNamara	Severson	Zellers
Cornish	Gardner	Kelly	Murdock	Shimanski	

Those who voted in the negative were:

Anzelc	Falk	Huntley	Lieder	Norton	Sertich
Atkins	Faust	Jackson	Lillie	Obermueller	Simon
Benson	Fritz	Johnson	Loeffler	Olin	Slawik
Bigham	Greiling	Juhnke	Mahoney	Otremba	Slocum
Bly	Hansen	Kahn	Mariani	Paymar	Solberg
Brown	Hausman	Kalin	Marquart	Pelowski	Tillberry
Brynaert	Haws	Kath	Masin	Persell	Wagenius
Carlson	Hayden	Knuth	Morgan	Peterson	Ward
Champion	Hilstrom	Koenen	Morrow	Poppe	Welti
Clark	Hilty	Laine	Mullery	Reinert	Winkler
Davnie	Hornstein	Lenczewski	Murphy, E.	Ruud	Spk. Kelliher
Doty	Hortman	Lesch	Murphy, M.	Sailer	
Eken	Hosch	Liebling	Newton	Scalze	

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

Anderson, P.; Urdahl; Hamilton; Magnus; Torkelson and Gunther moved to amend S. F. No. 3275, the unofficial engrossment, as amended, as follows:

Page 48, after line 25, insert:

"Sec. 75. **ENVIRONMENT AND NATURAL RESOURCES ORGANIZATION ADVISORY COMMITTEE.**

Subdivision 1. **Membership.** (a) The Environment and Natural Resources Organization Advisory Committee of 26 members is created to advise the legislature and governor on an organization for state agencies and local governments to administer environment and natural resource policies. The advisory committee shall consist of:

(1) four public members appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration;

(2) two members of the senate appointed by the Subcommittee on Committees of the Committee on Rules and Administration;

(3) four public members appointed by the speaker of the house;

(4) two members of the house of representatives appointed by the speaker of the house;

(5) six public members appointed by the governor; and

(6) one member representing each of the following organizations selected by the organization:

(i) Minnesota Farmers Union;

(ii) Minnesota Farm Bureau Federation;

(iii) Minnesota Agri-Growth Council;

(iv) Minnesota Milk Producers Association;

(v) Minnesota Corn Growers Association;

(vi) Minnesota Soybean Growers Association;

(vii) Minnesota Cattlemen's Association; and

(viii) Minnesota Pork Producers.

The appointing authorities shall consider geographic balance in making the appointments. The senate appointments must include a representative of city government. The house of representatives appointments must include a representative from county government. At least one member of the house of representatives and the senate must be from the minority caucus. The governor's appointments must include one representing soil and water conservation districts, one representing watershed districts, and one representing tribal governments. All appointments to the advisory committee shall have experience or expertise in the science, policy, or practice of the protection, conservation, preservation, and enhancement of the state's environment and natural resources and have strong knowledge in the state's environment and natural resource issues around the state. All appointments shall be made by August 15, 2010.

(b) Public members of the advisory committee and task forces of the advisory committee are entitled to reimbursement for per diem expenses, plus travel expenses incurred in the services of the advisory committee, as provided in Minnesota Statutes, section 15.059.

(c) Members shall elect a chair. The chair shall preside and convene meetings as often as necessary to conduct duties prescribed by this section. Meetings of the advisory committee shall be held in all regions of the state.

(d) The Department of Finance shall provide for administrative services to the advisory committee. The commissioner of finance shall call the first organizational meeting of the advisory committee by September 1, 2010.

Subd. 2. **Duties.** The advisory committee shall recommend a structure to provide an efficient and effective organization for state agencies and local governments to administer environment and natural resource policies. In making its recommendations, the advisory committee shall consider structures of organization that will provide for the protection, conservation, preservation, and enhancement of the state's environment and natural resources and will accomplish:

- (1) a reduction in redundant personnel;
- (2) accountability to the public;
- (3) consolidation of project-permitting functions;
- (4) professionalism in the provision of services;
- (5) reduced political influence in the process;
- (6) enhancing public participation and interaction with the public;
- (7) alignment of services to meet current and expected future needs;
- (8) utilization of new technology; and
- (9) a reduction in overall personnel needed that will be accomplished.

Subd. 3. **Public meetings.** Meetings of the advisory committee and task forces of the advisory committee must be open to the public. For purposes of this subdivision, a meeting occurs when a quorum is present and action is taken regarding a matter within the jurisdiction of the advisory committee and task forces of the advisory committee. Enforcement of this subdivision is governed by Minnesota Statutes, section 13D.06, subdivisions 1 and 2.

Subd. 4. **Intergovernmental task force.** By October 15, 2010, the advisory committee shall establish a task force to assist in coordinating state and local environmental and natural resource programs and requirements. The membership of the task force must include equal and broad representation of state and local government units. By June 15, 2011, the task force shall provide a report to the advisory committee on recommendations for coordinating, streamlining, and consolidating state and local programs, requirements, and functions relating to natural resources and the environment.

Subd. 5. **Employee participation task force.** By October 15, 2010, the advisory committee shall establish a task force to identify employer and employee issues that will need to be considered in a reorganization of state agencies responsible for administering environment and natural resource policies. The task force must include representatives from both management and nonmanagement personnel from each agency affected under sections 2 to 4. By June 15, 2011, the task force shall provide a report to the advisory committee on employee issues to consider in reorganizing state environment and natural resource agencies.

Subd. 6. **Advisory committee report.** The advisory committee shall prepare a report on its recommendations for an efficient and effective organization for state agencies and local governments to administer environment and natural resource policies. By August 15, 2011, the report must be submitted to the governor and to the house of representatives and senate environment, natural resources, and agricultural policy and finance committees and divisions.

Subd. 7. **Sunset.** The advisory committee and all task forces expire on September 1, 2011.

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

Sec. 76. **CONSIDERATION OF AGENCIES.**

The Department of Natural Resources, the Board of Water and Soil Resources, and the Pollution Control Agency shall be considered by the advisory committee established under section 1.

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

Sec. 77. **POWERS AND DUTIES FROM OTHER AGENCIES.**

Subdivision 1. **Department of Agriculture.** The following powers and duties of the Department of Agriculture shall be considered by the advisory committee established under section 1:

(1) regulation of fertilizers, soil amendments, agricultural liming, and plant amendments under Minnesota Statutes, chapter 18C;

(2) pesticide control under Minnesota Statutes, chapter 18B;

(3) agriculture chemical incident response and cleanup under Minnesota Statutes, chapter 18D;

(4) chemical incident reimbursement under Minnesota Statutes, chapter 18E;

(5) genetically engineered organisms under Minnesota Statutes, chapter 18F;

(6) urban forest promotion under Minnesota Statutes, section 17.86;

(7) groundwater protection under Minnesota Statutes, chapter 103H; and

(8) oil and hazardous substance discharge preparedness under Minnesota Statutes, chapter 115E.

Subd. 2. **Department of Health.** The following powers and duties of the Department of Health shall be considered by the advisory committee established under section 1:

(1) water well program under Minnesota Statutes, chapter 103I;

(2) safe drinking water program under Minnesota Statutes, sections 144.381 to 144.387;

(3) health risk assessment under Minnesota Statutes, section 115B.17, subdivision 10;

(4) domestic water supply protection under Minnesota Statutes, sections 144.35 to 144.37;

(5) asbestos contractor licensing under Minnesota Statutes, sections 326.70 to 326.81;

- (6) public health laboratory regulation under Minnesota Statutes, sections 144.97 to 144.98;
- (7) lead poisoning prevention under Minnesota Statutes, sections 144.9501 to 144.9512;
- (8) hazardous substance exposure under Minnesota Statutes, section 145.94;
- (9) mosquito research under Minnesota Statutes, section 144.95;
- (10) environmental health tracking under Minnesota Statutes, sections 144.995 to 144.998;
- (11) water supply monitoring and health assessments under Minnesota Statutes, section 116.155; and
- (12) health risk limits under Minnesota Statutes, section 103H.201.

Subd. 3. **Department of Commerce.** The following powers and duties of the Department of Commerce shall be considered by the advisory committee established under section 1: energy planning and conservation under Minnesota Statutes, chapter 216C.

Subd. 4. **Department of Transportation.** The following powers and duties of the Department of Transportation shall be considered by the advisory committee established under section 1: oil and hazardous substance discharge preparedness under Minnesota Statutes, chapter 115E.

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

Sec. 78. **CONSIDERATION OF BOARDS.**

The Environmental Quality Board, the Harmful Substances Compensation Board, the Petroleum Tank Release Compensation Board, and the Agricultural Chemical Response Compensation Board shall be considered by the advisory committee established under section 1.

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

Page 49, after line 20, insert:

"(d) Up to \$255,000 in fiscal year 2011 is appropriated for agency staff time and expenses from the forest nursery account for the purposes of sections 75 to 78. This is a onetime appropriation."

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.

Kiffmeyer, Kohls, Gottwalt, Severson, Zellers, Eastlund and Dean moved to amend S. F. No. 3275, the unofficial engrossment, as amended, as follows:

Page 43, delete section 67

Page 44, delete section 68

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

#### MOTION TO LAY ON THE TABLE

Drazkowski moved that S. F. No. 3275, as amended, be laid on the table.

A roll call was requested and properly seconded.

The question was taken on the Drazkowski motion and the roll was called. There were 31 yeas and 94 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Downey	Hackbarth	Kohls	Sanders	Westrom
Brod	Drazkowski	Hamilton	Loon	Scott	
Buesgens	Eastlund	Holberg	Mack	Seifert	
Dean	Garofalo	Hoppe	Magnus	Severson	
Demmer	Gottwalt	Kelly	Nornes	Shimanski	
Dettmer	Gunther	Kiffmeyer	Peppin	Torkelson	

Those who voted in the negative were:

Anderson, S.	Doty	Howes	Loeffler	Obermueller	Slawik
Anzelc	Eken	Huntley	Mahoney	Olin	Slocum
Atkins	Falk	Jackson	Mariani	Otremba	Smith
Benson	Faust	Johnson	Marquart	Paymar	Solberg
Bigham	Fritz	Juhnke	Masin	Pelowski	Sterner
Bly	Gardner	Kahn	McFarlane	Persell	Swails
Brown	Greiling	Kalin	McNamara	Peterson	Thao
Brynaert	Hansen	Kath	Morgan	Poppe	Tillberry
Bunn	Hausman	Knuth	Morrow	Reinert	Wagenius
Carlson	Haws	Koenen	Mullery	Rosenthal	Ward
Champion	Hayden	Laine	Murdock	Rukavina	Walti
Clark	Hilstrom	Lenczewski	Murphy, E.	Ruud	Winkler
Cornish	Hilty	Lesch	Murphy, M.	Sailer	Zellers
Davnie	Hornstein	Liebling	Nelson	Scalze	Spk. Kelliher
Dittrich	Hortman	Lieder	Newton	Sertich	
Doepke	Hosch	Lillie	Norton	Simon	

The motion did not prevail.

The question recurred on the Kiffmeyer et al amendment and the roll was called. There were 50 yeas and 79 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Doepke	Gunther	Loon	Peppin	Torkelson
Anderson, P.	Doty	Hackbarth	Mack	Peterson	Urdahl
Anderson, S.	Downey	Hamilton	Magnus	Sanders	Welti
Beard	Drazkowski	Holberg	McFarlane	Scott	Westrom
Brod	Eastlund	Kath	McNamara	Seifert	Zellers
Buesgens	Faust	Kelly	Murdock	Severson	
Dean	Fritz	Kiffmeyer	Nornes	Shimanski	
Demmer	Garofalo	Kohls	Obermueller	Smith	
Dettmer	Gottwalt	Lanning	Olin	Sterner	

Those who voted in the negative were:

Abeler	Dittrich	Hosch	Lieder	Norton	Slocum
Anzelc	Eken	Howes	Lillie	Otremba	Solberg
Atkins	Falk	Huntley	Loeffler	Pelowski	Swails
Benson	Gardner	Jackson	Mahoney	Persell	Thao
Bigham	Greiling	Johnson	Mariani	Poppe	Tillberry
Bly	Hansen	Juhnke	Marquart	Reinert	Wagenius
Brown	Hausman	Kahn	Masin	Rosenthal	Ward
Brynaert	Haws	Kalin	Morgan	Rukavina	Winkler
Bunn	Hayden	Knuth	Morrow	Ruud	Spk. Kelliher
Carlson	Hilstrom	Koenen	Mullery	Sailer	
Champion	Hilty	Laine	Murphy, E.	Scalze	
Clark	Hoppe	Lenczewski	Murphy, M.	Sertich	
Cornish	Hornstein	Lesch	Nelson	Simon	
Davnie	Hortman	Liebling	Newton	Slawik	

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

Hamilton and Brod offered an amendment to S. F. No. 3275, the unofficial engrossment, as amended.

#### POINT OF ORDER

Sertich raised a point of order pursuant to rule 3.21 that the Hamilton and Brod amendment was not in order. Speaker pro tempore Pelowski ruled the point of order well taken and the Hamilton and Brod amendment out of order.

Hamilton appealed the decision of Speaker pro tempore Pelowski.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of Speaker pro tempore Pelowski stand as the judgment of the House?" and the roll was called. There were 85 yeas and 45 nays as follows:

Those who voted in the affirmative were:

Abeler	Falk	Huntley	Mahoney	Paymar	Solberg
Anzelc	Faust	Jackson	Mariani	Pelowski	Sterner
Atkins	Fritz	Johnson	Marquart	Persell	Swails
Benson	Gardner	Juhnke	Masin	Peterson	Thao
Bigham	Greiling	Kahn	Morgan	Poppe	Tillberry
Bly	Hansen	Kalin	Morrow	Reinert	Wagenius
Brown	Hausman	Kath	Mullery	Rosenthal	Ward
Brynaert	Haws	Knuth	Murphy, E.	Rukavina	Welti
Carlson	Hayden	Koenen	Murphy, M.	Ruud	Winkler
Champion	Hilstrom	Laine	Nelson	Sailer	Spk. Kelliher
Clark	Hilty	Lesch	Newton	Scalze	
Davnie	Hornstein	Liebling	Norton	Sertich	
Dittrich	Hortman	Lieder	Obermueller	Simon	
Doty	Hosch	Lillie	Olin	Slawik	
Eken	Howes	Loeffler	Otremba	Slocum	

Those who voted in the negative were:

Anderson, B.	Dean	Gottwalt	Kohls	Murdock	Smith
Anderson, P.	Demmer	Gunther	Lanning	Nornes	Torkelson
Anderson, S.	Dettmer	Hackbarth	Lenczewski	Peppin	Urdahl
Beard	Doepke	Hamilton	Loon	Sanders	Westrom
Brod	Downey	Holberg	Mack	Scott	Zellers
Buesgens	Draskowski	Hoppe	Magnus	Seifert	
Bunn	Eastlund	Kelly	McFarlane	Severson	
Cornish	Garofalo	Kiffmeyer	McNamara	Shimanski	

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

S. F. No. 3275, A bill for an act relating to state government; appropriating money from constitutionally dedicated funds; modifying appropriation to prevent water pollution from polycyclic aromatic hydrocarbons; modifying certain administrative accounts; modifying electronic transaction provisions; providing for certain registration exemptions; modifying all-terrain vehicle definitions; modifying all-terrain vehicle operation restrictions; modifying state trails and canoe and boating routes; modifying fees and disposition of certain receipts; modifying certain competitive bidding exemptions; modifying horse trail pass provisions; modifying beaver dam provisions; modifying the Water Law; modifying nongame wildlife checkoffs; establishing an Environment and Natural Resources Organization Advisory Committee to advise legislature and governor on new structure for administration of environment and natural resource policies; requiring an advisory committee to consider all powers and duties of Pollution Control Agency, Department of Natural Resources, Environmental Quality Board, Board of Water and Soil Resources, Petroleum Tank Release Compensation Board, Harmful Substances Compensation Board, and Agricultural Chemical Response Compensation Board and certain powers and duties of Departments of Agriculture, Health, Transportation, and Commerce; modifying method of determining value of acquired stream easements; providing for certain historic property exemption; modifying state forest acquisition provisions; modifying certain requirements for land sales; adding to and deleting from state parks and state forests; authorizing public and private sales, conveyances, and exchanges of certain state land; amending the definition of "green economy" to include the concept of "green chemistry;" clarifying that an appropriation is to the commissioner of commerce; establishing a program to provide rebates for solar photovoltaic modules; providing for community

energy planning; modifying Legislative Energy Commission and Public Utilities Commission provisions; eliminating a legislative guide; appropriating money; amending Minnesota Statutes 2008, sections 3.8851, subdivision 7; 84.025, subdivision 9; 84.027, subdivision 15; 84.0272, subdivision 2; 84.0856; 84.0857; 84.777, subdivision 2; 84.82, subdivision 3, by adding a subdivision; 84.92, subdivisions 9, 10; 84.922, subdivision 5, by adding a subdivision; 84.925, subdivision 1; 84.9256, subdivision 1; 84.928, subdivision 5; 85.012, subdivision 40; 85.015, subdivision 14; 85.22, subdivision 5; 85.32, subdivision 1; 85.41, subdivision 3; 85.42; 85.43; 85.46, as amended; 88.17, subdivisions 1, 3; 88.79, subdivision 2; 89.032, subdivision 2; 90.041, by adding a subdivision; 90.121; 90.14; 97B.665, subdivision 2; 103A.305; 103G.271, subdivision 3; 103G.285, subdivision 5; 103G.301, subdivision 6; 103G.305, subdivision 2; 103G.315, subdivision 11; 103G.515, subdivision 5; 103G.615, subdivision 2; 115A.02; 116.07, subdivisions 4, 4h; 116J.437, subdivision 1; 216B.62, by adding a subdivision; 290.431; 290.432; 473.1565, subdivision 2; Minnesota Statutes 2009 Supplement, sections 84.415, subdivision 6; 84.793, subdivision 1; 84.9275, subdivision 1; 84.928, subdivision 1; 85.015, subdivision 13; 86A.09, subdivision 1; 103G.201; Laws 2008, chapter 368, article 1, section 34, as amended; Laws 2009, chapter 37, article 2, section 13; Laws 2009, chapter 176, article 4, section 9; Laws 2010, chapter 215, article 3, section 4, subdivision 10; proposing coding for new law in Minnesota Statutes, chapters 85; 103G; 116C; repealing Minnesota Statutes 2008, sections 84.02, subdivisions 1, 2, 3, 4, 5, 6, 7, 8; 90.172; 97B.665, subdivision 1; 103G.295; 103G.650; Minnesota Statutes 2009 Supplement, sections 3.3006; 84.02, subdivisions 4a, 6a, 6b; Laws 2009, chapter 172, article 5, section 8.

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

The question was taken on the passage of the bill and the roll was called. There were 92 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Abeler	Eken	Howes	Lieder	Olin	Slocum
Anzelc	Falk	Huntley	Lillie	Otremba	Smith
Atkins	Faust	Jackson	Loeffler	Paymar	Solberg
Benson	Fritz	Johnson	Mahoney	Pelowski	Sterner
Bigham	Gardner	Juhnke	Mariani	Persell	Swails
Bly	Greiling	Kahn	Marquart	Peterson	Thao
Brown	Hansen	Kalin	Masin	Poppe	Tillberry
Brynaert	Hausman	Kath	Morgan	Reinert	Wagenius
Bunn	Haws	Kelly	Morrow	Rosenthal	Ward
Carlson	Hayden	Knuth	Mullery	Rukavina	Welti
Champion	Hilstrom	Koenen	Murphy, E.	Ruud	Winkler
Clark	Hilty	Laine	Murphy, M.	Sailer	Spk. Kelliher
Cornish	Hoppe	Lanning	Nelson	Scalze	
Davnie	Hornstein	Lenczewski	Newton	Sertich	
Dittrich	Hortman	Lesch	Norton	Simon	
Doty	Hosch	Liebling	Obermueller	Slawik	

Those who voted in the negative were:

Anderson, B.	Demmer	Gottwalt	Loon	Peppin	Urdahl
Anderson, P.	Dettmer	Gunther	Mack	Sanders	Westrom
Anderson, S.	Doepke	Hackbarth	Magnus	Scott	Zellers
Beard	Downey	Hamilton	McFarlane	Seifert	
Brod	Drazkowski	Holberg	McNamara	Severson	
Buesgens	Eastlund	Kiffmeyer	Murdock	Shimanski	
Dean	Garofalo	Kohls	Nornes	Torkelson	

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

### CALENDAR FOR THE DAY

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

There being no objection, the order of business reverted to Messages from the Senate.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 2614, A bill for an act relating to state government; licensing; state health care programs; continuing care; children and family services; health reform; Department of Health; public health; health plans; assessing administrative penalties; modifying foreign operating corporation taxes; requiring reports; making supplemental and contingent appropriations and reductions for the Departments of Health and Human Services and other health-related boards and councils; amending Minnesota Statutes 2008, sections 62D.08, by adding a subdivision; 62J.07, subdivision 2, by adding a subdivision; 62J.38; 62J.692, subdivision 4; 62Q.19, subdivision 1; 62Q.76, subdivision 1; 62U.05; 119B.025, subdivision 1; 119B.09, subdivision 4; 119B.11, subdivision 1; 144.05, by adding a subdivision; 144.226, subdivision 3; 144.291, subdivision 2; 144.293, subdivision 4, by adding a subdivision; 144.651, subdivision 2; 144.9504, by adding a subdivision; 144A.51, subdivision 5; 144E.37; 214.40, subdivision 7; 245C.27, subdivision 2; 245C.28, subdivision 3; 246B.04, subdivision 2; 254B.01, subdivision 2; 254B.02, subdivisions 1, 5; 254B.03, subdivision 4, by adding a subdivision; 254B.05, subdivision 4; 254B.06, subdivision 2; 254B.09, subdivision 8; 256.01, by adding a subdivision; 256.9657, subdivision 3; 256B.04, subdivision 14; 256B.055, by adding a subdivision; 256B.056, subdivisions 3, 4; 256B.057, subdivision 9; 256B.0625, subdivisions 8, 8a, 8b, 18a, 22, 31, by adding subdivisions; 256B.0631, subdivisions 1, 3; 256B.0644, as amended; 256B.0754, by adding a subdivision; 256B.0915, subdivision 3b; 256B.19, subdivision 1c; 256B.441, by adding a subdivision; 256B.5012, by adding a subdivision; 256B.69, subdivisions 20, as amended, 27, by adding subdivisions; 256B.692, subdivision 1; 256B.75; 256B.76, subdivisions 2, 4, by adding a subdivision; 256D.03, subdivision 3b; 256D.0515; 256D.425, subdivision 2; 256I.05, by adding a subdivision; 256J.20, subdivision 3; 256J.24, subdivision 10; 256J.37, subdivision 3a; 256J.39, by adding subdivisions; 256L.02, subdivision 3; 256L.03, subdivision 3, by adding a subdivision; 256L.04, subdivision 7; 256L.05, by adding a subdivision; 256L.07, subdivision 1, by adding a subdivision; 256L.12, subdivisions 5, 6, 9; 256L.15, subdivision 1; 290.01, subdivision 5, by adding a subdivision; 290.17, subdivision 4; 326B.43, subdivision 2; 626.556, subdivision 10i; 626.557, subdivision 9d; Minnesota Statutes 2009 Supplement, sections 62J.495, subdivisions 1a, 3, by adding a subdivision; 157.16, subdivision 3; 245A.11, subdivision 7b; 245C.27, subdivision 1; 246B.06, subdivision 6; 252.025, subdivision 7; 252.27, subdivision 2a; 256.045, subdivision 3; 256.969, subdivision 3a; 256B.056, subdivision 3c; 256B.0625, subdivisions 9, 13e; 256B.0653, subdivision 5; 256B.0911, subdivision 1a; 256B.0915, subdivision 3a; 256B.69, subdivisions 5a, 23; 256B.76, subdivision 1; 256B.766; 256D.03, subdivision 3, as amended; 256D.44, subdivision 5; 256J.425, subdivision 3; 256L.03, subdivision 5; 256L.11, subdivision 1; 289A.08, subdivision 3; 290.01, subdivisions 19c, 19d; 327.15, subdivision 3; Laws 2005, First Special Session chapter 4, article 8, section 66, as amended; Laws 2009, chapter 79, article 3, section 18; article 5, sections 17; 18; 22; 75, subdivision 1; 78, subdivision 5; article 8, sections 2; 51; 81; article 13, sections 3, subdivisions 1, as amended, 3, as amended, 4, as amended, 8, as amended;

5, subdivision 8, as amended; Laws 2009, chapter 173, article 1, section 17; Laws 2010, chapter 200, article 1, sections 12, subdivisions 5, 6, 7, 8; 13, subdivision 1b; 16; 21; article 2, section 2, subdivisions 1, 8; proposing coding for new law in Minnesota Statutes, chapters 62A; 62D; 62E; 62J; 62Q; 144; 245; 254B; 256; 256B; proposing coding for new law as Minnesota Statutes, chapter 62V; repealing Minnesota Statutes 2008, sections 254B.02, subdivisions 2, 3, 4; 254B.09, subdivisions 4, 5, 7; 256D.03, subdivisions 3a, 3b, 5, 6, 7, 8; 290.01, subdivision 6b; 290.0921, subdivision 7; Minnesota Statutes 2009 Supplement, section 256D.03, subdivision 3; Laws 2009, chapter 79, article 7, section 26, subdivision 3; Laws 2010, chapter 200, article 1, sections 12, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10; 18; 19.

The Senate has appointed as such committee:

Senators Berglin, Prettner Solon, Sheran, Lourey and Dille.

Said House File is herewith returned to the House.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Madam Speaker:

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

S. F. No. 271, A bill for an act relating to state government; providing additional whistleblower protection to state employees; amending Minnesota Statutes 2008, section 181.932, subdivision 1.

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

Senators Olson, M.; Dibble and Limmer.

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

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Loeffler moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 271. The motion prevailed.

Madam Speaker:

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

S. F. No. 1905, A bill for an act relating to insurance; establishing a small group market working group; requiring a report.

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

Senators Scheid, Sparks and Koch.

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

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Loeffler moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1905. The motion prevailed.

Madam Speaker:

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

S. F. No. 2505, A bill for an act relating to child care; appropriating money to provide statewide child care provider training, coaching, consultation, and supports to prepare for the voluntary Minnesota quality rating system.

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

Senators Bonoff, Michel and Saxhaug.

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

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Slawik moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 2505. The motion prevailed.

Madam Speaker:

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

S. F. No. 2510, A bill for an act relating to economic development; amending the definition of green economy to include the concept of green chemistry; creating a fast-action economic response team; expanding the Minnesota investment fund; removing a grant program restriction; expanding loan program to veteran-owned small businesses; creating the Minnesota Science and Technology Authority; providing for a comparative study of state laws affecting small business start-ups; modifying certain unemployment insurance administrative, benefit, and tax provisions; protecting customers from injuries resulting from use of inflatable play equipment; modifying labor and industry licensing and certain license fee provisions; modifying enforcement requirements of the State Building Code; modifying the requirements of the Manufactured Home Building Code; allowing expedited rulemaking; providing for licensing and regulation of individuals engaged in mortgage loan origination or mortgage loan business; providing for licensing and regulation of appraisal management companies; providing for property acquisition from petroleum tank fund proceeds; clarifying requirements for granting additional cable franchises; regulating cadmium in children's jewelry; regulating the sale and termination of portable electronics insurance; authorizing amendments to a municipal comprehensive plan for affordable housing; amending Iron Range resources provisions; requiring certain reports; appropriating money; amending Minnesota Statutes 2008, sections 58.04, subdivision 1; 58.08, by adding a subdivision; 58.09; 58.10, subdivision 1; 58.11; 60K.36, subdivision 2; 60K.38, subdivision 1; 82B.05, subdivision 5, by adding a subdivision; 82B.06; 115C.08, subdivision 1; 116J.437, subdivision 1; 116J.8731, subdivisions 1, 4; 116J.996; 181.723, subdivision 5; 238.08, subdivision 1; 268.035, subdivision 20; 268.046, subdivision 1; 268.051, subdivisions 2, 5, 7; 268.07, as amended; 268.085, subdivision 9; 326B.106, subdivision 9; 326B.133, subdivisions 1, 3, 8, 11, by adding subdivisions; 326B.16; 326B.197; 326B.33, subdivisions 18, 20, 21; 326B.42, by adding subdivisions; 326B.44; 326B.46, as amended; 326B.47; 326B.475, subdivision 2; 326B.50, by

adding subdivisions; 326B.54; 326B.55, as amended if enacted; 326B.56, as amended; 326B.805, subdivision 6; 326B.83, subdivisions 1, 3, 6; 326B.865; 326B.921, subdivisions 2, 4, 7; 326B.922; 326B.978, subdivision 2, by adding a subdivision; 327.31, subdivision 17, by adding subdivisions; 327.32, subdivision 1, by adding subdivisions; 327B.04, subdivision 2; 462.355, subdivision 3; Minnesota Statutes 2009 Supplement, sections 58.06, subdivision 2; 60K.55, subdivision 2; 82B.05, subdivision 1; 115C.08, subdivision 4; 116J.8731, subdivision 3; 116L.20, subdivision 1; 268.035, subdivision 19a; 268.052, subdivision 2; 268.053, subdivision 1; 268.085, subdivision 1; 268.136, subdivision 1; 326B.33, subdivision 19; 326B.475, subdivision 4; 326B.49, subdivision 1; 326B.58; 326B.815, subdivision 1; 326B.86, subdivision 1; 326B.94, subdivision 4; 326B.986, subdivision 5; 327B.04, subdivisions 7, 7a, 8; 327B.041; Laws 2009, chapter 78, article 1, section 3, subdivision 2; Laws 2010, chapter 216, section 58; proposing coding for new law in Minnesota Statutes, chapters 60K; 116J; 184B; 325E; 326B; proposing coding for new law as Minnesota Statutes, chapters 58A; 82C; 116W; repealing Minnesota Statutes 2008, sections 116J.657; 326B.133, subdivisions 9, 10; 326B.37, subdivision 13; 326B.475, subdivisions 5, 6; 326B.56, subdivision 3; 326B.885, subdivisions 3, 4; 326B.976; 327.32, subdivision 4; 327C.07, subdivisions 3, 3a, 8; Minnesota Statutes 2009 Supplement, sections 58.126; 326B.56, subdivision 4; Laws 2010, chapter 215, article 9, section 3; Minnesota Rules, parts 1301.0500; 1301.0900; 1301.1100, subparts 2, 3, 4; 1350.7200, subpart 3; 1350.8000, subpart 2.

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

Senators Tomassoni, Sparks, Saltzman, Kelash and Sieben.

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

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Obermueller moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 5 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 2510. The motion prevailed.

Madam Speaker:

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

S. F. No. 2540, A bill for an act relating to transportation; modifying or adding provisions relating to truck insurance, school bus transportation, transportation construction impacts on business, rest areas, highways, bridges, transportation contracts, variances from rules and engineering standards for local streets and highways, the state park road account, tax-exempt vehicles, license plates, deputy registrars, vehicles and drivers, impounds, towing, pedestrians, intersection gridlock, bus and type III vehicle operation, various traffic regulations, cargo tank vehicle weight exemptions, drivers' licenses, transportation department goals and mission, the Disadvantaged Business Enterprise Collaborative, a Minnesota Council of Transportation Access, complete streets, a Commuter Rail Corridor Coordinating Committee, railroad track safety, motor carriers, allocation of traffic fines, airport authorities, property acquisition for highways, transit, town road interest extinguishment nullification, Northstar commuter rail, and roundabouts design; providing for State Patrol tax compliance and vehicle crimes investigations; providing for issuance and sale of trunk highway bonds; requiring reports; making technical and clarifying changes; appropriating money; amending Minnesota Statutes 2008, sections 65B.43, subdivision 2; 161.14, by adding subdivisions; 161.3426, subdivision 3, by adding a subdivision; 162.02, subdivision 3a; 162.09, subdivision 3a; 165.14, subdivisions 4, 5; 168.12, subdivisions 2a, 2b, by adding a subdivision; 168.123, subdivisions 1, 2; 168.1255, subdivision 1; 168.1291, subdivisions 1, 2; 168.33, subdivision 2; 168B.04, subdivision 2; 168B.06, subdivision 1;

168B.07, subdivision 3; 169.041, subdivision 5; 169.09, subdivision 5a; 169.15; 169.26, by adding a subdivision; 169.306; 169.79, subdivision 3; 169.87, by adding a subdivision; 169.92, subdivision 4; 171.321, subdivision 2; 174.01, subdivisions 1, 2; 174.02, subdivision 1a; 174.86, subdivision 5; 219.01; 221.012, subdivision 38, by adding a subdivision; 221.0252, subdivision 7; 221.036, subdivisions 1, 3; 221.221, subdivision 3; 221.251, subdivision 1; 360.061, subdivision 3; 473.167, subdivision 2a; 473.411, subdivision 5; 514.18, subdivision 1a; Minnesota Statutes 2009 Supplement, sections 123B.92, subdivision 1; 160.165; 161.14, subdivision 62; 162.06, subdivision 5; 168.012, subdivision 1; 168.12, subdivision 5; 169.71, subdivision 1; 169.865, subdivision 1; 171.02, subdivision 2b; 174.66; 221.026, subdivision 2; 221.031, subdivision 1; 221.122, subdivision 1; 299D.03, subdivision 5; Laws 2008, chapter 287, article 1, section 122; Laws 2009, chapter 36, article 1, sections 1; 3, subdivisions 1, 2, 3; 5, subdivisions 1, 3, 4; proposing coding for new law in Minnesota Statutes, chapters 160; 168; 174; 221; 383D; repealing Minnesota Statutes 2008, sections 169.041, subdivisions 3, 4; 221.161, subdivisions 2, 3; 221.291, subdivision 5; Minnesota Statutes 2009 Supplement, sections 221.161, subdivisions 1, 4; 221.171; Minnesota Rules, parts 7805.0300; 7805.0400.

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

Senators Murphy, Dibble, Jungbauer, Saltzman and Sieben.

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

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Hornstein moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 5 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 2540. The motion prevailed.

Madam Speaker:

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

S. F. No. 2695, A bill for an act relating to health; modifying mandatory reporting requirements related to pregnant women; amending Minnesota Statutes 2008, section 626.5561, subdivision 1.

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

Senators Sheran, Higgins and Ortman.

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

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Ruud moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 2695. The motion prevailed.

Madam Speaker:

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

S. F. Nos. 2496, 2998, 3019, 3029 and 3079.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Madam Speaker:

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

S. F. No. 915.

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

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

#### CONFERENCE COMMITTEE REPORT ON S. F. NO. 915

A bill for an act relating to insurance; requiring school districts to obtain employee health coverage through the public employees insurance program; appropriating money; amending Minnesota Statutes 2008, sections 43A.316, subdivisions 9, 10, by adding subdivisions; 62E.02, subdivision 23; 62E.10, subdivision 1; 62E.11, subdivision 5; 297I.05, subdivision 5; 297I.15, subdivision 3.

February 16, 2010

The Honorable James P. Metzen  
President of the Senate

The Honorable Margaret Anderson Kelliher  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 915 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 915 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 43A.316, is amended by adding a subdivision to read:

Subd. 3a. **Health improvement programs.** The commissioner, with the approval of the school employee insurance committee, is authorized to plan, develop, purchase, administer, and evaluate disease management and other programs, strategies, and incentives to improve the health and health outcomes of members.

Sec. 2. Minnesota Statutes 2008, section 43A.316, subdivision 9, is amended to read:

Subd. 9. **Insurance trust fund.** (a) The insurance trust fund in the state treasury consists of deposits of the premiums received from employers participating in the program and transfers before July 1, 1994, from the excess contributions holding account established by section 353.65, subdivision 7. All money in the fund is appropriated to the commissioner to pay insurance premiums, approved claims, refunds, administrative costs, and other related service costs, including costs incurred under chapters 62E and 297I in connection with the school employee insurance program. Premiums paid by employers to the fund are exempt from the taxes imposed by chapter 297I, except as described in paragraph (b). The commissioner shall reserve an amount of money to cover the estimated costs of claims incurred but unpaid. The State Board of Investment shall invest the money according to section 11A.24. Investment income and losses attributable to the fund must be credited to the fund.

(b) Notwithstanding paragraph (a), premium revenues collected from the school employee insurance program, described in subdivisions 12 and 13, are not exempt from the taxes imposed under section 297I.05, subdivision 15.

Sec. 3. Minnesota Statutes 2008, section 43A.316, subdivision 10, is amended to read:

Subd. 10. **Exemption.** (a) The public employee insurance program and, where applicable, the employers participating in it are exempt from chapters 60A, 62A, 62C, 62D, 62E, and 62H, section 471.617, subdivisions 2 and 3, and the bidding requirements of section 471.6161.

(b) Notwithstanding paragraph (a), the school employee insurance program, described in subdivisions 12 and 13, is a contributing member of the Minnesota Comprehensive Health Association and must pay assessments made by the association on the premium revenue attributed to the school employee insurance program, prorated as provided in section 62E.11, subdivision 5, paragraph (b).

Sec. 4. Minnesota Statutes 2008, section 43A.316, is amended by adding a subdivision to read:

Subd. 11. **Definitions.** (a) For purposes of subdivisions 11 to 16, the terms defined in this subdivision have the meanings given.

(b) "Eligible employee" means an employee of a school employer, a dependent of such an employee, a retiree, or other person, who is eligible for health insurance coverage under the school employer's plan.

(c) "School Employee Insurance Committee" means the committee created in subdivision 14.

(d) "School employer" means a school district as defined in section 120A.05, service cooperative as defined in section 123A.21, intermediate district as defined in section 136D.01, Cooperative Center for Vocational Education as defined in section 123A.22, regional management information center as defined in section 123A.23, or an education unit organized under a joint powers agreement under section 471.59.

Sec. 5. Minnesota Statutes 2008, section 43A.316, is amended by adding a subdivision to read:

Subd. 12. **School employee insurance program.** The commissioner shall develop and administer within the public employees insurance program a separately rated and administered program for eligible employees of school employers, to be called the school employee insurance program. The initial offerings shall be the PEIP Advantage, Advantage Value, and Advantage HSA plans offered by the public employee insurance program. Health coverage offered through the school employee insurance program shall be made available beginning January 1, 2012.

Sec. 6. Minnesota Statutes 2008, section 43A.316, is amended by adding a subdivision to read:

Subd. 13. **Enrollment; school employee insurance program.** (a) A school employer that provides health coverage to eligible employees or contributes money to pay for all or part of the cost of health coverage for eligible employees, must purchase such coverage through the school employee insurance program under subdivision 12. School employers described in paragraph (b) may opt out as described in paragraphs (b) to (e).

(b) The school board of a school employer and each exclusive representative of employees of a school employer which, on July 1, 2010, was individually self-insured shall jointly determine whether the employees the exclusive representative represents will opt out of the school employee insurance program, in the same manner described in subdivision 5, paragraph (b). Paragraphs (c), (d), and (e) below apply only to school employees of the school employers described in this paragraph.

(c) School employees not represented by an exclusive representative may enter the school employee insurance program in the same manner described in subdivision 5, paragraph (c).

(d) School employees who do not enter the program upon first becoming eligible for participation are ineligible to participate for four years and must be pooled and rated separately from the other enrollees in the school employee insurance program for the first four years after entering the program. This paragraph does not apply to a school employee upon later becoming a member of a school employee group that has not declined participation.

(e) The decision of a school board of a school employer and an exclusive representative of school employees or, in the case of unorganized employees, the decision of the school board of a school employer, to not opt-out of entry into the school employee insurance program is irrevocable and applies to all future years.

Sec. 7. Minnesota Statutes 2008, section 43A.316, is amended by adding a subdivision to read:

Subd. 14. **School Employee Insurance Committee.** (a) Notwithstanding any other provision of law, all plan design decisions, including all pilot or demonstration programs in which school employees participate, must first be developed by the School Employee Insurance Committee in consultation with the commissioner or the commissioner's designee and other consultants as the committee sees fit. This paragraph does not apply to the initial offerings specified in subdivision 12.

(b) The committee must be composed of 14 members who represent school district employees and employers in equal number. The employee representatives shall be appointed as follows: four shall be appointed by Education Minnesota, one shall be appointed by the Service Employees International Union, one shall be appointed by the American Federation of State, County, and Municipal Employees, and one shall be appointed by the Minnesota School Employees Association. The seven school employer representatives who serve on the School Employee Insurance Committee must be appointed by the Minnesota School Boards Association, and geographic representation must be taken into consideration when making the appointments. Members of the committee shall serve at the will of the appointing organization. The committee will select a chair from its membership.

(c) The School Employee Insurance Committee members are eligible for compensation and expense reimbursement under section 15.0575, subdivision 3. In addition, if actual salary is lost by a committee member, or if a cost is charged by an employer of a committee member for time missed while performing the duties of a committee member, then the commissioner shall reimburse the member for the lost salary or the cost from funds appropriated for the operations of the committee.

(d) The commissioner shall provide the necessary meeting space and staff support for the committee.

Sec. 8. Minnesota Statutes 2008, section 43A.316, is amended by adding a subdivision to read:

Subd. 15. **Reinsurance.** The commissioner shall, on behalf of the program, participate in an insured or self-insured reinsurance pool for the first three years of the program and may continue to participate in a reinsurance pool after the first three years.

Sec. 9. Minnesota Statutes 2008, section 43A.316, is amended by adding a subdivision to read:

Subd. 16. **Nonidentifiable aggregate claims data from past coverage.** Upon request by the commissioner, entities that are providing or have provided coverage to eligible employees of school employers within two years before the effective date of this section, shall provide to the commissioner at no charge nonidentifiable aggregate claims data for that coverage. The information must include data relating to employee group benefit sets, demographics, and claims experience. Notwithstanding section 13.203, Minnesota service cooperatives must comply with this subdivision.

Sec. 10. Minnesota Statutes 2008, section 62E.02, subdivision 23, is amended to read:

Subd. 23. **Contributing member.** "Contributing member" means those companies regulated under chapter 62A and offering, selling, issuing, or renewing policies or contracts of accident and health insurance; health maintenance organizations regulated under chapter 62D; nonprofit health service plan corporations regulated under chapter 62C; community integrated service networks regulated under chapter 62N; fraternal benefit societies regulated under chapter 64B; the Minnesota employees insurance program established in section 43A.317, effective July 1, 1993; ~~and~~ joint self-insurance plans regulated under chapter 62H; and the school employee insurance program created under section 43A.316. For the purposes of determining liability of contributing members pursuant to section 62E.11 payments received from or on behalf of Minnesota residents for coverage by a health maintenance organization ~~or, a~~ a community integrated service network, or the school employee insurance program shall be considered to be accident and health insurance premiums.

Sec. 11. Minnesota Statutes 2008, section 62E.10, subdivision 1, is amended to read:

Subdivision 1. **Creation and membership; tax exemption.** (a) There is established a Comprehensive Health Association to promote the public health and welfare of the state of Minnesota with membership consisting of all insurers; self-insurers; fraternal; joint self-insurance plans regulated under chapter 62H; the Minnesota employees insurance program established in section 43A.317, effective July 1, 1993; the school employee insurance program created under section 43A.316, subdivision 12; health maintenance organizations; and community integrated service networks licensed or authorized to do business in this state.

(b) The Comprehensive Health Association is exempt from the taxes imposed under chapter 297I and any other laws of this state and all property owned by the association is exempt from taxation.

Sec. 12. Minnesota Statutes 2008, section 62E.11, subdivision 5, is amended to read:

Subd. 5. **Allocation of losses.** (a) Each contributing member of the association shall share the losses due to claims expenses of the comprehensive health insurance plan for plans issued or approved for issuance by the association, and shall share in the operating and administrative expenses incurred or estimated to be incurred by the association incident to the conduct of its affairs. Claims expenses of the state plan which exceed the premium payments allocated to the payment of benefits shall be the liability of the contributing members. Contributing members shall share in the claims expense of the state plan and operating and administrative expenses of the association in an amount equal to the ratio of the contributing member's total accident and health insurance premium, received from or on behalf of Minnesota residents as divided by the total accident and health insurance premium, received by all contributing members from or on behalf of Minnesota residents, as determined by the

commissioner. Payments made by the state to a contributing member for medical assistance, MinnesotaCare, or general assistance medical care services according to chapters 256, 256B, and 256D shall be excluded when determining a contributing member's total premium.

(b) In making the allocation of losses provided in paragraph (a) in each future year, the association's assessment against the school employee insurance program must be based on premiums received by the school employee insurance program in that future year from the school employers that, on May 1, 2010, were receiving health care coverage from a contributing member of the association. The association shall assess the premiums paid in each future year by those employers at the same rate as premiums paid to other members of the association. For purposes of this calculation, premiums of the program used must be net of rate credits and retroactive rate refunds on the same basis as the premiums of other association members.

Sec. 13. Minnesota Statutes 2008, section 297I.05, is amended by adding a subdivision to read:

Subd. 15. **School employee insurance program.** A tax is imposed on the school employee insurance program created under section 43A.316, subdivision 12. The tax must be assessed upon gross premiums less return premiums received by the school employee insurance program in that calendar year from a school employer that, on May 1, 2010, was purchasing health care coverage from an entity that is required to pay tax under subdivision 1, 3, 4, or 5. The commissioner shall assess the premiums paid in each year to the school employee insurance program by those employers at the same rate as premiums paid by the entities under subdivision 1, 3, 4, or 5 as applicable to the school employer.

Sec. 14. Minnesota Statutes 2008, section 297I.15, subdivision 3, is amended to read:

Subd. 3. **Public employees insurance program.** Premiums paid to the public employees insurance program under section 43A.316 are exempt from the taxes imposed under this chapter, except for premiums paid to the school employee insurance program as provided in section 297I.05, subdivision 15.

Sec. 15. **APPOINTMENTS TO SCHOOL EMPLOYEE INSURANCE COMMITTEE; FIRST MEETING.**

The appointing authorities under Minnesota Statutes, section 43A.316, subdivision 14, shall complete their initial appointments no later than August 1, 2010. The commissioner of finance, or the commissioner's designee, shall convene the first meeting of the school employee insurance committee within 30 days after determining that (1) an amendment or change to the coverage offered under Minnesota Statutes, section 43A.316, subdivision 12, is necessary; or (2) advice from the committee concerning the administration of the coverage would assist the commissioner.

Sec. 16. **START-UP FUNDING; ADMINISTRATION OF ONGOING REVENUES AND EXPENSES.**

(a) The commissioner of Minnesota Management and Budget shall use funds available in the insurance trust fund under Minnesota Statutes, section 43A.316, subdivision 9, in the form of temporary funding to pay for the administrative start-up costs necessary under this act. In addition to the amounts of temporary funding, the commissioner shall determine the amount of interest lost to the insurance trust fund as a result of the temporary funding.

(b) The commissioner of Minnesota Management and Budget shall impose an enrollment fee upon the premium charged for the first three months of coverage under the school employee insurance program created in this act sufficient to repay to the insurance trust fund the loans provided to cover the start-up costs incurred by the commissioner under paragraph (a), plus foregone interest to the insurance trust fund, as determined under paragraph (a). The commissioner shall deposit the enrollment fees in the insurance trust fund.

(c) All costs incurred and revenue received by the commissioner of Minnesota Management and Budget under this act in addition to those dealt with in paragraphs (a) and (b), shall on an ongoing basis be deposited into and paid out of the insurance trust fund as provided in Minnesota Statutes, section 43A.316, subdivision 9, as amended in this act.

Sec. 17. **EFFECTIVE DATE.**

Sections 1 to 6 and 8 to 12 are effective for coverage to begin January 1, 2012. Sections 7 and 15 are effective August 1, 2010."

Delete the title and insert:

"A bill for an act relating to insurance; requiring school districts to obtain employee health coverage through the public employees insurance program; imposing a gross premiums tax on the program; imposing an enrollment fee; amending Minnesota Statutes 2008, sections 43A.316, subdivisions 9, 10, by adding subdivisions; 62E.02, subdivision 23; 62E.10, subdivision 1; 62E.11, subdivision 5; 297I.05, by adding a subdivision; 297I.15, subdivision 3."

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

Senate Conferees: D. SCOTT DIBBLE, MARY OLSON, JULIE ROSEN, TONY LOUREY and GARY KUBLY.

House Conferees: LARRY HOSCH, TOM ANZELC, SANDRA PETERSON, LYNDON CARLSON and GREGORY DAVIDS.

Hosch moved that the report of the Conference Committee on S. F. No. 915 be adopted and that the bill be repassed as amended by the Conference Committee.

Doepke moved that the House refuse to adopt the Conference Committee report on S. F. No. 915, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Doepke motion and the roll was called. There were 55 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Demmer	Hamilton	Loon	Sanders	Swails
Anderson, P.	Dettmer	Holberg	Mack	Scott	Torkelson
Anderson, S.	Doepke	Hoppe	Magnus	Seifert	Westrom
Beard	Downey	Kalin	McFarlane	Severson	Winkler
Brod	Drazkowski	Kelly	McNamara	Shimanski	Zellers
Brynaert	Eastlund	Kiffmeyer	Murdock	Simon	
Buesgens	Garofalo	Kohls	Nornes	Slawik	
Bunn	Gottwalt	Lanning	Norton	Slocum	
Davnie	Gunther	Lillie	Peppin	Smith	
Dean	Hackbarth	Loeffler	Ruud	Sterner	

Those who voted in the negative were:

Abeler	Eken	Hortman	Lesch	Newton	Scalze
Anzelc	Falk	Hosch	Liebling	Obermueller	Sertich
Atkins	Faust	Howes	Lieder	Olin	Solberg
Benson	Fritz	Huntley	Mahoney	Otremba	Thao
Bigham	Gardner	Jackson	Mariani	Paymar	Tillberry
Bly	Greiling	Johnson	Marquart	Pelowski	Urdahl
Brown	Hansen	Juhnke	Masin	Persell	Wagenius
Carlson	Hausman	Kahn	Morgan	Peterson	Ward
Champion	Haws	Kath	Morrow	Poppe	Welti
Clark	Hayden	Knuth	Mullery	Reinert	Spk. Kelliher
Cornish	Hilstrom	Koenen	Murphy, E.	Rosenthal	
Dittrich	Hilty	Laine	Murphy, M.	Rukavina	
Doty	Hornstein	Lenczewski	Nelson	Sailer	

The motion did not prevail.

The question recurred on the Hosch motion that the report of the Conference Committee on S. F. No. 915 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 915, A bill for an act relating to insurance; requiring school districts to obtain employee health coverage through the public employees insurance program; appropriating money; amending Minnesota Statutes 2008, sections 43A.316, subdivisions 9, 10, by adding subdivisions; 62E.02, subdivision 23; 62E.10, subdivision 1; 62E.11, subdivision 5; 297I.05, subdivision 5; 297I.15, subdivision 3

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

The question was taken on the repassage of the bill and the roll was called. There were 77 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Abeler	Falk	Hortman	Lesch	Murphy, M.	Rukavina
Anzelc	Faust	Hosch	Liebling	Nelson	Sailer
Atkins	Fritz	Howes	Lieder	Newton	Scalze
Bigham	Gardner	Huntley	Loeffler	Norton	Sertich
Bly	Gunther	Jackson	Magnus	Obermueller	Solberg
Brown	Hamilton	Johnson	Mahoney	Olin	Thao
Carlson	Hansen	Juhnke	Mariani	Otremba	Tillberry
Champion	Hausman	Kahn	Marquart	Paymar	Torkelson
Clark	Haws	Kath	Masin	Pelowski	Urdahl
Cornish	Hayden	Knuth	Morgan	Persell	Ward
Dittrich	Hilstrom	Koenen	Morrow	Peterson	Welti
Doty	Hilty	Laine	Mullery	Poppe	Spk. Kelliher
Eken	Hornstein	Lenczewski	Murphy, E.	Reinert	

Those who voted in the negative were:

Anderson, B.	Beard	Brynaert	Davnie	Dettmer	Draskowski
Anderson, P.	Benson	Buesgens	Dean	Doepke	Eastlund
Anderson, S.	Brod	Bunn	Demmer	Downey	Garofalo

Gottwalt	Kelly	Mack	Rosenthal	Shimanski	Swails
Greiling	Kiffmeyer	McFarlane	Ruud	Simon	Wagenius
Hackbarth	Kohls	McNamara	Sanders	Slawik	Westrom
Holberg	Lanning	Murdock	Scott	Slocum	Winkler
Hoppe	Lillie	Nornes	Seifert	Smith	Zellers
Kalin	Loon	Peppin	Severson	Sterner	

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

### FIRST READING OF SENATE BILLS

S. F. No. 2496, A bill for an act relating to state government; establishing the Task Force for Policy Innovation and Research.

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

S. F. No. 2998, A bill for an act relating to human services; modifying authorization of PACE programs; appropriating money; amending Minnesota Statutes 2009 Supplement, section 256B.69, subdivision 23.

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

S. F. No. 3019, A bill for an act relating to human services; authorizing a rate increase for publicly owned nursing facilities; changing the all-inclusive care for the elderly program (PACE); requiring a local share of nonfederal medical assistance costs; appropriating money; amending Minnesota Statutes 2008, sections 256B.19, by adding a subdivision; 256B.441, by adding a subdivision; Minnesota Statutes 2009 Supplement, section 256B.69, subdivision 23.

The bill was read for the first time.

Koenen moved that S. F. No. 3019 and H. F. No. 3571, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 3029, A bill for an act relating to human services; requiring the commissioner of human services to seek federal match for specified grant expenditures; requiring a report.

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

S. F. No. 3079, A bill for an act relating to education finance; modifying the postsecondary enrollments options program; amending Minnesota Statutes 2008, sections 124D.09, subdivisions 9, 20; 135A.101, subdivision 1.

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

**ANNOUNCEMENTS BY THE SPEAKER**

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 3106:

Bigham, Hilstrom, Norton, Cornish and Drazkowski.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 271:

Loeffler, Kahn and Cornish.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1905:

Loeffler, Fritz and Davids.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2505:

Slawik, Peterson and Nornes.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2510:

Obermueller, Rukavina, Mahoney, Haws and Gunther.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2540:

Hornstein, Hortman, Morrow, Lieder and Urdahl.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2695:

Ruud, Hilstrom and Abeler.

**MOTIONS AND RESOLUTIONS**

Hornstein moved that the name of Hayden be added as an author on H. F. No. 1250. The motion prevailed.

Hornstein moved that the name of Hayden be added as an author on H. F. No. 1306. The motion prevailed.

Clark moved that the name of Hayden be added as an author on H. F. No. 1747. The motion prevailed.

Fritz moved that the name of Otremba be added as an author on H. F. No. 1847. The motion prevailed.

Clark moved that the name of Hayden be added as an author on H. F. No. 2165. The motion prevailed.

Clark moved that the name of Hayden be added as an author on H. F. No. 2195. The motion prevailed.

Clark moved that the name of Hayden be added as an author on H. F. No. 2233. The motion prevailed.

Clark moved that the name of Hayden be added as an author on H. F. No. 2260. The motion prevailed.

Hornstein moved that the name of Hayden be added as an author on H. F. No. 2531. The motion prevailed.

Hornstein moved that the name of Hayden be added as an author on H. F. No. 2793. The motion prevailed.

Hornstein moved that the name of Hayden be added as an author on H. F. No. 3134. The motion prevailed.

Scott moved that her name be stricken as an author on H. F. No. 3278. The motion prevailed.

Murdock moved that his name be stricken as an author on H. F. No. 3278. The motion prevailed.

Nornes moved that his name be stricken as an author on H. F. No. 3278. The motion prevailed.

Shimanski moved that his name be stricken as an author on H. F. No. 3278. The motion prevailed.

Anderson, B., moved that his name be stricken as an author on H. F. No. 3278. The motion prevailed.

Hornstein moved that the name of Hayden be added as an author on H. F. No. 3286. The motion prevailed.

Clark moved that the name of Hayden be added as an author on H. F. No. 3323. The motion prevailed.

Clark moved that the name of Hayden be added as an author on H. F. No. 3395. The motion prevailed.

Hornstein moved that the name of Hayden be added as an author on H. F. No. 3461. The motion prevailed.

Dittrich moved that the name of Downey be added as an author on H. F. No. 3475. The motion prevailed.

Clark moved that the name of Hayden be added as an author on H. F. No. 3781. The motion prevailed.

Winkler moved that the name of Kohls be added as an author on H. F. No. 3821. The motion prevailed.

#### ADJOURNMENT

Sertich moved that when the House adjourns today it adjourn until 2:00 p.m., Friday, May 7, 2010. The motion prevailed.

Sertich moved that the House adjourn. The motion prevailed, and Speaker pro tempore Pelowski declared the House stands adjourned until 2:00 p.m., Friday, May 7, 2010.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives