

TWELFTH DAY

St. Paul, Minnesota, Monday, February 5, 2007

The Senate met at 11:00 a.m. and was called to order by the President.

CALL OF THE SENATE

Senator Pogemiller imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Albert Gallmon, Jr.

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

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

Anderson	Fischbach	Langseth	Olson, G.	Senjem
Berglin	Foley	Larson	Olson, M.	Sheran
Betzold	Frederickson	Latz	Pappas	Sieben
Bonoff	Gerlach	Limmer	Pariseau	Skogen
Carlson	Gimse	Lourey	Pogemiller	Sparks
Chaudhary	Hann	Lynch	Prettner Solon	Stumpf
Clark	Higgins	Marty	Rest	Tomassoni
Cohen	Ingebrigtsen	Metzen	Robling	Torres Ray
Day	Johnson	Michel	Rosen	Vickerman
Dibble	Jungbauer	Moua	Rummel	Wergin
Dille	Koch	Murphy	Saltzman	Wiger
Doll	Koering	Neuville	Saxhaug	
Erickson Ropes	Kubly	Olseen	Scheid	

The President declared a quorum present.

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

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 110.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted February 1, 2007

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 110: A bill for an act relating to waters; enacting the Great Lakes – St. Lawrence River Basin Water Resources Compact; proposing coding for new law in Minnesota Statutes, chapter 103G.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 38, now on General Orders.

REPORTS OF COMMITTEES

Senator Pogemiller moved that the Committee Reports at the Desk be now adopted, with the exception of the reports pertaining to appointments. The motion prevailed.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

S.F. No. 255: A bill for an act relating to state government; veterans; designating veteran-owned small businesses as targeted group businesses for purposes of awarding certain state and metro agency procurement contracts; amending Minnesota Statutes 2006, section 16C.16, subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 21, delete "periodically"

Page 1, line 24, before "discharged" insert "honorably"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

S.F. No. 109: A bill for an act relating to the city of Taylors Falls; authorizing the city of Taylors Falls to establish and exercise border city development zone powers.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Taxes. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

S.F. No. 166: A bill for an act relating to local government; providing for local government planning assistance; requiring regional development commissions or organizations to submit annual work programs; appropriating money for local government planning assistance; amending Minnesota Statutes 2006, section 462.39, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass and be re-referred to the

Committee on Finance. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

S.F. No. 118: A bill for an act relating to state government; adding legislative members to the Capitol Area Architectural and Planning Board; amending Minnesota Statutes 2006, section 15B.03, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 15, delete the new language

Page 1, line 16, delete everything after "senators"

Page 1, line 17, delete everything before the period

Page 1, after line 18, insert:

"(g) During a legislative session, the appointing authority for each legislative member may appoint an alternate member of the legislature to attend meetings of the board in the absence of the legislative member. An alternate attending under this paragraph may vote on all matters before the board at the meeting."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "authorizing the appointment of alternate legislative members of the board to attend and vote at board meetings in the member's absence;"

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

S.F. No. 130: A bill for an act relating to state government; requiring the Legislative Coordinating Commission to oversee legislative training forums; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 22, delete everything after "(b)"

Page 1, delete lines 23 and 24

Page 2, line 1, delete "(c)"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Vickerman from the Committee on Agriculture and Veterans, to which was referred

S.F. No. 138: A bill for an act relating to agriculture; requiring plant hazards evaluation and a report to the legislature.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 6, delete "commissioners of agriculture and" and insert "commissioner of agriculture in consultation with the commissioner of"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Senator Prettner Solon from the Committee on Energy, Utilities, Technology and Communications, to which was referred

S.F. No. 4: A bill for an act relating to energy; establishing renewable energy standard; amending Minnesota Statutes 2006, section 216B.1691.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 216B.1691, is amended to read:

216B.1691 RENEWABLE ENERGY OBJECTIVES.

Subdivision 1. **Definitions.** (a) Unless otherwise specified in law, "eligible energy technology" means an energy technology that:

~~(1) generates electricity from the following renewable energy sources: (1) solar; (2) wind; (3) hydroelectric with a capacity of less than 60 100 megawatts; (4) hydrogen, provided that after January 1, 2010, the hydrogen must be generated from the resources listed in this clause; or (5) biomass, which includes, without limitation, landfill gas, an anaerobic digester system, and an energy recovery facility used to capture the heat value of mixed municipal solid waste or refuse-derived fuel from mixed municipal solid waste as a primary fuel; and~~

~~(2) was not mandated by Laws 1994, chapter 641, or by commission order issued pursuant to that chapter prior to August 1, 2001.~~

(b) "Electric utility" means a public utility providing electric service, a generation and transmission cooperative electric association, ~~or a municipal power agency, or a power district.~~

(c) "Total retail electric sales" means the kilowatt-hours of electricity sold in a year by an electric utility to retail customers of the electric utility or to a distribution utility for distribution to the retail customers of the distribution utility.

Subd. 2. **Eligible energy objectives.** ~~(a) Each electric utility shall make a good faith effort to generate or procure sufficient electricity generated by an eligible energy technology to provide its retail consumers, or the retail customers of a distribution utility to which the electric utility provides wholesale electric service, so that:~~

~~(1) commencing in 2005, at least one percent of the electric utility's total retail electric sales to retail customers in Minnesota is generated by eligible energy technologies;~~

~~(2) the amount provided under clause (1) is increased by one percent of the utility's total retail electric sales each year until 2015; and~~

~~(3) ten seven percent of the electric energy provided utility's total retail electric sales to retail customers in Minnesota by 2010 is generated by eligible energy technologies.~~

~~(b) Of the eligible energy technology generation required under paragraph (a), clauses (1) and (2), not less than 0.5 percent of the energy must be generated by biomass energy technologies, including an energy recovery facility used to capture the heat value of mixed municipal solid waste or refuse derived fuel from mixed municipal solid waste as a primary fuel, by 2005. By 2010, one percent of the eligible technology generation required under paragraph (a), clauses (1) and (2), shall be generated by biomass energy technologies. An energy recovery facility used to capture the heat value of mixed municipal solid waste or refuse derived fuel from mixed municipal solid waste, with a power sales agreement in effect as of May 29, 2003, that terminates after December 31, 2010, does not qualify as an eligible energy technology unless the agreement provides for rate adjustment in the event the facility qualifies as a renewable energy source.~~

Subd. 2a. Eligible energy technology standard. (a) Except as provided in paragraph (b), each electric utility shall generate or procure sufficient electricity generated by an eligible energy technology to provide its retail customers in Minnesota, or the retail customers of a distribution utility to which the electric utility provides wholesale electric service, so that at least the following standard percentages of the electric utility's total retail electric sales to retail customers in Minnesota is generated by eligible energy technologies by the end of the year indicated:

<u>(1)</u>	<u>2012</u>	<u>12 percent</u>
<u>(2)</u>	<u>2016</u>	<u>17 percent</u>
<u>(3)</u>	<u>2020</u>	<u>20 percent</u>
<u>(4)</u>	<u>2025</u>	<u>25 percent.</u>

(b) An electric utility that owned a nuclear generating facility as of January 1, 2007, must meet the requirements of this paragraph rather than paragraph (a). An electric utility subject to this paragraph must generate or procure sufficient electricity generated by an eligible energy technology to provide its retail customers in Minnesota or the retail customer of a distribution utility to which the electric utility provides wholesale electric service so that at least the following percentages of the electric utility's total retail electric sales to retail customers in Minnesota is generated by eligible energy technologies by the end of the year indicated:

<u>(1)</u>	<u>2010</u>	<u>15 percent</u>
<u>(2)</u>	<u>2012</u>	<u>18 percent</u>
<u>(3)</u>	<u>2016</u>	<u>25 percent</u>
<u>(4)</u>	<u>2020</u>	<u>30 percent.</u>

Of the 30 percent in 2020, at least 25 percent must be generated by wind energy conversion systems and the remaining five percent by other eligible energy technology.

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 customer's 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) delays, cancellations, or nondelivery of necessary equipment for construction or commercial operation of an eligible energy technology facility; (6) transmission constraints preventing delivery of service; and (7) 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.

Subd. 2c. **Use of integrated resource planning process.** The commission may exercise its authority under subdivision 2b to modify or delay implementation of a standard obligation as part of an integrated resource planning proceeding under section 216B.2422. The commission's authority must be exercised according to subdivision 2b. The order to delay or modify shall not be considered advisory with respect to any electric utility. This subdivision is in addition to and does not limit the commission's authority to modify or delay implementation of a standard obligation in other proceedings before the commission.

(e) Subd. 2d. **Commission order.** ~~By June 1, 2004, and as needed thereafter,~~ The commission shall issue ~~an order~~ necessary orders detailing the criteria and standards by which it will measure an electric utility's efforts to meet the renewable energy objectives of ~~this section~~ subdivision 2 to determine whether the utility is making the required good faith effort. In this order, the commission shall include criteria and standards that protect against undesirable impacts on the reliability of the utility's system and economic impacts on the utility's ratepayers and that consider technical feasibility.

(d) ~~In its order under paragraph (c), the commission shall provide for a weighted scale of how energy produced by various eligible energy technologies shall count toward a utility's objective. In establishing this scale, the commission shall consider the attributes of various technologies and fuels, and shall establish a system that grants multiple credits toward the objectives for those technologies and fuels the commission determines is in the public interest to encourage.~~

Subd. 3. **Utility plans filed with commission.** (a) Each electric utility shall report on its plans, activities, and progress with regard to ~~these~~ the objectives and standards of this section in its filings under section 216B.2422 or in a separate report submitted to the commission every two years, whichever is more frequent, demonstrating to the commission ~~that the utility is making the required~~

good faith utility's effort to comply with this section. In its resource plan or a separate report, each electric utility shall provide a description of:

- (1) the status of the utility's renewable energy mix relative to the good faith objective and standards;
- (2) efforts taken to meet the objective and standards;
- (3) any obstacles encountered or anticipated in meeting the objective or standards; and
- (4) potential solutions to the obstacles.

(b) The commissioner shall compile the information provided to the commission under paragraph (a), and report to the chairs of the house of representatives and senate committees with jurisdiction over energy and environment policy issues as to the progress of utilities in the state, including the progress of each individual electric utility, in increasing the amount of renewable energy provided to retail customers, with any recommendations for regulatory or legislative action, by January 15 of each odd-numbered year.

Subd. 4. **Renewable energy credits.** (a) To facilitate compliance with this section, the commission, by rule or order, may shall establish by January 1, 2008, a program for tradable renewable energy credits for electricity generated by an eligible energy technology. In doing so, the commission shall implement a system that constrains or limits the cost of credits, taking care to ensure that such a system does not undermine the market for those credits. The credits must represent energy produced by an eligible energy technology, as defined in subdivision 1. Each kilowatt-hour of renewable energy credits must be treated the same as a kilowatt-hour of eligible energy technology generated or procured by an electric utility if it is produced by an eligible energy technology. The program must permit a credit to be used only once. The program must treat all eligible energy technology equally and shall not give more or less credit to energy based on the state where the energy was generated or the technology with which the energy was generated. The commission must determine the period in which the credits may be used for purposes of the program.

(b) In lieu of generating or procuring energy directly to satisfy the renewable eligible energy technology objective or standard of this section, an electric utility may purchase sufficient renewable energy credits, issued pursuant to this subdivision, to meet its objective utilize renewable energy credits allowed under the program to satisfy the objective or standard.

(c) Upon the passage of a renewable energy standard, portfolio, or objective in a bordering state that includes a similar definition of eligible energy technology or renewable energy, The commission may shall facilitate the trading of renewable energy credits between states.

(d) The commission shall require all electric utilities to participate in a commission-approved credit tracking system or systems. Once a credit tracking system is in operation, the commission shall issue an order establishing protocols for trading credits.

(e) An electric utility subject to subdivision 2a, paragraph (b), may not sell renewable energy credits to an electric utility subject to subdivision 2a, paragraph (a), until 2021.

Subd. 5. **Technology based on fuel combustion.** (a) Electricity produced by fuel combustion may only count toward a utility's objectives or standards if the generation facility:

(1) was constructed in compliance with new source performance standards promulgated under the federal Clean Air Act for a generation facility of that type; or

(2) employs the maximum achievable or best available control technology available for a generation facility of that type.

(b) An eligible energy technology may blend or co-fire a fuel listed in subdivision 1, paragraph (a), clause (1), with other fuels in the generation facility, but only the percentage of electricity that is attributable to a fuel listed in that clause can be counted toward an electric utility's renewable energy objectives.

~~Subd. 6. **Electric utility that owns nuclear generation facility.** (a) An electric utility that owns a nuclear generation facility, as part of its good faith effort under this subdivision and subdivision 2, shall deploy an additional 300 megawatts of nameplate capacity of wind energy conversion systems by 2010, beyond the amount of wind energy capacity to which the utility is required by law or commission order as of May 1, 2003. At least 100 megawatts of this capacity are to be wind energy conversion systems of two megawatts or less, which shall not be eligible for the production incentive under section 216C.41. To the greatest extent technically feasible and economic, these 300 megawatts of wind energy capacity are to be distributed geographically throughout the state. The utility may opt to own, construct, and operate up to 100 megawatts of this wind energy capacity, except that the utility may not own, construct, or operate any of the facilities that are under two megawatts of nameplate capacity. The deployment of the wind energy capacity under this subdivision must be consistent with the outcome of the engineering study required under Laws 2003, First Special Session chapter 11, article 2, section 21.~~

~~(b) The renewable energy objective set forth in subdivision 2 shall be a requirement for the public utility that owns the Prairie Island nuclear generation plant. The objective is a requirement subject to resource planning and least cost planning requirements in section 216B.2422, unless implementation of the objective can reasonably be shown to jeopardize the reliability of the electric system. The least cost planning analysis must include the costs of ancillary services and other necessary generation and transmission upgrades.~~

~~(c) Also as part of its good faith effort under this section, the utility that owns a nuclear generation facility is to enter into a power purchase agreement by January 1, 2004, for ten to 20 megawatts of biomass energy and capacity at an all-inclusive price not to exceed \$55 per megawatt-hour, for a project described in section 216B.2424, subdivision 5, paragraph (e), clause (2). The project must be operational and producing energy by June 30, 2005.~~

Subd. 7. **Compliance.** The commission must regularly investigate whether an electric utility is in compliance with its good-faith objective under subdivision 2 and standard obligation under subdivision 2a. If the commission finds noncompliance, it may order the electric utility to construct facilities, purchase energy generated by eligible energy technology, purchase renewable energy credits, or engage in other activities to achieve compliance. If an electric utility fails to comply with an order under this subdivision, the commission may impose a financial penalty on the electric utility in an amount not to exceed the estimated cost of the electric utility to achieve compliance. The penalty may not exceed the lesser of the cost of constructing facilities or purchasing credits. This subdivision is in addition to and does not limit any other authority of the commission to enforce this section.

Subd. 8. **Relation to other law.** This section does not limit the authority of the commission

under any other law, including, without limitation, sections 216B.2422 and 216B.243.

Subd. 9. **Local benefits.** The commission shall take all reasonable actions within its statutory authority to ensure this section is implemented to maximize benefits to Minnesota citizens, balancing factors such as local ownership of or participation in energy production, development and ownership of eligible energy technology facilities by independent power producers, Minnesota utility ownership of eligible energy technology facilities, the costs of energy generation to satisfy the renewable standard, and the reliability of electric service to Minnesotans.

Sec. 2. TRANSMISSION FOR RENEWABLE ENERGY STANDARD.

Minnesota electric utilities, as defined by Minnesota Statutes, section 216B.1691, subdivision 1, paragraph (b), must study and develop plans for the transmission network enhancements necessary to support the renewable energy standards and milestones established in Minnesota Statutes, section 216B.1691, subdivision 2a. The study process must be designed to identify and optimize delivery of that renewable energy to Minnesota retail customers while maintaining system reliability.

As part of the planning process, Minnesota electric utilities shall incorporate and build upon the analyses that have previously been done or that are in progress, including, but not limited to, the 2006 Minnesota Wind Integration Study and ongoing work to address geographically dispersed development patterns. The Minnesota electric utilities shall collaborate with the Midwest Independent System Operator to optimize and integrate to the extent possible Minnesota's transmission plans with other regional transmission considerations.

As part of the planning process, utilities shall convene and regularly consult with a group of stakeholders with experience and expertise in transmission system engineering and renewable generation technology to review the study's proposed methods and assumptions, preliminary results, and ongoing efforts.

Utilities shall submit a report to the Minnesota Public Utilities Commission by November 1, 2007, describing the activities undertaken pursuant to this section. The report shall include:

(1) a description of the analyses that have been undertaken and the results, including the critical issues that need to be addressed in order to develop the transmission needed to meet the standards and milestones of Minnesota Statutes, section 216B.1691, subdivision 2a;

(2) a comprehensive conceptual plan to guide ongoing planning efforts to develop the transmission necessary to support those standards and milestones;

(3) specific transmission line proposals necessary to meet those intermediate standards and milestones;

(4) a description of how the results of these studies have been reflected in the biennial transmission reports filed under Minnesota Statutes, section 216B.2425; and

(5) a five-year action plan that identifies with specificity the actions necessary to implement the specific proposals and to refine and further develop the transmission plans needed to support those standards and milestones, including initiating any certificate of need or other regulatory proceeding necessary to implement the specific proposals identified above.

Sec. 3. REPEALER.

Minnesota Statutes 2006, section 216B.169, is repealed.

EFFECTIVE DATE. This section is effective January 1, 2010."

Delete the title and insert:

"A bill for an act relating to energy; establishing renewable energy standard; amending Minnesota Statutes 2006, section 216B.1691; repealing Minnesota Statutes 2006, section 216B.169."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Marty from the Committee on Health, Housing and Family Security, to which was referred

S.F. No. 15: A bill for an act relating to human services; creating a children's health security account; establishing the children's health security program; specifying eligibility criteria, covered services, and administrative procedures; increasing the tax on tobacco products; requiring reports; appropriating money; amending Minnesota Statutes 2006, sections 297F.05, subdivisions 1, 3, 4; 297F.10; proposing coding for new law in Minnesota Statutes, chapter 16A; proposing coding for new law as Minnesota Statutes, chapter 256N.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. **[16A.726] CHILDREN'S HEALTH SECURITY ACCOUNT.**

A children's health security account is created in a special revenue fund in the state treasury. The commissioner shall deposit to the credit of the account money made available to the account. Notwithstanding section 11A.20, any investment income attributable to the investment of the children's health security account not currently needed shall be credited to the children's health security account. The commissioner of finance shall not transfer any funds from the health care access fund to the children's health security account.

Sec. 2. **[256N.01] CITATION.**

This chapter may be cited as the Children's Health Security Act.

Sec. 3. **[256N.02] DEFINITIONS.**

Subdivision 1. **Applicability.** The terms used in this chapter have the following meanings unless otherwise provided for by text.

Subd. 2. **Child.** "Child" means an individual under age 19 or an unmarried child who is a full-time student under the age of 25 years who is financially dependent upon a parent, grandparent, foster parent, relative caretaker, or legal guardian.

Subd. 3. **Commissioner.** "Commissioner" means the commissioner of human services.

Sec. 4. **[256N.03] ESTABLISHMENT.**

The commissioner shall establish the children's health security program. The commissioner shall

begin implementation of the program on July 1, 2008, or upon federal approval, whichever is later.

Sec. 5. [256N.05] ELIGIBILITY.

Subdivision 1. General requirements. Children meeting the eligibility requirements of this section are eligible for the children's health security program.

Subd. 2. Phase-in of eligible groups. (a) Children in families with income equal to or less than 300 percent of the federal poverty guidelines are eligible to enroll effective July 1, 2008, or upon federal approval, whichever is later.

(b) Effective July 1, 2010, eligibility is expanded to include all children, regardless of household income or assets.

Subd. 3. Residency. (a) To be eligible for health coverage under the children's health security program, children must be permanent residents of Minnesota. For purposes of this requirement, a permanent Minnesota resident is a person who has demonstrated, through persuasive and objective evidence, that the person is domiciled in the state and intends to live in the state permanently.

(b) To be eligible as a permanent resident, an applicant, or the applicant's parent or guardian as applicable, must demonstrate the requisite intent to live in the state permanently by:

(1) showing that the applicant, or the applicant's parent or guardian as applicable, maintains a residence at a verified address, through the use of evidence of residence described in paragraph (c); and

(2) signing an affidavit declaring that the applicant currently resides in the state and intends to reside in the state permanently, and the applicant did not come to the state for the primary purpose of obtaining medical coverage or treatment.

(c) An applicant, or a parent or guardian of an applicant, may verify a residence address by presenting a valid state driver's license; a state identification card; a voter registration card; a rent receipt; a statement by the landlord, apartment or emergency shelter manager, or homeowner verifying that the individual is residing at the address; or other form of verification approved by the commissioner.

(d) A child who is temporarily absent from the state does not lose eligibility for the children's health security program. "Temporarily absent from the state" means the person is out of the state for a temporary purpose and intends to return when the purpose of the absence has been accomplished. A person is not temporarily absent from the state if another state has determined that the person is a resident for any purpose. If temporarily absent from the state, the person must follow the requirements of the health plan in which the person is enrolled to receive services.

(e) A child who moved to Minnesota primarily to obtain medical treatment or health coverage for a preexisting condition is not a permanent resident.

Subd. 4. Enrollment voluntary. Enrollment in the children's health security program is voluntary. Parents or guardians may retain private sector or Medicare coverage for a child as the sole source of coverage. Parents or guardians who have private sector or Medicare coverage for children may also enroll children in the children's health security program. If private sector or Medicare coverage is available, coverage under the children's health security program is secondary

to the private sector or Medicare coverage.

Sec. 6. [256N.07] COVERED SERVICES.

Covered services under the children's health security program shall consist of all covered services under chapter 256B.

Sec. 7. [256N.09] NO ENROLLEE PREMIUMS OR COST SHARING.

In order to ensure broad access to coverage, the children's health security program has no enrollee premium or cost-sharing requirements.

Sec. 8. [256N.11] APPLICATION PROCEDURES.

Subdivision 1. **Application procedure.** Applications for the program must be made available to provider offices, local human services agencies, school districts, schools, community health offices, and other sites willing to cooperate in program outreach. These sites may accept applications and forward applications to the commissioner. Applications may also be made directly to the commissioner.

Subd. 2. **Eligibility determination.** The commissioner shall determine an applicant's eligibility for the program within 30 days of the date the application is received by the Department of Human Services. The effective date of coverage is the day upon which eligibility is approved, except in cases of persons applying under presumptive eligibility.

Subd. 3. **Presumptive eligibility.** Coverage under the program is available during a presumptive eligibility period. The presumptive eligibility period begins on the date a health care provider or other entity designated by the commissioner determines, based on preliminary information, that the person meets the criteria in section 256N.05. The presumptive eligibility period ends on the day on which a determination is made as to the person's eligibility, except that if an application is not submitted by the last day of the month following the month during which the determination based on preliminary information is made, the presumptive eligibility period ends on the last day of the month.

Subd. 4. **Renewal of eligibility.** The commissioner shall require enrollees to renew eligibility every 12 months.

Sec. 9. [256N.13] SERVICE DELIVERY.

Subdivision 1. **Contracts for service delivery.** The commissioner, within each county, may contract with health maintenance organizations licensed under chapter 62D, county-based purchasing plans established under section 256B.692 to provide covered health care services to program enrollees under a managed care system, and may contract with health care and social service providers to provide services under a fee-for-service system. In determining the method for service delivery, the commissioner shall consider the cost and quality of health care services, the breadth of services offered, including medical, dental, and mental health services, and the breadth of choice of medical providers for enrollees, the ease of access to quality medical care for enrollees, the efficiency and cost effectiveness of service delivery, and the integration of best medical practice standards into the children's health security program. The commissioner shall present a health care delivery plan, based on the criteria stated in this subdivision, to the Legislative Commission on Health Care Access by January 15, 2008.

Subd. 2. **Health plan company requirements.** Health plan companies under contract are responsible for coordinating covered health care services provided to eligible individuals. Health plan companies under contract:

(1) shall authorize and arrange for the provision of all needed covered health services under chapter 256B, with the exception of services available only under a medical assistance home- and community-based waiver, in order to ensure appropriate health care is delivered to enrollees;

(2) shall accept the prospective, per capita payment from the commissioner in return for the provision of comprehensive and coordinated health care services for enrollees;

(3) may contract with health care and social service providers to provide covered services to enrollees; and

(4) shall institute enrollee grievance procedures according to the method established by the commissioner, utilizing applicable requirements of chapter 62D. Disputes not resolved through this process may be appealed to the commissioner using the procedures in section 256.045.

Subd. 3. **Fee-for-services delivery.** Disputes related to services provided under the fee-for-service system may be appealed to the commissioner using the procedures in section 256.045.

Subd. 4. **Contracts for waiver services.** The commissioner shall contract with health care and social service providers, on a fee-for-service basis, to provide program enrollees with covered services available only under a medical assistance home- and community-based waiver. The commissioner shall determine eligibility for home- and community-based waiver services using the criteria and procedures in chapter 256B. Disputes related to services provided on a fee-for-service basis may be appealed to the commissioner using the procedures in section 256.045.

Sec. 10. [256N.15] PAYMENT RATES.

The commissioner, in consultation with a health care actuary, shall establish the method and amount of payments for services. The commissioner shall annually contract with eligible entities to provide services to program enrollees. The commissioner, in consultation with the risk adjustment association established under section 62Q.03, subdivision 6, shall develop and implement a risk adjustment system for the program.

Sec. 11. [256N.17] CONSUMER ASSISTANCE.

Subdivision 1. **Assistance to applicants.** The commissioner shall assist applicants in choosing a health plan company by:

(1) establishing a Web site to provide information about health plan companies and to allow online enrollment;

(2) make information on health plan companies available at the sites specified in section 256N.11, subdivision 1;

(3) make applications and information on health plan companies available in Spanish, Hmong, Laotian, Russian, Somali, Vietnamese, and Cambodian, and provide language interpreter services as necessary to assist applicants in choosing a health plan company; and

(4) make benefit educators available to assist applicants in choosing a health plan company.

Subd. 2. **Ombudsperson.** The commissioner shall designate an ombudsperson to advocate for children enrolled in the children's health security program. The ombudsperson shall assist enrollees in understanding and making use of complaint and appeal procedures and ensure that necessary medical services are provided to enrollees. At the time of enrollment, the commissioner shall inform enrollees about: the ombudsperson program; the right to a resolution of the enrollee's complaint by the health plan company if the enrollee experiences a problem with the health plan company or its providers; and appeal rights under section 256.045.

Sec. 12. [256N.19] MONITORING AND EVALUATION OF QUALITY AND COSTS.

The commissioner, as a condition of contract, shall require each participating health plan company and participating provider to submit, in the form and manner specified by the commissioner, data required for assessing enrollee satisfaction, quality of care, cost, and utilization of services. The commissioner shall evaluate this data in order to:

(1) make summary information on the quality of care across health plan companies, medical clinics, and providers available to consumers;

(2) require health plan companies and providers, as a condition of contract, to implement quality improvement plans; and

(3) compare the cost and quality of services under the program to the cost and quality of services provided to private sector enrollees.

Sec. 13. IMPLEMENTATION PLAN.

The commissioner shall develop an implementation plan for the children's health security coverage program and shall present this plan, any necessary draft legislation, and a draft of proposed rules to the legislature by January 15, 2008. The commissioner shall evaluate the provision of services under the program to children with disabilities and shall present recommendations to the legislature by December 15, 2009, for any program changes necessary to ensure the quality and continuity of care.

Sec. 14. FEDERAL APPROVAL.

The commissioner shall seek all federal waivers and approvals necessary to implement this chapter including, but not limited to, waivers and approvals necessary to:

(1) coordinate medical assistance and MinnesotaCare coverage for children;

(2) use federal medical assistance dollars to pay for health care services under the children's health security program; and

(3) maximize receipt of the federal medical assistance match for covered children, by increasing income standards through the use of more liberal income methodologies as provided under United States Code, title 42, sections 1396a and 1396u-1.

Sec. 15. LEGISLATIVE TASK FORCE ON CHILDREN'S HEALTH CARE COVERAGE.

Subdivision 1. **Establishment; membership.** The Legislative Task Force on Children's Health Care Coverage is established. The task force consists of: five members of the house of representatives appointed under the rules of the house, of whom three members must be from the majority party and two members from the minority party; and five members of the senate appointed under the rules of the senate, of whom three members must be from the majority party and two members from the minority party. Task force members must be appointed by September 1, 2007.

Subd. 2. **Study; staff support.** (a) The task force shall study health care reform and cost-containment options for the children's health security program coverage to all children as provided in Minnesota Statutes, section 256N.05, subdivision 2, paragraph (b), and provide recommendations to the legislature. The study must:

(1) examine health care reform and cost-containment methods that will contain costs and increase access and improve health outcomes;

(2) examine how to increase access to, and utilization of preventive care and health care services;

(3) examine how to reduce health disparities among minority populations; and

(4) examine best practices in health care delivery and achieving healthy outcomes.

(b) The task force, through the Legislative Coordinating Commission, may hire staff or contract for staff support for the study.

Subd. 3. **Recommendations.** The task force shall report its recommendations to the Legislative Commission on Health Care Access by January 15, 2009.

Subd. 4. **Expiration.** This section expires January 16, 2009.

Sec. 16. RULEMAKING.

The commissioner shall adopt rules to implement this act.

Sec. 17. APPROPRIATION.

\$...... is appropriated from the general fund to the commissioner of human services for the biennium beginning July 1, 2007, to develop and implement the Children's Health Security Act under Minnesota Statutes, chapter 256N."

Amend the title as follows:

Page 1, line 4, delete everything after the semicolon

Page 1, line 5, delete "products;"

Amend the title numbers accordingly

And when so amended the bill do pass and be re-referred to the Committee on State and Local Government Operations and Oversight. Amendments adopted. Report adopted.

Senator Metzen from the Committee on Business, Industry and Jobs, to which were referred the following appointments:

BOARD OF INVENTION

Candace Campbell

Mary Sue Collins

Weston Cutter

Pat L. Dillon

Randall D. Olson

Leonard S. Pederson

Theresa A. Santiago

Andrew Wells

Reports the same back with the recommendation that the appointments be confirmed.

Senator Pogemiller moved that the foregoing committee report be laid on the table. The motion prevailed.

Senator Metzen from the Committee on Business, Industry and Jobs, to which was referred the following appointment:

IRON RANGE RESOURCES AND REHABILITATION

COMMISSIONER

Sandra Layman

Reports the same back to the Senate without recommendation.

Senator Pogemiller moved that the foregoing committee report be laid on the table. The motion prevailed.

Senator Cohen from the Committee on Finance, to which was referred the following appointment:

DEPARTMENT OF FINANCE

COMMISSIONER

Thomas J. Hanson

Reports the same back with the recommendation that the appointment be confirmed.

Senator Pogemiller moved that the foregoing committee report be laid on the table. The motion prevailed.

SECOND READING OF SENATE BILLS

S.F. Nos. 255, 138 and 4 were read the second time.

MOTIONS AND RESOLUTIONS

Senator Rosen moved that her name be stricken as a co-author to S.F. No. 15. The motion prevailed.

Senator Murphy moved that the name of Senator Day be added as a co-author to S.F. No. 139.

The motion prevailed.

Senator Stumpf moved that the name of Senator Pogemiller be added as a co-author to S.F. No. 297. The motion prevailed.

Senator Kubly moved that the name of Senator Larson be added as a co-author to S.F. No. 309. The motion prevailed.

Senator Metzen moved that the name of Senator Murphy be added as a co-author to S.F. No. 391. The motion prevailed.

Senator Bonoff moved that the name of Senator Dille be added as a co-author to S.F. No. 418. The motion prevailed.

Senator Betzold moved that the names of Senators Olseen and Kubly be added as co-authors to S.F. No. 484. The motion prevailed.

Senator Pogemiller moved that the name of Senator Cohen be added as a co-author to S.F. No. 488. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Senator Metzen in the chair.

After some time spent therein, the committee arose, and Senator Metzen reported that the committee had considered the following:

S.F. No. 123, which the committee recommends to pass.

On motion of Senator Pogemiller, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senator Koering introduced—

S.F. No. 489: A bill for an act relating to natural resources; exempting soldiers, veterans, and licensed peace officers from certain requirements relating to the state's firearms safety certificate as a prerequisite to purchasing a hunting license; amending Minnesota Statutes 2006, sections 97B.015, by adding a subdivision; 97B.020; 197.65.

Referred to the Committee on Environment and Natural Resources.

Senators Koering, Marty, Torres Ray, Kubly and Berglin introduced—

S.F. No. 490: A bill for an act relating to human services; modifying group residential housing supplemental rates; amending Minnesota Statutes 2006, section 256I.05, by adding a subdivision.

Referred to the Committee on Health, Housing and Family Security.

Senator Day introduced—

S.F. No. 491: A bill for an act relating to traffic regulations; modifying vehicle weight requirements on highways; increasing a fee; amending Minnesota Statutes 2006, sections 169.826, subdivision 1a; 169.862.

Referred to the Committee on Transportation.

Senators Moua, Higgins, Betzold, Scheid and Foley introduced—

S.F. No. 492: A bill for an act relating to human services; establishing collaborative services for high-risk children; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256.

Referred to the Committee on Health, Housing and Family Security.

Senators Moua, Higgins, Betzold, Scheid and Foley introduced—

S.F. No. 493: A bill for an act relating to public nuisances; providing that certain criminal gang behavior is a public nuisance; authorizing injunctive relief and other remedies; proposing coding for new law in Minnesota Statutes, chapter 617.

Referred to the Committee on Judiciary.

Senators Chaudhary, Marty, Dille, Vickerman and Pariseau introduced—

S.F. No. 494: A bill for an act relating to capital improvements; appropriating money for the Wildlife Rehabilitation Center of Minnesota; authorizing the sale and issuance of state bonds.

Referred to the Committee on Finance.

Senators Betzold, Jungbauer, Johnson, Foley and Olseen introduced—

S.F. No. 495: A bill for an act relating to taxation; authorizing Anoka County to impose a county deed and mortgage tax; providing for use of the proceeds; proposing coding for new law in Minnesota Statutes, chapter 383E.

Referred to the Committee on Taxes.

Senators Skoe, Vickerman, Murphy, Dille and Rosen introduced—

S.F. No. 496: A bill for an act relating to agriculture; appropriating money for county and district agricultural societies and associations.

Referred to the Committee on Finance.

Senators Skoe, Vickerman, Murphy, Dille and Rosen introduced—

S.F. No. 497: A bill for an act relating to agriculture; appropriating money for the Minnesota Agricultural Education Leadership Council.

Referred to the Committee on Finance.

Senator Scheid introduced—

S.F. No. 498: A bill for an act relating to education finance; indexing all school finance equalizing factors at 150 percent of the state average tax base per pupil; amending Minnesota Statutes 2006, sections 123B.53, subdivision 5; 123B.57, subdivision 4; 123B.591, subdivision 3; 124D.135, subdivision 3; 124D.20, subdivision 5; 124D.22, subdivision 3; 126C.01, by adding subdivisions; 126C.10, subdivisions 13a, 29, 32, 35; 126C.17, subdivision 6; repealing Minnesota Statutes 2006, section 124D.20, subdivision 6.

Referred to the Committee on Finance.

Senator Scheid introduced—

S.F. No. 499: A bill for an act relating to education finance; authorizing funding for staff development for school districts with schools not making adequate yearly progress; appropriating money; amending Minnesota Statutes 2006, section 122A.61, by adding a subdivision.

Referred to the Committee on Finance.

Senators Tomassoni, Jungbauer and Saxhaug introduced—

S.F. No. 500: A bill for an act relating to transportation; providing for funding of transportation with transportation certificates of assignment; proposing coding for new law in Minnesota Statutes, chapter 161.

Referred to the Committee on Finance.

Senators Fischbach, Ingebrigtsen and Gimse introduced—

S.F. No. 501: A bill for an act relating to finance; providing for purchase of portable radios and related equipment by local government units participating in statewide public safety radio communication system; appropriating money.

Referred to the Committee on State and Local Government Operations and Oversight.

Senators Lynch, Fischbach, Prettner Solon, Berglin and Marty introduced—

S.F. No. 502: A bill for an act relating to human services; adjusting payment rates for a long-term hospital; appropriating money; amending Minnesota Statutes 2006, section 256.969, subdivision 3a, by adding a subdivision.

Referred to the Committee on Finance.

Senators Rummel, Skogen, Wiger and Wergin introduced–

S.F. No. 503: A bill for an act relating to education; allowing school districts to grant required course credits to students who satisfactorily complete science, math, or arts courses as part of a career and technical education program; amending Minnesota Statutes 2006, section 120B.024.

Referred to the Committee on Education.

Senators Torres Ray, Scheid, Marty, Berglin and Vandever introduced–

S.F. No. 504: A bill for an act relating to insurance; requiring coverage for amino-based acid elemental formulas; amending Minnesota Statutes 2006, section 256B.0625, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 62A.

Referred to the Committee on Commerce and Consumer Protection.

Senators Dibble, Pariseau, Metzen, Saxhaug and Vandever introduced–

S.F. No. 505: A bill for an act relating to housing; the Housing Finance Agency; appropriating money to the family homeless prevention and assistance program.

Referred to the Committee on Finance.

Senators Olson, G. and Bakk introduced–

S.F. No. 506: A bill for an act relating to natural resources; modifying provisions relating to permits to harvest or destroy aquatic plants; amending Minnesota Statutes 2006, section 103G.615, subdivision 3, by adding subdivisions.

Referred to the Committee on Environment and Natural Resources.

Senators Kubly, Saxhaug, Wergin, Wiger and Skogen introduced–

S.F. No. 507: A bill for an act relating to education finance; creating a financial incentive for school districts to share superintendents; appropriating money; amending Minnesota Statutes 2006, section 123B.143, by adding a subdivision.

Referred to the Committee on Finance.

Senators Neuville and Pariseau introduced–

S.F. No. 508: A bill for an act relating to human services; designating certain nursing facilities in Rice County as metro for purposes of determining reimbursement rates; amending Minnesota Statutes 2006, section 256B.431, by adding a subdivision.

Referred to the Committee on Finance.

Senators Lynch; Olson, M.; Sheran and Rosen introduced–

S.F. No. 509: A bill for an act relating to health; appropriating money to the commissioner of

health for heart disease and stroke prevention.

Referred to the Committee on Finance.

Senators Rosen, Koch, Jungbauer and Senjem introduced—

S.F. No. 510: A bill for an act relating to energy; enacting the Next Generation Energy Act of 2007; establishing state energy policy goals for fossil fuel-use reduction and renewable energy use; providing for electric utility renewable energy obligations of 25 percent by 2025; establishing provisions to promote community energy development; providing for transition to an energy savings requirement for electric and natural gas utilities; enacting provisions to address climate change; providing for delegation to counties for permitting wind projects under 25 megawatts; amending Minnesota Statutes 2006, sections 123B.65, subdivision 2; 216B.16, subdivisions 6b, 6c; 216B.1612, subdivision 2, by adding a subdivision; 216B.1691, subdivisions 1, 2, 3, by adding subdivisions; 216B.2426; 216B.243, subdivisions 2, 3, 3a, 5; 216C.05; 216C.31; 471.345, subdivision 13; 504B.161, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 216B; 216C; 216F; repealing Minnesota Statutes 2006, sections 216B.165; 216B.241; 216B.2411; 216C.27; 216C.30, subdivision 5; Minnesota Rules, parts 4635.0110; 4635.0130; 7365.0210; 7635.0100; 7635.0120; 7635.0140; 7635.0150; 7635.0160; 7635.0170; 7635.0180; 7635.0200; 7635.0210; 7635.0220; 7635.0230; 7635.0240; 7635.0250; 7635.0260; 7635.0300; 7635.0310; 7635.0320; 7635.0330; 7635.0340; 7635.0400; 7635.0410; 7635.0420; 7635.0500; 7635.0510; 7635.0520; 7635.0530; 7635.0600; 7635.0610; 7635.0620; 7635.0630; 7635.0640; 7635.1000; 7635.1010; 7635.1020; 7635.1030; 7655.0100; 7655.0120; 7655.0200; 7655.0220; 7655.0230; 7655.0240; 7655.0250; 7655.0260; 7655.0270; 7655.0280; 7655.0290; 7655.0300; 7655.0310; 7655.0320; 7655.0330; 7655.0400; 7655.0410; 7655.0420.

Referred to the Committee on Energy, Utilities, Technology and Communications.

Senator Day introduced—

S.F. No. 511: A bill for an act relating to highways; allowing commissioner of transportation to expedite construction of certain trunk highway projects; amending Minnesota Statutes 2006, section 161.361, subdivision 1.

Referred to the Committee on Finance.

Senator Sheran introduced—

S.F. No. 512: A bill for an act relating to the city of North Mankato; allowing the city to impose a local sales and use tax.

Referred to the Committee on Taxes.

Senator Sheran introduced—

S.F. No. 513: A bill for an act relating to higher education; appropriating money for nursing education activities.

Referred to the Committee on Finance.

Senators Tomassoni, Bakk, Sparks and Metzen introduced–

S.F. No. 514: A bill for an act relating to employment; regulating unpaid work for cash assistance; proposing coding for new law in Minnesota Statutes, chapter 181.

Referred to the Committee on Business, Industry and Jobs.

Senators Berglin, Marty and Koering introduced–

S.F. No. 515: A bill for an act relating to mental health; establishing a certified peer specialist program; amending Minnesota Statutes 2006, sections 256B.0622, subdivision 2; 256B.0623, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 256B.

Referred to the Committee on Health, Housing and Family Security.

Senators Kubly and Senjem introduced–

S.F. No. 516: A bill for an act relating to taxation; eliminating income tax additions; amending Minnesota Statutes 2006, section 290.01, subdivisions 19a, 19c.

Referred to the Committee on Taxes.

Senator Fischbach introduced–

S.F. No. 517: A bill for an act relating to transportation; appropriating money for Sauk Rapids Bridge project.

Referred to the Committee on Finance.

Senator Fischbach introduced–

S.F. No. 518: A bill for an act relating to capital improvements; authorizing sale of state transportation bonds; appropriating money for Sauk Rapids Bridge project.

Referred to the Committee on Finance.

Senators Ingebrigtsen, Pariseau, Wergin and Jungbauer introduced–

S.F. No. 519: A bill for an act relating to higher education; requiring clear English pronunciation as a condition of instructing certain students at public postsecondary institutions; proposing coding for new law in Minnesota Statutes, chapter 135A.

Referred to the Committee on Higher Education.

Senators Sieben, Bakk, Larson and Frederickson introduced–

S.F. No. 520: A bill for an act relating to local government aid; providing an adjustment for inflation; amending Minnesota Statutes 2006, section 477A.03.

Referred to the Committee on State and Local Government Operations and Oversight.

Senators Pappas; Olson, M.; Skoe and Lourey introduced–

S.F. No. 521: A bill for an act relating to higher education; providing grants to train teachers of indigenous languages; appropriating money.

Referred to the Committee on Finance.

Senators Jungbauer, Day and Olson, G. introduced–

S.F. No. 522: A bill for an act relating to health; exempting single-family dwellings from chapter 157; amending Minnesota Statutes 2006, section 157.22.

Referred to the Committee on Health, Housing and Family Security.

Senators Jungbauer, Dibble, Erickson Ropes and Koch introduced–

S.F. No. 523: A bill for an act relating to taxation; income taxes; providing an income tax credit for the purchase of an alternative fuel vehicle; appropriating money; amending Minnesota Statutes 2006, section 290.06, by adding a subdivision.

Referred to the Committee on Taxes.

Senators Hann and Koch introduced–

S.F. No. 524: A bill for an act relating to elections; presidential electors; providing for designation of certain presidential electors and specifying the duties of presidential electors; amending Minnesota Statutes 2006, sections 208.03; 208.08.

Referred to the Committee on State and Local Government Operations and Oversight.

Senator Hann introduced–

S.F. No. 525: A bill for an act relating to income taxation; providing an exclusion for long-term capital gains; amending Minnesota Statutes 2006, sections 290.01, subdivision 19b; 290.091, subdivision 2.

Referred to the Committee on Taxes.

Senators Hann; Olson, G.; Michel and Ortman introduced–

S.F. No. 526: A bill for an act relating to taxation; income tax; providing for an education credit inflation adjustment; amending Minnesota Statutes 2006, section 290.0674, by adding a subdivision.

Referred to the Committee on Taxes.

Senators Hann; Olson, G.; Michel and Wergin introduced–

S.F. No. 527: A bill for an act relating to education; establishing additional grounds for automatic revocation of a teaching license; amending Minnesota Statutes 2006, section 122A.20, subdivision 1.

Referred to the Committee on Education.

Senators Pappas, Michel, Tomassoni, Clark and Senjem introduced—

S.F. No. 528: A bill for an act relating to higher education; regulating the charging of nonresident undergraduate tuition at Minnesota State Colleges and Universities; amending Minnesota Statutes 2006, section 136F.70, by adding a subdivision.

Referred to the Committee on Higher Education.

Senators Hann, Gerlach and Koch introduced—

S.F. No. 529: A bill for an act relating to the legislature; confining regular legislative sessions to odd-numbered years; amending Minnesota Statutes 2006, section 3.011.

Referred to the Committee on Rules and Administration.

Senators Rosen, Sheran, Frederickson and Vickerman introduced—

S.F. No. 530: A bill for an act relating to waters; appropriating money for a study of the Rapidan Dam in Blue Earth County.

Referred to the Committee on Finance.

Senators Rosen, Day, Senjem and Vickerman introduced—

S.F. No. 531: A bill for an act relating to appropriations; appropriating money for the Minnesota Agricultural Interpretive Center in Waseca.

Referred to the Committee on Finance.

Senators Rosen, Marty, Berglin, Fischbach and Foley introduced—

S.F. No. 532: A bill for an act relating to human services; modifying chemical use assessments; imposing duties on the commissioner of human services related to chemical health; requiring reports; proposing coding for new law in Minnesota Statutes, chapter 254A.

Referred to the Committee on Health, Housing and Family Security.

Senators Rosen; Wergin; Olson, G.; Fischbach and Robling introduced—

S.F. No. 533: A bill for an act relating to higher education; limiting tuition increases at public higher education institutions.

Referred to the Committee on Finance.

Senators Latz, Senjem, Fischbach, Sheran and Higgins introduced—

S.F. No. 534: A bill for an act relating to human services; establishing a crisis nursery grant program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256F.

Referred to the Committee on Health, Housing and Family Security.

Senator Latz introduced—

S.F. No. 535: A bill for an act relating to higher education; establishing a bioscience center of excellence; appropriating money.

Referred to the Committee on Finance.

Senators Robling, Torres Ray, Koering, Lourey and Berglin introduced—

S.F. No. 536: A bill for an act relating to human services; modifying child care provisions; reducing license fees; appropriating money; amending Minnesota Statutes 2006, section 245A.10, subdivision 2.

Referred to the Committee on Health, Housing and Family Security.

Senators Lynch, Sheran, Koering and Robling introduced—

S.F. No. 537: A bill for an act relating to higher education; appropriating money for improving and expanding teaching and learning in science, technology, engineering, and mathematics.

Referred to the Committee on Finance.

Senators Kubly and Olson, M. introduced—

S.F. No. 538: A bill for an act relating to state government; establishing a heating and cooling policy for state building projects funded with state appropriations; proposing coding for new law in Minnesota Statutes, chapter 16B.

Referred to the Committee on State and Local Government Operations and Oversight.

Senators Tomassoni, Bakk, Pogemiller and Clark introduced—

S.F. No. 539: A bill for an act relating to labor; protecting certain communication in the workplace between labor organizations and employees; prohibiting certain employer conduct; providing civil remedies; proposing coding for new law in Minnesota Statutes, chapter 181.

Referred to the Committee on Business, Industry and Jobs.

Senator Kubly introduced—

S.F. No. 540: A bill for an act relating to operation of state government; establishing the Minnesota False Claims Act; assessing penalties; proposing coding for new law as Minnesota Statutes, chapter 12A.

Referred to the Committee on Judiciary.

Senators Day, Jungbauer, Gimse, Koch and Ortman introduced–

S.F. No. 541: A bill for an act relating to appropriations; appropriating money for transportation, Metropolitan Council, and public safety activities; providing for fund transfers, general contingent accounts, and tort claims; authorizing sale and issuance of trunk highway bonds for highways and transit facilities; modifying provisions related to driver and vehicle services fees; modifying provisions relating to various transportation-related funds and accounts; providing sales tax exemption for commuter rail system; providing for treatment and deposit of proceeds of lease and sales taxes on motor vehicles; modifying formula for transit assistance to transit replacement service communities; amending Minnesota Statutes 2006, sections 16A.88; 161.04, subdivision 3; 168.017, subdivision 3; 168.12, subdivision 5; 168A.29, subdivision 1; 171.02, subdivision 3; 171.06, subdivision 2; 171.07, subdivisions 3a, 11; 171.20, subdivision 4; 297A.70, subdivision 2; 297A.71, by adding a subdivision; 297A.815, by adding a subdivision; 297A.94; 297B.09, subdivision 1; 299D.09; 473.388, subdivision 4; repealing Minnesota Statutes 2006, section 174.32.

Referred to the Committee on Finance.

Senator Tomassoni introduced–

S.F. No. 542: A bill for an act relating to local government; requiring issuance of variances in St. Louis County.

Referred to the Committee on State and Local Government Operations and Oversight.

Senators Tomassoni, Murphy, Metzen, Bakk and Sparks introduced–

S.F. No. 543: A resolution memorializing Congress to support the Employee Free Choice Act relating to workers' rights to form and join unions.

Referred to the Committee on Business, Industry and Jobs.

Senators Skogen and Olseen introduced–

S.F. No. 544: A bill for an act relating to the State Lottery; requiring the State Lottery to conduct special scratch games for the benefit of the arts, historic preservation, and conservation; creating an arts fund and a historic preservation fund; appropriating money; amending Minnesota Statutes 2006, section 349A.10, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 129D; 138; 349A.

Referred to the Committee on State and Local Government Operations and Oversight.

Senator Langseth introduced–

S.F. No. 545: A bill for an act relating to taxation; eliminating a distance limitation for agricultural homesteads; increasing the agricultural market value homestead credit; reducing the class rate for agricultural homesteads; amending Minnesota Statutes 2006, sections 273.124, subdivision 14; 273.13, subdivision 23; 273.1384, subdivision 2.

Referred to the Committee on Taxes.

Senators Larson, Scheid, Torres Ray and Michel introduced–

S.F. No. 546: A bill for an act relating to capital improvements; appropriating money for emergency building stabilization at Fort Snelling Upper Bluff; authorizing sale and issuance of state bonds.

Referred to the Committee on Finance.

Senators Ortman, Robling, Doll and Neuville introduced–

S.F. No. 547: A bill for an act relating to Scott County; making the library board advisory to the county board.

Referred to the Committee on State and Local Government Operations and Oversight.

Senators Ortman, Limmer, Johnson, Wergin and Senjem introduced–

S.F. No. 548: A bill for an act relating to taxation; changing the rates of income taxation; amending Minnesota Statutes 2006, section 290.06, subdivisions 2c, 2d.

Referred to the Committee on Taxes.

Senators Senjem, Lynch, Langseth, Metzen and Michel introduced–

S.F. No. 549: A bill for an act relating to capital improvements; authorizing the sale and issuance of state bonds; appropriating money for the phase II expansion of the National Volleyball Center in Rochester.

Referred to the Committee on Finance.

Senators Robling, Rest, Wergin and Gerlach introduced–

S.F. No. 550: A bill for an act relating to state government; providing for management of state grants; proposing coding for new law in Minnesota Statutes, chapter 16B.

Referred to the Committee on State and Local Government Operations and Oversight.

Senators Carlson, Sieben and Senjem introduced–

S.F. No. 551: A bill for an act relating to motor vehicles; defining concrete pump as special mobile equipment; amending Minnesota Statutes 2006, section 168.011, subdivision 22.

Referred to the Committee on Transportation.

Senator Senjem introduced–

S.F. No. 552: A bill for an act relating to capital improvements; appropriating money for higher education asset preservation and replacement; authorizing the sale and issuance of state bonds.

Referred to the Committee on Finance.

Senator Wiger introduced—

S.F. No. 553: A bill for an act relating to higher education; increasing the recruitment and retention of underrepresented students; appropriating money.

Referred to the Committee on Finance.

Senators Ingebrigtsen, Fischbach, Ortman, Wergin and Hann introduced—

S.F. No. 554: A bill for an act relating to estate taxation; conforming to the federal exemption amount; amending Minnesota Statutes 2006, section 291.03, subdivision 1.

Referred to the Committee on Taxes.

Senator Berglin introduced—

S.F. No. 555: A bill for an act relating to health; extending essential community provider designation; amending Minnesota Statutes 2006, section 62Q.19, subdivisions 2, 6.

Referred to the Committee on Health, Housing and Family Security.

Senators Olseen, Ingebrigtsen, Sieben, Carlson and Higgins introduced—

S.F. No. 556: A bill for an act relating to public safety; providing funding to counties for housing short-term felony offenders; creating a short-term offender advisory task force; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 241.

Referred to the Committee on Judiciary.

Senators Cohen, Anderson, Moua and Pappas introduced—

S.F. No. 557: A bill for an act relating to economic development; forgiving loan repayments on a loan to the city of St. Paul to finance the Saint Paul RiverCentre; appropriating money to the city of St. Paul to defease, pay, redeem, or refund city bonds; amending Laws 1998, chapter 404, section 23, subdivision 6, as amended.

Referred to the Committee on Finance.

Senators Cohen, Anderson, Moua and Pappas introduced—

S.F. No. 558: A bill for an act relating to economic development; forgiving loan repayments on a loan to the city of St. Paul to finance the St. Paul RiverCentre; appropriating money to the city of St. Paul to defease, pay, redeem, or refund city bonds; amending Laws 1998, chapter 404, section 23, subdivision 6, as amended.

Referred to the Committee on Finance.

Senators Berglin, Higgins and Marty introduced—

S.F. No. 559: A bill for an act relating to human services; establishing the family stabilization

services program; establishing a work participation bonus; appropriating money for supporting work for low-income families; amending Minnesota Statutes 2006, sections 119B.011, by adding a subdivision; 119B.05, subdivision 1; 256J.01, by adding a subdivision; 256J.021; 256J.08, subdivision 65; 256J.20, subdivision 3; 256J.24, subdivision 10; 256J.30, subdivision 5; 256J.521, subdivisions 1, 2; 256J.53, subdivision 2; 256J.55, subdivision 1; 256J.626, subdivisions 1, 2, 3, 4, 5, 6; proposing coding for new law in Minnesota Statutes, chapter 256J; repealing Minnesota Statutes 2006, sections 256J.29; 256J.626, subdivisions 7, 9.

Referred to the Committee on Health, Housing and Family Security.

Senators Johnson, Tomassoni, Day, Metzen and Jungbauer introduced—

S.F. No. 560: A bill for an act relating to public safety; authorizing the sale and use of certain fireworks; providing licenses; proposing coding for new law in Minnesota Statutes, chapter 624.

Referred to the Committee on Commerce and Consumer Protection.

Senators Metzen, Chaudhary, Pariseau, Saxhaug and Olson, M. introduced—

S.F. No. 561: A bill for an act relating to game and fish; providing for licenses to take deer without a fee for disabled residents; amending Minnesota Statutes 2006, section 97A.441, by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

Senators Tomassoni, Saxhaug, Chaudhary, Murphy and Pariseau introduced—

S.F. No. 562: A bill for an act relating to game and fish; modifying permit provisions for disabled hunters; amending Minnesota Statutes 2006, section 97B.055, subdivision 3.

Referred to the Committee on Environment and Natural Resources.

Senators Doll, Latz, Betzold, Michel and Tomassoni introduced—

S.F. No. 563: A bill for an act relating to energy; requiring development of an economic strategy to maximize state economic development benefits from the renewable electric energy industry.

Referred to the Committee on Energy, Utilities, Technology and Communications.

Senator Olson, G. introduced—

S.F. No. 564: A bill for an act relating to education finance; increasing equity revenue for districts above the 95th percentile; amending Minnesota Statutes 2006, section 126C.10, subdivision 24.

Referred to the Committee on Finance.

Senators Saltzman and Limmer introduced—

S.F. No. 565: A bill for an act relating to building codes; requiring pan flashing under all exterior windows and doors; proposing coding for new law in Minnesota Statutes, chapter 16B.

Referred to the Committee on Business, Industry and Jobs.

Senators Sieben, Dibble, Murphy, Larson and Senjem introduced—

S.F. No. 566: A bill for an act relating to transportation; creating transit fund in state treasury and establishing accounts; imposing a sales tax within the metropolitan area with the proceeds dedicated to transit and transit-oriented development; transferring motor vehicle sales tax revenues; amending Minnesota Statutes 2006, sections 16A.88; 297B.09, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 473J.

Referred to the Committee on Transportation.

Senator Clark introduced—

S.F. No. 567: A bill for an act relating to higher education; implementing the enterprise information technology investment strategic plan.

Referred to the Committee on Finance.

Senators Lynch, Senjem and Dibble introduced—

S.F. No. 568: A bill for an act relating to education; extending the date by which Independent School District No. 535, Rochester, must certify proposed property tax levy to the county auditor.

Referred to the Committee on Finance.

Senator Pappas introduced—

S.F. No. 569: A bill for an act relating to higher education; modifying certain provisions for senior citizens' tuition; amending certain reporting requirements; authorizing certain banking services; amending Minnesota Statutes 2006, sections 135A.52, subdivisions 1, 2; 136F.42, subdivision 1; 136F.71, subdivision 2, by adding a subdivision.

Referred to the Committee on Finance.

Senators Higgins, Lynch, Koering, Prettner Solon and Olson, M. introduced—

S.F. No. 570: A bill for an act relating to human services; modifying competitive bidding for medical assistance nonemergency medical transportation; specifying criteria for level of need determinations for nonemergency medical transportation; modifying criteria and increasing reimbursement for medical assistance special transportation services; amending Minnesota Statutes 2006, sections 256B.04, subdivision 14, by adding a subdivision; 256B.0625, subdivision 17.

Referred to the Committee on Health, Housing and Family Security.

Senators Wergin, Prettner Solon, Bakk and Koering introduced—

S.F. No. 571: A bill for an act relating to human services; modifying group residential housing supplemental rates; amending Minnesota Statutes 2006, section 256I.05, by adding a subdivision.

Referred to the Committee on Finance.

Senator Wergin introduced–

S.F. No. 572: A bill for an act relating to transportation; requiring commissioner of public safety to accept Federal Aviation Administration medical certificate for school bus driver physical exam; amending Minnesota Statutes 2006, section 171.321, subdivision 2.

Referred to the Committee on Transportation.

Senators Pappas, Tomassoni, Anderson, Cohen and Moua introduced–

S.F. No. 573: A bill for an act relating to economic development; providing for a grant to Lifetrack Resources; appropriating money.

Referred to the Committee on Business, Industry and Jobs.

Senators Robling, Neuville, Ortman and Doll introduced–

S.F. No. 574: A bill for an act relating to capital improvements; appropriating money for a regional public safety training facility in Scott County; authorizing the sale and issuance of state bonds.

Referred to the Committee on Finance.

Senators Robling, Senjem and Pappas introduced–

S.F. No. 575: A bill for an act relating to education; appropriating money for higher education and related purposes to the Office of Higher Education, the Board of Trustees of the Minnesota State Colleges and Universities, the board of Regents of the University of Minnesota, and the Mayo Clinic, with certain conditions; increasing amounts of matching grants; defining terms; making technical changes; eliminating certain report requirements; eliminating certain Legislative Advisory Commission approval requirements; permitting certain interest rate savings and other agreements; amending certain Pell grant requirements; requiring summary statistics in required reports; repealing certain data sharing and collecting requirements; modifying certain aspects of financial aid programs; establishing a scholarship program for high achieving high school students; establishing the Minnesota GI bill program; requiring reports; prohibiting issuance, manufacture, or use of false or fraudulent academic credentials; providing penalties; amending Minnesota Statutes 2006, sections 13.322, subdivision 3; 135A.031, subdivision 7; 135A.034, subdivision 1; 135A.053, subdivision 2; 135A.14, subdivision 1; 136A.01, subdivision 2; 136A.0411; 136A.08, subdivision 7; 136A.101, subdivisions 4, 5a; 136A.121, subdivision 5; 136A.125, subdivision 2; 136A.15, subdivisions 1, 6; 136A.16, subdivisions 1, 2, 5, 8, 9, 10, by adding a subdivision; 136A.17, subdivision 1; 136A.1701, subdivisions 1, 2, 5; 136A.233, subdivision 3; 136A.62, subdivision 3; 136A.63; 136A.65, subdivision 1, by adding a subdivision; 136A.653; 136A.657, subdivisions 1, 2, 3, by adding a subdivision; 136A.66; 136A.67; 136A.68; 136A.69; 136A.71; 136A.861, subdivisions 1, 2, 3, 6; 136G.11, subdivision 5; 141.21, subdivisions 1a, 5; 141.25, subdivisions 1, 5, 7, 9, 10, 12; 141.255, subdivision 2; 141.265, subdivision 2; 141.271, subdivisions 10, 12; 141.28, subdivision 1; 141.35; proposing coding for new law in Minnesota Statutes, chapters

136A; 141; 197; repealing Minnesota Statutes 2006, sections 135A.01; 135A.031, subdivisions 1, 2, 3, 4, 5, 6; 135A.032; 135A.033; 136A.07; 136A.08, subdivision 8; 136A.1702; 136A.61.

Referred to the Committee on Finance.

Senators Robling, Senjem and Pappas introduced—

S.F. No. 576: A bill for an act relating to higher education; establishing the academic competitiveness highlighting individual excellence and valuing education scholarship program; proposing coding for new law in Minnesota Statutes, chapter 136A.

Referred to the Committee on Higher Education.

Senators Bonoff, Hann and Olson, G. introduced—

S.F. No. 577: A bill for an act relating to taxation; sales tax; providing a sales tax exemption for materials and supplies used in the construction of a water treatment facility in Minnetonka.

Referred to the Committee on Taxes.

Senators Torres Ray, Cohen, Bonoff and Hann introduced—

S.F. No. 578: A bill for an act relating to education finance; appropriating money for the statewide science, technology, engineering, and math initiative.

Referred to the Committee on Finance.

Senators Bonoff, Robling, Clark, Wergin and Anderson introduced—

S.F. No. 579: A bill for an act relating to education; expanding early childhood developmental screening; establishing a developmental assessment at kindergarten entrance; appropriating money; amending Minnesota Statutes 2006, sections 124D.13, subdivision 2, by adding a subdivision; 124D.135, subdivisions 1, 6.

Referred to the Committee on Education.

Senators Murphy, Dibble and Carlson introduced—

S.F. No. 580: A bill for an act relating to transportation; requiring legislative authorization for certain Metropolitan Airports Commission agreements; amending Minnesota Statutes 2006, section 473.608, by adding a subdivision.

Referred to the Committee on Transportation.

Senator Cohen introduced—

S.F. No. 581: A bill for an act relating to higher education; appropriating money to cover costs of inflation to the Minnesota State Colleges and Universities system.

Referred to the Committee on Finance.

Senators Anderson, Rosen, Cohen, Pappas and Koch introduced—

S.F. No. 582: A bill for an act relating to economic development; appropriating money to the commissioner of employment and economic development for University Enterprise Laboratories, Inc.; requiring a report.

Referred to the Committee on Business, Industry and Jobs.

MEMBERS EXCUSED

Senators Bakk, Ortman, Skoe and Vandever were excused from the Session of today.

ADJOURNMENT

Senator Pogemiller moved that the Senate do now adjourn until 11:00 a.m., Wednesday, February 7, 2007. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

INDEX TO DAILY JOURNAL

Monday, February 5, 2007

MESSAGES FROM THE HOUSE AND FIRST READING OF HOUSE FILES

S.F. Nos.	Message Page	H.F. Nos.	Message Page	1st Reading Page
		110	205	206

REPORTS OF COMMITTEES AND SECOND READINGS

S.F. Nos.	Report Page	2nd Reading Page	H.F. Nos.	Report Page	2nd Reading Page
4	208	220			
15	214				
109	206				
118	207				
130	207				
138	208	220			
166	206				
255	206	220			

MOTIONS AND RESOLUTIONS

S.F. Nos.	Page	H.F. Nos.	Page
15	220		
139	220		
297	221		
309	221		
391	221		
418	221		
484	221		
488	221		

GENERAL ORDERS

S.F. Nos.	Page	H.F. Nos.	Page
123	221		

INTRODUCTION AND FIRST READING OF SENATE BILLS

S.F Nos. 489 to 582 Pages 221 to 237