

## EIGHTY-FIRST DAY

St. Paul, Minnesota, Thursday, February 21, 2008

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. Bob Hart.

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

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

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. 2590.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted February 20, 2008

**FIRST READING OF HOUSE BILLS**

The following bill was read the first time.

**H.F. No. 2590:** A bill for an act relating to health; allowing Emergency Medical Services Regulatory Board members to serve two consecutive terms; amending Minnesota Statutes 2006, section 144E.01, subdivision 1.

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

**REPORTS OF COMMITTEES**

Senator Betzold moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

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

**S.F. No. 833:** A bill for an act relating to telecommunications; enacting the Minnesota Wireless Telephone Consumer Protection Act; changing certain existing requirements; amending Minnesota Statutes 2006, section 237.665; proposing coding for new law in Minnesota Statutes, chapter 325F; repealing Minnesota Statutes 2006, section 325F.695.

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

Delete everything after the enacting clause and insert:

"Section 1. **[325F.696] MINNESOTA WIRELESS TELEPHONE CONSUMER PROTECTION ACT.**

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Government-mandated charges and taxes" means any taxes, fees, and other charges that a wireless carrier is legally required to collect directly from consumers and to remit to federal, state, or local governments, or to third parties authorized by such governments, for the administration of government programs. "Government-mandated charges and taxes" does not include discretionary charges authorized, but not required by, government action.

(c) "Wireless carrier" means a provider of wireless telecommunications service.

(d) "Wireless telecommunications service" means commercial mobile radio service as defined in Code of Federal Regulations, title 47, part 20.

Subd. 2. **Required disclosures.** (a) Wireless carriers providing wireless telecommunications service in the state must:

(1) provide the customer, at the time of sale, with a coverage map that accurately depicts the area where service is provided and that identifies areas where any domestic roaming or additional charges would apply to the customer's service;

(2) make accurate coverage maps available to prospective and existing customers at any location

where the wireless carrier's wireless telecommunications service is offered for sale and make those maps available electronically at the carrier's Web site;

(3) clearly and conspicuously disclose at the time of sale the price for the service being purchased by the customer, including the monthly access fee or base charge, the amount of any activation or initiation fee, any charges for domestic roaming, any charge for domestic long distance, any charge for exceeding the number of minutes or usage included in any allowance, and any other charges collected and retained by the carrier and disclose a good faith estimate of the amount or range of all applicable government-mandated or authorized charges and taxes;

(4) clearly and conspicuously disclose to the customer at the time of sale, in at least 12-point font in written materials: (i) that the price is not guaranteed to remain the same for the minimum term of the contract if a contract provision allows the wireless carrier to change the price of the service during the minimum term, and (ii) any early termination fee that applies if service is terminated during the minimum term; and

(5) prior to the execution of a contract for wireless telephone service, provide the customer the terms of the contract, and after execution of the contract provide the customer with a copy of the writing or writings constituting the contract, at the time of sale and thereafter upon the customer's request.

(b) With regard to any early termination fee provisions or provisions allowing the wireless carrier to change the price of the service during the minimum contract term, the wireless carrier must obtain a specific acknowledgment from the customer that the customer has read and understands the provisions.

Subd. 3. **Billing; listing of government taxes and fees.** All bills for wireless telecommunications services must list government-mandated charges and taxes in a section of the bill separate from the section or sections listing the price and any other charges for the wireless telecommunications service. The wireless carrier must include a brief, easy-to-understand description of each charge included in the bill. The wireless carrier must not represent, expressly or by implication, that discretionary cost recovery fees or charges are government-mandated charges and taxes.

Subd. 4. **Billing for third-party goods and services.** (a) A wireless carrier must not include on a customer's bill a charge for goods or services that the carrier bills on behalf of a third party unless the third party or wireless carrier has obtained the customer's prior express authorization to include those charges on the customer's bill issued by the wireless carrier.

(b) If a customer of a wireless carrier disputes any third-party charge appearing on that customer's wireless bill, the customer shall not be obligated to pay the disputed charge until the wireless carrier or third party provides evidence of the customer's prior express authorization to include such charge. Evidence of the customer's prior express authorization must be produced to the customer within 14 calendar days after the customer notifies the wireless carrier that the charge is disputed. A customer shall be permitted to dispute any charges that a wireless carrier bills on behalf of a third party for up to six months after the charge appears on the customer's wireless bill. If the wireless carrier cannot produce evidence that the customer authorized the third-party charge, the wireless carrier must remove the charge from the customer's wireless bill and credit the customer for the unauthorized third-party charges incurred during the previous six months.

(c) A wireless carrier or third party meets the prior express authorization requirements of this subdivision only if it obtains or receives:

(1) written authorization from the customer containing clear, unambiguous, and separate authorizations for each third-party good or service to be included on the customer's bill;

(2) a customer's oral authorization if the customer subsequently opts in by an e-mail or text message exchange with the third party or wireless carrier; or

(3) a customer's affirmative authorization via an interactive voice response system or via an electronic communication, such as through the Internet, by e-mail, or by text message, if the customer subsequently opts in by e-mail or by text message.

(d) For direct-dialed calls, where the call itself represents the service for which the charge is placed on a customer's wireless telephone bill, evidence that the call was placed from the number that is subject to the wireless telephone bill is sufficient evidence of authorization for that call for billing authorization purposes established in this subdivision. Nothing in this subdivision may be construed to change obligations or affect rights under section 325F.692.

(e) This subdivision does not apply to charges for collect calls.

(f) All wireless carriers must provide a means by which customers may restrict access to third-party charges on the customer's wireless bill.

(g) Nothing in this subdivision restricts the right of a wireless carrier to seek to recover from a third party unauthorized charges credited to the customer by the wireless carrier.

**Subd. 5. Extensions in contract length.** (a) If a customer is offered, accepts, or requests a good, service, or promotion or changes the customer's wireless service plan in any manner, and this good, service, promotion, or change will result in the extension of the minimum contract term or create a new contract with a minimum term, the wireless carrier must disclose to the customer at the point of sale or acceptance that the requested good, service, promotion, or change will result in a contract extension or creation of a new contract with a minimum term, and must further disclose the length of the extension or new term.

(b) If the customer and a representative of the carrier are personally present at the point of sale or acceptance, the wireless provider must also in connection with the new good, service, promotion, or change obtain the customer's signed consent in an independent document. The independent document must only include the terms set forth in clauses (1) to (3) and must clearly and conspicuously disclose in at least 14-point font:

(1) that the new good, service, promotion, or change will result in an extension or renewal of the customer's contract;

(2) the new contract start and end dates; and

(3) that failure to complete the new contract term may result in early termination fees and, if so, the amount of the fees.

(c) If the customer's consent is obtained via the Internet, the wireless provider must disclose in at least 14-point font the terms listed in paragraph (b), clauses (1) to (3). The customer must provide a valid electronic signature showing that the wireless provider has disclosed and the customer has

agreed to the extension or renewal of the contract. An electronic record must be available upon request to the customer until the new contract term expires.

(d) If the customer's consent is obtained orally, the wireless provider must clearly disclose the terms listed in paragraph (b), clauses (1) to (3), and the customer's consent to each term must be recorded and retained by the provider and be made available upon request to the customer until the new contract term expires.

(e) Within ten days after a customer's contract has been extended or renewed, the wireless service provider must notify the customer in an independent writing that the contract has been extended or renewed. The independent writing must only include the terms set forth in clauses (1) to (3) and must clearly and conspicuously disclose in at least 14-point font:

(1) that the new good, service, promotion, or change will result in an extension or renewal of the customer's contract;

(2) the new contract start and end dates; and

(3) that failure to complete the new contract term may result in early termination fees and, if so, the amount of the fees.

(f) Failure of the provider to make any of the disclosures or to obtain any of the consents required in this subdivision voids any contract extension covered by this subdivision.

Subd. 6. **Consumer remedies may not be limited.** A wireless carrier may not limit by contract the right of a subscriber to bring complaints or the rights and remedies available to a subscriber by law, including class actions, in any state or federal court or agency of competent jurisdiction. A wireless carrier may not by contract hold subscribers liable for carrier legal costs resulting from complaints before the commission, the courts, or another agency. A contract between a wireless carrier and a customer may not require that disputes under the contract be submitted to arbitration.

Subd. 7. **Remedies; penalties, enforcement.** A violation of this section is a violation of a law referred to in section 8.31, subdivision 1.

Subd. 8. **Severability.** Each of the provisions of this section, and each application of a provision to particular circumstances, is severable. If a provision or application is found to be contrary to law and unenforceable, it is the intention of the legislature that the remaining provisions and applications of this section remain valid and enforceable to the full extent possible under section 645.20.

Sec. 2. **REPEALER.**

Minnesota Statutes 2006, section 325F.695, is repealed.

Sec. 3. **EFFECTIVE DATE.**

Section 1 is effective August 1, 2008, except that subdivision 4 is effective March 1, 2009."

Delete the title and insert:

"A bill for an act relating to telecommunications; enacting the Minnesota Wireless Telephone Consumer Protection Act; changing certain existing requirements; proposing coding for new law in Minnesota Statutes, chapter 325F; repealing Minnesota Statutes 2006, section 325F.695."

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

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

**S.F. No. 1402:** A bill for an act relating to planning and zoning; requiring counties to consider natural heritage data in adopting or amending comprehensive plans; requiring local governments to consider comprehensive plans to limit development on agricultural, forest, wildlife, and open space land; requiring priority provisions in certain county and city comprehensive plans; requiring consideration of certain development to occur in designated priorities; providing a bill title; amending Minnesota Statutes 2006, sections 394.23; 394.232, subdivision 6; 394.24, by adding a subdivision; 462.355, subdivision 1; 462.357, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 394.

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

Page 1, delete section 1 and insert:

"Section 1. Minnesota Statutes 2007 Supplement, section 394.23, is amended to read:

**394.23 COMPREHENSIVE PLAN.**

The board has the power and authority to prepare and adopt by ordinance, a comprehensive plan. A comprehensive plan or plans when adopted by ordinance must be the basis for official controls adopted under the provisions of sections 394.21 to 394.37. The commissioner of natural resources must provide the natural heritage data from the county biological survey, if available, to each county for use in the comprehensive plan. When adopting or updating the comprehensive plan, the board must, if the data is available to the county, consider natural heritage data resulting from the county biological survey. The board must consider adopting policies that will protect open space and the environment by considering adopting the state's livestock production policy under section 17.844."

Page 2, line 29, delete "2007" and insert "2008"

Page 4, lines 3 and 24, delete "2007" and insert "2008"

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.

**MOTIONS AND RESOLUTIONS**

Senator Senjem moved that the name of Senator Lynch be added as a co-author to S.F. No. 2024. The motion prevailed.

Senator Saltzman moved that the name of Senator Rummel be added as a co-author to S.F. No. 2218. The motion prevailed.

Senator Lynch moved that the name of Senator Tomassoni be added as a co-author to S.F. No. 2811. The motion prevailed.

Senator Saxhaug moved that the name of Senator Rummel be added as a co-author to S.F. No. 2815. The motion prevailed.

Senator Clark moved that the names of Senators Moua, Prettner Solon and Olson, M. be added as co-authors to S.F. No. 2822. The motion prevailed.

Senator Rest moved that the name of Senator Lynch be added as a co-author to S.F. No. 2890. The motion prevailed.

**Senators Higgins, Latz, Moua and Pappas introduced –**

**Senate Resolution No. 144:** A Senate resolution recognizing February 21, 2008, as Alpha Kappa Alpha Day at the State Capitol.

Referred to the Committee on Rules and Administration.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of Introduction and First Reading of Senate Bills.

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time.

**Senators Sheran, Murphy, Dibble and Carlson introduced–**

**S.F. No. 2925:** A bill for an act relating to transportation; modifying provisions relating to certain positions in Department of Transportation; amending Minnesota Statutes 2006, section 174.02, subdivision 2.

Referred to the Committee on Transportation.

**Senators Scheid, Metzen, Rosen, Clark and Larson introduced–**

**S.F. No. 2926:** A bill for an act relating to construction professions; modifying provisions relating to the electrical, plumbing, water conditioning, boiler, and high-pressure piping professions; amending Minnesota Statutes 2006, sections 299F.011, subdivision 3; 326.244, subdivision 1; Minnesota Statutes 2007 Supplement, sections 16B.64, subdivision 8; 183.60, subdivision 2; 326.01, subdivisions 4b, 5; 326.2415, subdivisions 2, 6; 326.242, subdivisions 2, 3d, 5, 12, by adding subdivisions; 326.244, subdivision 5; 326.37, subdivision 1a; 326.3705, subdivision 1; 326.40, subdivisions 1, 2, 3; 326.47, subdivision 2; 326.48, subdivisions 1, 2, 2a, 2b, 5; 326.50; 326.505, subdivisions 1, 2, 8; 326.62; 326.84, subdivision 1; 326.93, subdivision 4; 326.94, subdivision 2; 326B.082, subdivisions 8, 10, 11, 12, 13; 326B.083, subdivision 3; 326B.89, subdivisions 5, 6, 12, 14; 327B.04, subdivision 4; Laws 2007, chapter 140, article 4, section 12; repealing Minnesota Statutes 2006, section 16B.69; Minnesota Statutes 2007 Supplement, sections 326.2411; 326.372; 326.471; Laws 2007, chapter 9, section 1; Laws 2007, chapter 135, article 4, sections 2; 8; article 6, section 3; Laws 2007, chapter 140, article 12, section 9; Minnesota Rules, part 3800.3510.

Referred to the Committee on Business, Industry and Jobs.

**Senator Olseen introduced–**

**S.F. No. 2927:** A bill for an act relating to capital improvements; authorizing the sale and issuance of state bonds; appropriating money to design and construct the Cambridge-Isanti Trail in Isanti County.

Referred to the Committee on Finance.

**Senators Foley and Murphy introduced–**

**S.F. No. 2928:** A bill for an act relating to courts; eliminating the prerequisite of pretrial filing of a transcript for admission into evidence of law enforcement vehicle recordings; proposing coding for new law in Minnesota Statutes, chapter 634.

Referred to the Committee on Judiciary.

**Senators Vickerman, Lourey and Day introduced–**

**S.F. No. 2929:** A bill for an act relating to local government; authorizing political subdivisions to make grants to nonprofit organizations; proposing coding for new law in Minnesota Statutes, chapter 471.

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

**Senator Scheid introduced–**

**S.F. No. 2930:** A bill for an act relating to commerce; regulating debt management services; repealing an obsolete criminal provision; amending Minnesota Statutes 2007 Supplement, sections 332A.02, subdivision 2; 332A.04, subdivisions 1, 2, 4; 332A.06; 332A.12, by adding a subdivision; repealing Minnesota Statutes 2006, section 609B.163.

Referred to the Committee on Commerce and Consumer Protection.

**Senators Ingebrigtsen, Foley, Vickerman, Rosen and Day introduced–**

**S.F. No. 2931:** A bill for an act relating to public safety; expanding identity theft crime to include using another's identity to obtain employment; providing a criminal penalty; amending Minnesota Statutes 2006, section 609.527, by adding a subdivision.

Referred to the Committee on Judiciary.

**Senators Prettnier Solon, Marty and Johnson introduced–**

**S.F. No. 2932:** A bill for an act relating to public health; enacting the Uniform Emergency Volunteer Health Practitioners Act; proposing coding for new law in Minnesota Statutes, chapter 145.

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



**Senators Foley and Chaudhary introduced—**

**S.F. No. 2933:** A bill for an act relating to state parks; providing for reduced fees and issuance of special state park permits to certain disabled persons; amending Minnesota Statutes 2006, sections 85.052, subdivision 3; 85.053, subdivision 7.

Referred to the Committee on Environment and Natural Resources.

**Senators Doll, Koering, Marty, Higgins and Sheran introduced—**

**S.F. No. 2934:** A bill for an act relating to human services; changing provider cost of living adjustments; amending Minnesota Statutes 2007 Supplement, section 256B.5012, subdivision 7; Laws 2007, chapter 147, article 7, section 71.

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

**Senator Bakk introduced—**

**S.F. No. 2935:** A bill for an act relating to taxation; making policy, technical, administrative, payment, enforcement, collection, refund, and other changes to income, franchise, property, sales and use, motor vehicle sales, estate, cigarette and tobacco products, gasoline, liquor, insurance premiums, mortgage and deed, healthcare gross revenues, and other taxes and tax-related provisions; conforming to certain changes in the Internal Revenue Code; providing accelerated sales tax payments; providing for licensure of assessors; changing provisions relating to the sustainable forest resource management incentive program; providing for aids to local governments; providing for state debt collection; changing border city allocation, tax increment financing, and economic development powers and incentives; authorizing and providing terms and conditions related to the issuance of obligations and the financing of public improvements and services; extending the time for certain publications of notices; requiring notices and publication of information; authorizing and validating trusts to pay certain public postemployment benefits; changing revenue recapture, local impact notes, data practices, and securities filing fees; providing penalties; amending Minnesota Statutes 2006, sections 3.987, subdivision 1; 3.988, subdivision 3; 3.989, subdivisions 2, 3; 16A.103, subdivision 2; 16D.04, subdivisions 1, 2; 16D.11, subdivisions 2, 7; 62I.06, subdivision 6; 71A.04, subdivision 1; 97A.061, subdivision 2; 118A.03, subdivision 3; 123B.61; 127A.48, subdivision 2; 216B.1646; 270.071, subdivision 7; 270.072, subdivisions 2, 3, 6; 270.074, subdivision 3; 270.076, subdivision 1; 270.41, subdivisions 1, 2, 3, 5, by adding a subdivision; 270.44; 270.45; 270.46; 270.47; 270.48; 270.50; 270A.03, subdivision 2; 270A.10; 270C.306; 270C.34, subdivision 1; 270C.446, subdivision 2; 270C.56, subdivision 1; 270C.63, subdivision 9; 272.02, by adding subdivisions; 272.115, subdivision 1; 273.05, by adding a subdivision; 273.111, subdivision 3; 273.117; 273.121; 273.124, subdivision 13, by adding a subdivision; 273.125, subdivision 8; 273.128, subdivision 1; 273.13, subdivisions 22, 24, 25, by adding a subdivision; 273.1315; 273.1398, subdivision 4; 273.33, subdivision 2; 273.37, subdivision 2; 273.371, subdivision 1; 274.01, subdivision 1; 274.13, subdivision 1; 275.025, subdivision 3; 275.065, subdivision 5a, by adding a subdivision; 275.066; 275.067; 275.61, subdivision 1; 276.04, subdivision 2, by adding a subdivision; 277.01, subdivision 2; 278.05, subdivision 6; 279.01, subdivision 1; 279.37, subdivision 1a; 280.39; 287.22; 287.2205; 289A.02, subdivision 7; 289A.08, subdivision 11; 289A.09, subdivision 2; 289A.12, subdivisions 4, 14; 289A.18, subdivision 1; 289A.20, subdivision 4; 289A.38, subdivision 7; 289A.40, subdivision 2; 289A.56, by adding a

subdivision; 289A.60, subdivisions 8, 12, 15, 25, 27, by adding subdivisions; 290.01, subdivisions 19a, 19c, 19d; 290.06, subdivisions 2c, 33; 290.067, subdivision 2b; 290.0671, subdivision 7; 290.0677, subdivision 1; 290.091, subdivision 3; 290.0921, subdivision 3; 290.10; 290.17, subdivision 2; 290.191, subdivision 8; 290.92, by adding a subdivision; 290A.03, subdivision 7; 290B.03, subdivision 2; 290C.02, subdivision 3; 290C.04; 290C.05; 290C.07; 290C.11; 291.005, subdivision 1; 291.215, subdivision 1; 295.52, subdivisions 4, 4a; 295.54, subdivision 2; 296A.18, subdivision 4; 297A.61, subdivisions 3, 4, 7, 10, 24, by adding subdivisions; 297A.63, subdivision 1; 297A.665; 297A.668, by adding a subdivision; 297A.669, subdivisions 3, 13, 14, by adding subdivisions; 297A.67, subdivisions 7, 8, 9; 297A.68, subdivisions 11, 16, 35; 297A.69, subdivision 2; 297A.70, subdivision 7, by adding a subdivision; 297A.72; 297A.90, subdivision 2; 297A.99, subdivision 1; 297B.035, subdivision 1; 297F.06, subdivision 4; 297F.09, subdivision 10; 297F.21, subdivision 3; 297F.25, by adding a subdivision; 297G.09, subdivision 9; 297I.06, subdivisions 1, 2; 297I.15, by adding a subdivision; 297I.20, subdivision 2; 297I.40, subdivision 5; 331A.05, subdivision 2; 360.031; 365A.02; 365A.04; 365A.08; 365A.095; 373.01, subdivision 3; 373.40, subdivision 4; 375B.09; 383A.80, subdivision 4; 383A.81, subdivisions 1, 2; 383B.117, subdivision 2; 383B.77, subdivisions 1, 2; 383B.80, subdivision 4; 410.32; 412.301; 435.193; 453A.02, subdivision 3; 469.169, by adding a subdivision; 469.1734, subdivision 6; 469.174, subdivisions 10, 10a; 469.175, subdivisions 1, 3; 469.176, subdivisions 1, 2, 4l, 7; 469.1761, subdivision 1; 469.1763, subdivision 2; 469.177, subdivision 1; 469.178, subdivision 7; 469.1791, subdivision 3; 473.39, by adding subdivisions; 475.51, subdivision 4; 475.52, subdivision 6; 475.53, subdivision 1; 475.58, subdivisions 1, 3b; 477A.011, subdivision 36; 477A.013, subdivisions 8, 9; Minnesota Statutes 2007 Supplement, sections 270A.03, subdivision 5; 272.02, subdivision 64; 273.124, subdivision 14; 275.065, subdivision 3; 290.01, subdivisions 19, 19b, 31; 290A.03, subdivision 15; 424A.10, subdivision 3; Laws 1973, chapter 393, section 1, as amended; Laws 1980, chapter 511, section 1, subdivision 2, as amended; Laws 1988, chapter 645, section 3, as amended; Laws 1989, chapter 211, section 8, subdivision 4, as amended; Laws 1993, chapter 375, article 9, section 45, subdivisions 2, as amended, 3, as amended, 4, as amended; Laws 1994, chapter 587, article 9, section 14, subdivisions 1, 2, 3; Laws 1995, chapter 264, article 5, sections 44, subdivision 4, as amended; 45, subdivision 1, as amended; Laws 1999, chapter 243, article 4, section 18, subdivisions 1, 3, 4; Laws 2003, chapter 128, article 1, section 172, as amended; Laws 2005, First Special Session chapter 3, article 5, section 39; article 10, section 23, as amended; Laws 2006, chapter 259, article 11, section 3; proposing coding for new law in Minnesota Statutes, chapters 270; 270C; 273; 274; 290C; 297A; 360; 383C; 383D; 383E; 471; 475; repealing Minnesota Statutes 2006, sections 16A.1522; 270.073; 270.41, subdivision 4; 270.43; 270.51; 270.52; 270.53; 295.60; 297A.61, subdivision 20; 297A.668, subdivision 6; 297A.67, subdivision 22; 469.174, subdivision 29; Laws 1973, chapter 393, section 2; Laws 1994, chapter 587, article 9, section 8, subdivision 1, as amended; Laws 1998, chapter 389, article 11, section 18.

Referred to the Committee on Taxes.

**Senator Prettnner Solon introduced—**

**S.F. No. 2936:** A bill for an act relating to real property; modifying certain plat requirements; amending Minnesota Statutes 2006, sections 505.20; 508.47, subdivision 4; 508A.47, subdivision 4; Minnesota Statutes 2007 Supplement, sections 505.01, subdivision 3; 505.021, subdivisions 8, 10.

Referred to the Committee on Judiciary.

**Senators Olseen, Carlson, Dibble, Jungbauer and Michel introduced—**

**S.F. No. 2937:** A bill for an act relating to municipalities; authorizing municipalities to establish street improvement districts and apportion street improvement fees within districts; requiring adoption of street improvement plan; authorizing collection of fees; proposing coding for new law in Minnesota Statutes, chapter 435.

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

**Senators Doll, Carlson and Jungbauer introduced—**

**S.F. No. 2938:** A bill for an act relating to taxation; exempting two-wheel, motorized vehicles from wheelage tax levied by metropolitan counties; making clarifying changes; amending Minnesota Statutes 2006, section 163.051, subdivision 1.

Referred to the Committee on Taxes.

**Senators Doll, Prettner Solon, Sparks and Rosen introduced—**

**S.F. No. 2939:** A bill for an act relating to telecommunications; modifying provisions relating to alternative regulation plans; amending Minnesota Statutes 2006, section 237.766, by adding a subdivision.

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

**Senators Carlson, Wiger, Rummel and Hann introduced—**

**S.F. No. 2940:** A bill for an act relating to education; clarifying, amending, and repealing certain education provisions; analyzing state and district reporting systems; amending Minnesota Statutes 2006, sections 205A.03, subdivision 1; 205A.06, subdivision 1a; Minnesota Statutes 2007 Supplement, section 123B.143, subdivision 1; repealing Minnesota Statutes 2006, section 120A.40.

Referred to the Committee on Education.

**Senators Marty and Clark introduced—**

**S.F. No. 2941:** A bill for an act relating to health; changing provisions for prescribing legend drugs; amending Minnesota Statutes 2007 Supplement, section 151.37, subdivision 2.

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

**Senator Pappas introduced—**

**S.F. No. 2942:** A bill for an act relating to higher education; removing a surplus appropriation sunset provision; amending Minnesota Statutes 2007 Supplement, section 136A.121, subdivision 7a.

Referred to the Committee on Finance.

**Senators Olson, M.; Anderson; Rummel; Sheran and Koering introduced—**

**S.F. No. 2943:** A bill for an act relating to natural resources; providing a process for designating star lakes or rivers; creating a Star Lake Board as a nonprofit corporation; allowing for the placement of star lake or river signs on highways; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 103B; 173.

Referred to the Committee on Environment and Natural Resources.

**Senators Rummel, Prettner Solon, Torres Ray, Scheid and Sieben introduced—**

**S.F. No. 2944:** A bill for an act relating to health; establishing a standard of protection for the risk of cancer and requiring modification of rules; proposing coding for new law in Minnesota Statutes, chapter 144.

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

**Senators Koering, Erickson Ropes and Skogen introduced—**

**S.F. No. 2945:** A bill for an act relating to veterans; designating July 27 as Korean War Veterans Day; proposing coding for new law in Minnesota Statutes, chapter 197.

Referred to the Committee on Agriculture and Veterans.

**Senators Skogen and Vickerman introduced—**

**S.F. No. 2946:** A bill for an act relating to human services; increasing payment rates for nursing facilities in Fergus Falls and Luverne to the geographic group III median rate; amending Minnesota Statutes 2006, section 256B.434, by adding a subdivision.

Referred to the Committee on Finance.

**Senator Skogen introduced—**

**S.F. No. 2947:** A bill for an act relating to human services; increasing payment rates for a nursing facility in Otter Tail County to the geographic group III median rate; amending Minnesota Statutes 2006, section 256B.434, by adding a subdivision.

Referred to the Committee on Finance.

**Senator Larson introduced—**

**S.F. No. 2948:** A bill for an act relating to public employment; repealing final offer total package arbitration procedures for professional firefighters; repealing Minnesota Statutes 2006, section 179A.16, subdivision 7a.

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

**Senators Rosen, Prettner Solon, Senjem, Anderson and Dibble introduced—**

**S.F. No. 2949:** A bill for an act relating to energy; enacting local renewable energy initiative to finance small-scale renewable energy projects; authorizing sale and issuance of revenue bonds; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 216C.

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

**Senators Tomassoni, Sparks and Metzen introduced—**

**S.F. No. 2950:** A bill for an act relating to State Lottery; authorizing the director of the State Lottery to establish video lottery terminals; providing duties and powers to the director of the State Lottery; providing for the use of video lottery revenues; modifying certain lawful gambling taxes; making clarifying, conforming, and technical changes; amending Minnesota Statutes 2006, sections 297A.94; 297E.02, subdivision 1; 299L.02, subdivision 1; 299L.07, subdivisions 2, 2a; 340A.410, subdivision 5; 349.15, subdivision 1, as amended; 349A.01, subdivisions 10, 11, 12, by adding subdivisions; 349A.04; 349A.06, subdivisions 1, 5, 8, 10, by adding subdivisions; 349A.08, subdivisions 1, 5, 8; 349A.09, subdivision 1; 349A.10, subdivisions 2, 3, 4, 6; 349A.11, subdivision 1; 349A.12, subdivisions 1, 2; 349A.13; 541.20; 541.21; 609.651, subdivision 1; 609.75, subdivisions 3, 4; 609.761, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 297A; 349A; repealing Minnesota Statutes 2006, sections 297E.01, subdivision 7; 297E.02, subdivisions 4, 6, 7.

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

**Senators Larson, Michel, Bakk, Saxhaug and Moua introduced—**

**S.F. No. 2951:** A bill for an act relating to taxation; providing an equity and opportunity in education tax credit; amending Minnesota Statutes 2006, section 290.01, subdivisions 19a, 19c; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes.

**Senator Anderson introduced—**

**S.F. No. 2952:** A bill for an act relating to capital investment; authorizing spending to acquire and better public land and buildings and other improvements of a capital nature; authorizing the issuance of state bonds; appropriating money for grants to political subdivisions for capital projects for the beneficial use of wastewater; proposing coding for new law in Minnesota Statutes, chapter 116.

Referred to the Committee on Finance.

**Senators Anderson, Dibble, Prettner Solon and Olson, M. introduced—**

**S.F. No. 2953:** A bill for an act relating to consumer protection; limiting customer liability for the unauthorized use of lost or stolen cellular phones; proposing coding for new law in Minnesota Statutes, chapter 325F.

Referred to the Committee on Commerce and Consumer Protection.

**Senators Ingebrigtsen and Pariseau introduced—**

**S.F. No. 2954:** A bill for an act relating to game and fish; authorizing an earlier open season in certain areas for spearing fish; amending Minnesota Statutes 2006, section 97C.371, subdivision 4.

Referred to the Committee on Environment and Natural Resources.

**Senator Dibble introduced—**

**S.F. No. 2955:** A bill for an act relating to human services; providing a rate increase for a nursing facility in Minneapolis; appropriating money; amending Minnesota Statutes 2006, section 256B.441, by adding a subdivision.

Referred to the Committee on Finance.

**Senators Olson, M.; Erickson Ropes; Carlson; Torres Ray and Sheran introduced—**

**S.F. No. 2956:** A bill for an act relating to health; establishing a voluntary statewide pool to provide health benefits to eligible members; providing for the administration and oversight of the pool; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 62U.

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

**Senators Prettner Solon, Bakk, Tomassoni, Langseth and Pappas introduced—**

**S.F. No. 2957:** A bill for an act relating to capital improvements; appropriating money for civil engineering addition at the University of Minnesota Duluth; authorizing the sale and issuance of state bonds.

Referred to the Committee on Finance.

**Senators Prettner Solon; Olson, M.; Fischbach; Sheran and Rosen introduced—**

**S.F. No. 2958:** A bill for an act relating to human services; expanding rural hospital payment adjustment to include all diagnosis-related groups; amending Minnesota Statutes 2006, sections 256.969, subdivision 26; 256B.195, subdivision 1.

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

**Senators Prettner Solon, Koering, Lourey, Clark and Erickson Ropes introduced—**

**S.F. No. 2959:** A bill for an act relating to human services; expanding the rural hospital payment adjustment to include additional diagnosis-related groups; amending Minnesota Statutes 2006, sections 256.969, subdivision 26; 256B.195, subdivision 1.

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

**Senators Higgins, Koering and Berglin introduced–**

**S.F. No. 2960:** A bill for an act relating to human services; prohibiting certain detainees from receiving MinnesotaCare; amending Minnesota Statutes 2007 Supplement, section 256L.04, subdivision 12.

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

**Senator Carlson introduced–**

**S.F. No. 2961:** A bill for an act relating to transportation; authorizing sale of state transportation bonds; appropriating money for completion of the Ring Road project in the city of Eagan.

Referred to the Committee on Finance.

**Senators Moua, Lourey, Doll, Lynch and Koering introduced–**

**S.F. No. 2962:** A bill for an act relating to human services; clarifying senior nutrition appropriations; amending Laws 2007, chapter 147, article 19, section 3, subdivision 8.

Referred to the Committee on Finance.

**Senators Kubly, Sheran and Pappas introduced–**

**S.F. No. 2963:** A bill for an act relating to capital investment; authorizing spending to acquire and better public land and buildings and other improvements of a capital nature; authorizing the issuance of state bonds; appropriating money for dairy facilities at the University of Minnesota West Central Research and Outreach Station.

Referred to the Committee on Finance.

**Senators Torres Ray, Anderson, Frederickson, Scheid and Wiger introduced–**

**S.F. No. 2964:** A bill for an act relating to early childhood education; modifying adult basic education aid; amending Minnesota Statutes 2006, sections 124D.522; 124D.55; Minnesota Statutes 2007 Supplement, section 124D.531, subdivision 1.

Referred to the Committee on Finance.

**Senators Higgins, Marty, Moua and Pappas introduced–**

**S.F. No. 2965:** A bill for an act relating to children; regulating gestational carrier arrangements; proposing coding for new law in Minnesota Statutes, chapter 257.

Referred to the Committee on Judiciary.

**Senators Rest, Scheid, Higgins, Foley and Latz introduced–**

**S.F. No. 2966:** A bill for an act relating to capital investment; appropriating money for an alternatives analysis, draft environmental impact study and property acquisition for the Bottineau

Transitway Corridor; authorizing the sale and issuance of general obligation bonds.

Referred to the Committee on Finance.

**Senator Higgins introduced—**

**S.F. No. 2967:** A bill for an act relating to local government; authorizing the Minneapolis Park and Recreation Board and the city of Minneapolis to adopt standards for dedication of land to the public or a payment of a dedication fee on certain new commercial and industrial development; amending Laws 2006, chapter 269, section 2.

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

**Senators Prettner Solon, Marty, Higgins, Dibble and Sheran introduced—**

**S.F. No. 2968:** A bill for an act relating to health occupations; establishing a regulation system for technicians performing body art procedures and for body art establishments; adopting penalty fees; proposing coding for new law as Minnesota Statutes, chapter 146B.

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

**Senator Betzold introduced—**

**S.F. No. 2969:** A bill for an act relating to retirement; amending postretirement provisions; providing for the dissolution of the Minnesota postretirement investment fund; amending Minnesota Statutes 2006, section 11A.18, subdivision 9, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 11A.

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

**Senators Skogen, Skoe, Koering and Olson, M. introduced—**

**S.F. No. 2970:** A bill for an act relating to public finance; altering the school district referendum market value tax base; modifying the taxation of seasonal recreational property; amending Minnesota Statutes 2006, sections 126C.01, subdivision 3; 275.025, subdivisions 1, 4; repealing Minnesota Statutes 2006, section 275.025, subdivision 3.

Referred to the Committee on Finance.

**Senators Rosen, Sheran and Prettner Solon introduced—**

**S.F. No. 2971:** A bill for an act relating to public safety; appropriating money for family substance abuse treatment services.

Referred to the Committee on Finance.

**Senators Rummel, Anderson, Carlson and Stumpf introduced—**

**S.F. No. 2972:** A bill for an act relating to capital investments; authorizing the sale and issuance of state bonds; appropriating money for grants for the design of renewable energy projects in K-12



public schools.

Referred to the Committee on Finance.

**Senators Rummel, Saltzman and Anderson introduced–**

**S.F. No. 2973:** A bill for an act relating to waters; providing for sustainable water use; requiring conservation rate structures; requiring drinking water emergency ordinance; requiring sharing groundwater information; creating Pollution Control Agency ombudsman for groundwater pollution education and assistance; increasing certain fees; requiring conservation pricing for industrial and commercial users; requiring a report; amending Minnesota Statutes 2006, sections 103G.101, subdivision 1; 103G.291, by adding a subdivision; 144.3831, subdivision 1; 444.075, subdivisions 1, 3, 3a; Minnesota Statutes 2007 Supplement, section 103G.291, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 103G; 103H; 116.

Referred to the Committee on Environment and Natural Resources.

**Senators Rummel and Anderson introduced–**

**S.F. No. 2974:** A bill for an act relating to energy; providing an income or franchise tax credit for installation of solar thermal equipment; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 290.

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

**Senator Higgins introduced–**

**S.F. No. 2975:** A bill for an act relating to taxes; providing a tax credit to employers that employ persons with criminal records; amending Minnesota Statutes 2006, section 290.06, by adding a subdivision.

Referred to the Committee on Taxes.

**Senator Saxhaug introduced–**

**S.F. No. 2976:** A bill for an act relating to natural resources; modifying requirements for alternative recording for state forest roads; amending Minnesota Statutes 2006, section 89.715.

Referred to the Committee on Environment and Natural Resources.

**Senator Saxhaug introduced–**

**S.F. No. 2977:** A bill for an act relating to state lands; providing for expedited exchanges of public land; modifying wetlands for wildlife acquisition procedure; amending Minnesota Statutes 2006, section 97A.145, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 94.

Referred to the Committee on Environment and Natural Resources.

**Senator Saxhaug introduced—**

**S.F. No. 2978:** A bill for an act relating to natural resources; modifying campfire provisions; amending Minnesota Statutes 2006, section 88.15, subdivision 2.

Referred to the Committee on Environment and Natural Resources.

**Senator Stumpf introduced—**

**S.F. No. 2979:** A bill for an act relating to auctioneers; exempting auctioneers from certain requirements applicable to professional fund-raisers; amending Minnesota Statutes 2006, section 309.515, subdivision 1.

Referred to the Committee on Commerce and Consumer Protection.

**Senator Dahle introduced—**

**S.F. No. 2980:** A bill for an act relating to insurance; homeowners; regulating flood insurance coverage; requiring disclosures of noncoverage; proposing coding for new law in Minnesota Statutes, chapter 65A.

Referred to the Committee on Commerce and Consumer Protection.

**Senators Sparks, Prettner Solon, Kubly, Senjem and Murphy introduced—**

**S.F. No. 2981:** A bill for an act relating to energy; clarifying definition of eligible energy technologies for purposes of the renewable energy standard; amending Minnesota Statutes 2007 Supplement, section 216B.1691, subdivision 1.

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

**Senators Larson, Wergin and Pogemiller introduced—**

**S.F. No. 2982:** A bill for an act relating to retirement; modifying the investment-related postretirement adjustment of the Minneapolis firefighters relief association by correcting; providing an additional cost-of-living unit to members of the Minneapolis firefighters relief association upon achieving 110 percent funding; amending Minnesota Statutes 2006, section 423C.05, by adding subdivisions.

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

**Senator Vickerman introduced—**

**S.F. No. 2983:** A bill for an act relating to agriculture; authorizing certain administrative actions related to pesticide and fertilizer regulation; amending Minnesota Statutes 2006, section 18D.305, subdivision 2.

Referred to the Committee on Agriculture and Veterans.

**Senators Ortman and Senjem introduced—**

**S.F. No. 2984:** A bill for an act relating to real property; modifying the right of reinstatement and other provisions relating to mortgage foreclosure; amending Minnesota Statutes 2006, sections 580.30; 582.27, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 582.

Referred to the Committee on Judiciary.

**Senator Skogen introduced—**

**S.F. No. 2985:** A bill for an act relating to state lands; modifying Minnesota critical habitat private sector matching account; modifying outdoor recreation system; adding to and deleting from state parks, recreation areas, and forests; providing for public and private sales, conveyances, and exchanges of certain state land; amending Minnesota Statutes 2006, sections 84.943, subdivision 5; 86A.04; 86A.08, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

**Senator Murphy introduced—**

**S.F. No. 2986:** A bill for an act relating to capital improvements; appropriating money for asset preservation at Minnesota State College-Southeast Technical, Red Wing; authorizing the sale and issuance of state bonds.

Referred to the Committee on Finance.

**Senator Murphy introduced—**

**S.F. No. 2987:** A bill for an act relating to transportation; requiring transportation contracts to specify use of approved products and materials; proposing coding for new law in Minnesota Statutes, chapter 161.

Referred to the Committee on Transportation.

**Senators Olseen, Murphy, Saltzman, Wiger and Hann introduced—**

**S.F. No. 2988:** A bill for an act relating to pupil transportation; establishing qualifications for type III school bus drivers; providing criminal penalties; authorizing rulemaking; amending Minnesota Statutes 2006, sections 169.454, subdivision 13; 169A.31; 171.02, by adding subdivisions.

Referred to the Committee on Education.

**Senators Prettner Solon, Anderson and Dibble introduced—**

**S.F. No. 2989:** A bill for an act relating to public safety; modifying provisions related to the transfer of pistols or semiautomatic military-style assault weapons; amending Minnesota Statutes 2006, sections 624.7131, subdivisions 1, 4, 7; 624.7132, subdivisions 1, 3, 4, 5, 6, 12, 13, by adding subdivisions; repealing Minnesota Statutes 2006, sections 624.7131, subdivision 10; 624.7132,

subdivisions 8, 10, 14.

Referred to the Committee on Judiciary.

**Senator Dahle introduced—**

**S.F. No. 2990:** A bill for an act relating to transit; removing restrictions on Dan Patch commuter rail line planning and development; repealing Laws 2002, chapter 393, section 85.

Referred to the Committee on Transportation.

**Senators Murphy and Carlson introduced—**

**S.F. No. 2991:** A bill for an act relating to transportation; changing provisions relating to disclosure of construction project cost estimates and proposal scoring; amending design-build transportation project provisions; requiring compensation for certain Technical Review Committee members; modifying provisions relating to design-build requests for proposals, scoring, project awards, and protests; requiring disclosure of reasons for change in stipulated fee; requiring rejection of nonresponsive proposals; amending Minnesota Statutes 2006, sections 13.72, subdivisions 1, 11; 161.3420, subdivisions 2, 3, 4; 161.3422; 161.3426, subdivisions 1, 3, 4; repealing Minnesota Statutes 2006, section 161.3426, subdivision 2.

Referred to the Committee on Transportation.

**Senators Stumpf, Torres Ray, Wiger and Robling introduced—**

**S.F. No. 2992:** A bill for an act relating to education funding; increasing reimbursement to schools for the school milk program; amending Minnesota Statutes 2006, section 124D.118, subdivision 4.

Referred to the Committee on Finance.

**Senators Erickson Ropes and Lynch introduced—**

**S.F. No. 2993:** A bill for an act relating to capital investment; authorizing spending to acquire and better public land and buildings and other improvements of a capital nature; appropriating money for the Chatfield Brass Band Library.

Referred to the Committee on Finance.

**Senators Erickson Ropes, Moua and Chaudhary introduced—**

**S.F. No. 2994:** A bill for an act relating to agriculture; expanding access to pesticides application information; amending Minnesota Statutes 2006, sections 13.6435, subdivision 3; 18B.37, subdivisions 2, 5.

Referred to the Committee on Agriculture and Veterans.

**Senators Bonoff, Hann, Latz, Michel and Murphy introduced—**

**S.F. No. 2995:** A bill for an act relating to transportation; appropriating money for U.S. Highway 169 and Bren Road/Londonderry Road interchange design; authorizing sale of trunk highway bonds.

Referred to the Committee on Finance.

**Senator Rummel introduced—**

**S.F. No. 2996:** A bill for an act relating to energy and the environment; extending the definition of biomass with respect to renewable energy objectives, distributed energy resources, and renewable energy resource planning; extending the expiration date for the Metropolitan Area Water Supply Advisory Committee; amending Minnesota Statutes 2006, sections 216B.2411, subdivision 2; 216B.2422, subdivision 1; 473.1565, subdivision 2; Minnesota Statutes 2007 Supplement, section 216B.1691, subdivision 1.

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

**Senator Betzold introduced—**

**S.F. No. 2997:** A bill for an act relating to retirement; Teachers Retirement Association; extending the "Rule of 90" benefit tier to post-1989 hires; amending Minnesota Statutes 2006, sections 354.05, subdivision 38; 354.42, subdivisions 2, 3; 354.44, subdivision 1; Minnesota Statutes 2007 Supplement, section 354.44, subdivision 6.

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

**Senator Betzold introduced—**

**S.F. No. 2998:** A bill for an act relating to retirement; authorizing certain voluntary deductions from persons entitled to receive an annuity from certain public pension funds; proposing coding for new law in Minnesota Statutes, chapter 356.

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

**Senators Anderson; Olson, M.; Marty and Scheid introduced—**

**S.F. No. 2999:** A bill for an act relating to health; establishing the "Safe Cosmetics Act"; requiring manufacturers of cosmetics to disclose cancer causing ingredients; proposing coding for new law in Minnesota Statutes, chapter 325F.

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

**Senators Latz and Marty introduced—**

**S.F. No. 3000:** A bill for an act relating to health professions; modifying complementary and alternative health care practices; amending Minnesota Statutes 2007 Supplement, section 146A.08, subdivision 1.

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

**Senator Wiger introduced—**

**S.F. No. 3001:** A bill for an act relating to education; providing for prekindergarten through grade 12 education, including general education, education excellence, special programs, libraries, and self-sufficiency and lifelong learning; amending Minnesota Statutes 2006, sections 13.32, by adding a subdivision; 120A.05, subdivision 10a; 120B.02; 120B.023, subdivision 2; 120B.131, subdivision 2; 120B.31, subdivision 4; 122A.07, subdivisions 2, 3; 122A.60; 122A.61, subdivision 1; 123B.14, subdivision 7; 123B.36, subdivision 1; 123B.37, subdivision 1; 123B.77, subdivision 3; 123B.81, subdivisions 3, 5; 123B.83, subdivision 3; 124D.10, subdivisions 2a, 4a, 6a, 7, 8, 23; 124D.522; 124D.55; 124D.60, subdivision 1; 125A.744, subdivision 3; 125B.07, by adding a subdivision; 126C.40, subdivision 6; 134.31, subdivision 6, by adding a subdivision; Minnesota Statutes 2007 Supplement, sections 120B.021, subdivision 1; 120B.15; 120B.30, subdivisions 1, 1a; 123B.81, subdivision 4; 124D.095, subdivision 4; 124D.10, subdivisions 4, 23a; 125A.56; 126C.10, subdivision 34; 127A.49, subdivisions 2, 3; 134.31, subdivision 4a.

Referred to the Committee on Education.

**Senators Scheid, Betzold, Moua, Ortman and Olson, M. introduced—**

**S.F. No. 3002:** A bill for an act relating to civil law; extending civil immunity to municipalities that donate public safety equipment; amending Minnesota Statutes 2006, section 466.03, by adding a subdivision.

Referred to the Committee on Judiciary.

**MOTIONS AND RESOLUTIONS - CONTINUED**

Remaining on the Order of Business of Motions and Resolutions, Senator Pogemiller moved that the Senate take up the Consent Calendar. The motion prevailed.

**CONSENT CALENDAR**

**S.F. No. 2428:** A bill for an act relating to local government; allowing meetings and events after 6:00 p.m. on March 4, 2008.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dibble	Hann	Latz	Olseen
Bakk	Dille	Higgins	Limmer	Olson, G.
Betzold	Doll	Ingebrigtsen	Lourey	Olson, M.
Bonoff	Erickson Ropes	Johnson	Lynch	Ortman
Carlson	Fischbach	Jungbauer	Marty	Pappas
Chaudhary	Foley	Koch	Metzen	Pariseau
Clark	Frederickson	Kubly	Michel	Pogemiller
Dahle	Gerlach	Langseth	Moua	Prettner Solon
Day	Gimse	Larson	Murphy	Rest

Robling  
Rosen  
Rummel  
Saltzman

Saxhaug  
Scheid  
Senjem  
Sheran

Skoe  
Skogen  
Sparks  
Stumpf

Tomassoni  
Torres Ray  
Vandever  
Vickerman

Wergin  
Wiger

So the bill passed and its title was agreed to.

### **MOTIONS AND RESOLUTIONS - CONTINUED**

Pursuant to Rule 26, Senator Pogemiller, Chair of the Committee on Rules and Administration, designated S.F. No. 2521 a Special Order to be heard immediately.

### **SPECIAL ORDER**

**S.F. No. 2521:** A bill for an act relating to transportation finance; appropriating money for transportation activities; providing funding for highway maintenance, debt service, and local roads; appropriating funds for emergency relief related to the I-35W bridge collapse; establishing a trunk highway bridge improvement program; requiring a study of value capture to reduce the public costs of large transportation infrastructure investment; authorizing sale and issuance of bonds for highways; modifying motor vehicle registration and motor fuel taxes; creating a motor fuels tax credit; allocating motor vehicle lease tax revenues; providing for local transportation sales taxes; modifying county state aid highway fund revenue allocation; prohibiting tolling or privatization of existing transportation facilities; modifying provisions related to various transportation-related funds and accounts; amending Minnesota Statutes 2006, sections 160.84, subdivision 1; 161.081, subdivision 3; 162.06; 162.07, subdivision 1, by adding subdivisions; 168.013, subdivision 1a; 171.29, subdivision 2; 290.06, by adding a subdivision; 296A.07, subdivision 3; 296A.08, subdivision 2; 297A.64, subdivision 2; 297A.815, by adding a subdivision; 297A.99, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 160; 165; 296A; 297A; 398A.

Senator Pogemiller moved that S.F. No. 2521 be laid on the table. The motion prevailed.

### **RECESS**

Senator Pogemiller moved that the Senate do now recess until 2:15 p.m. The motion prevailed.

The hour of 2:15 p.m. having arrived, the President called the Senate to order.

### **CALL OF THE SENATE**

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

### **MOTIONS AND RESOLUTIONS - CONTINUED**

Senator Pogemiller moved that S.F. No. 2521 be taken from the table. The motion prevailed.

### **RECESS**

Senator Pogemiller moved that the Senate do now recess subject to the call of the President. The

motion prevailed.

After a brief recess, the President called the Senate to order.

The Senate resumed consideration of S.F. No. 2521.

#### **RECESS**

Senator Pogemiller moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

Senator Pogemiller moved that S.F. No. 2521 be laid on the table. The motion prevailed.

#### **RECESS**

Senator Pogemiller moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

### **MOTIONS AND RESOLUTIONS - CONTINUED**

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Orders of Business of Messages From the House and First Reading of House Bills.

### **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. 2800.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted February 21, 2008

### **FIRST READING OF HOUSE BILLS**

The following bill was read the first time.

**H.F. No. 2800:** A bill for an act relating to transportation finance; appropriating money for transportation activities; providing funding for highway maintenance, debt service, and local roads; appropriating funds for emergency relief related to the I-35W bridge collapse; establishing a trunk highway bridge improvement program; requiring a study of value capture to reduce the public costs of large transportation infrastructure investment; authorizing sale and issuance of bonds; modifying motor vehicle registration and motor fuel taxes; establishing annual surcharge on motor fuel taxes; creating a motor fuels tax credit; allocating motor vehicle lease tax revenues; providing for local transportation sales taxes; modifying county state-aid highway fund revenue



allocation; prohibiting tolling or privatization of existing transportation facilities; establishing bridge improvement program; modifying driver's license reinstatement fee provisions; regulating certain transit funding activities; modifying provisions related to various transportation-related funds and accounts; establishing a task force; requiring reports; amending Minnesota Statutes 2006, sections 160.84, subdivision 1; 161.081, subdivision 3; 162.06; 162.07, subdivision 1, by adding subdivisions; 168.013, subdivision 1a; 171.29, subdivision 2; 290.06, by adding a subdivision; 296A.07, subdivision 3; 296A.08, subdivision 2; 297A.64, subdivision 2; 297A.815, by adding a subdivision; 297A.99, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 160; 165; 296A; 297A; 398A.

### CALL OF THE SENATE

Senator Pogemiller imposed a call of the Senate for the balance of the proceedings on H.F. No. 2800. The Sergeant at Arms was instructed to bring in the absent members.

### SUSPENSION OF RULES

Senator Pogemiller moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 2800 and that the rules of the Senate be so far suspended as to give H.F. No. 2800 its second and third reading and place it on its final passage.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 45 and nays 21, as follows:

Those who voted in the affirmative were:

Anderson	Dahle	Latz	Pappas	Sieben
Bakk	Dibble	Lourey	Pogemiller	Skoe
Berglin	Doll	Lynch	Prettner Solon	Skogen
Betzold	Erickson Ropes	Marty	Rest	Sparks
Bonoff	Foley	Metzen	Rummel	Stumpf
Carlson	Higgins	Moua	Saltzman	Tomassoni
Chaudhary	Kubly	Murphy	Saxhaug	Torres Ray
Clark	Langseth	Olseen	Scheid	Vickerman
Cohen	Larson	Olson, M.	Sheran	Wiger

Those who voted in the negative were:

Day	Gimse	Koering	Pariseau	Wergin
Dille	Hann	Limmer	Robling	
Fischbach	Ingebrigtsen	Michel	Rosen	
Frederickson	Jungbauer	Olson, G.	Senjem	
Gerlach	Koch	Ortman	Vandever	

The motion prevailed.

H.F. No. 2800 was read the second time.

Senator Vandever moved to amend H.F. No. 2800 as follows:

Page 18, delete article 4

Adjust amounts accordingly

Renumber the articles in sequence and correct internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 19 and nays 47, as follows:

Those who voted in the affirmative were:

Day	Gimse	Koch	Ortman	Senjem
Fischbach	Hann	Limmer	Pariseau	Vandever
Frederickson	Ingebrigtsen	Michel	Robling	Wergin
Gerlach	Jungbauer	Olson, G.	Rosen	

Those who voted in the negative were:

Anderson	Dibble	Latz	Pogemiller	Skogen
Bakk	Dille	Lourey	Prettner Solon	Sparks
Berglin	Doll	Lynch	Rest	Stumpf
Betzold	Erickson Ropes	Marty	Rummel	Tomassoni
Bonoff	Foley	Metzen	Saltzman	Torres Ray
Carlson	Higgins	Moua	Saxhaug	Vickerman
Chaudhary	Koering	Murphy	Scheid	Wiger
Clark	Kubly	Olseen	Sheran	
Cohen	Langseth	Olson, M.	Sieben	
Dahle	Larson	Pappas	Skoe	

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

Senator Robling moved to amend H.F. No. 2800 as follows:

Page 19, line 23, delete everything after "law,"

Page 19, line 24, delete everything before "(1)" and insert "there is imposed:"

Page 20, line 1, delete "Before imposing the taxes authorized in" and insert "Each county in which the taxes in subdivision 2 are imposed"

Page 20, line 2, delete everything before "must"

Page 23, delete lines 32 to 35

Page 24, after line 20, insert:

"Sec. 4. **EFFECTIVE DATE; BALLOT QUESTION; EXPIRATION.**

(a) Section 2 is effective for each eligible county upon approval by a majority of its voters who vote on the question at the general election in November 2008, and upon compliance with Minnesota Statutes, section 645.021, subdivision 3, by the county's chief clerical officer, and subdivision 2 applies to sales made on and after April 1, 2009. The question on the ballot must state the name of the county and must be:

"Shall an additional tax of one-quarter of one percent be imposed until 2028 on sales in the county of ..... to pay for transportation improvements in the county and in other metropolitan transportation area counties whose voters elect to impose the tax?"

Yes .....

No ....."

(b) Sections 2 and 3 expire June 30, 2028."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 43, as follows:

Those who voted in the affirmative were:

Day	Gimse	Koch	Ortman	Senjem
Dille	Hann	Koering	Pariseau	Sheran
Fischbach	Ingebrigtsen	Limmer	Rest	Vandever
Frederickson	Johnson	Michel	Robling	Wergin
Gerlach	Jungbauer	Olson, G.	Rosen	

Those who voted in the negative were:

Anderson	Dahle	Latz	Pappas	Skogen
Bakk	Dibble	Lourey	Pogemiller	Sparks
Berglin	Doll	Lynch	Prettner Solon	Stumpf
Betzold	Erickson Ropes	Marty	Rummel	Tomassoni
Bonoff	Foley	Metzen	Saltzman	Torres Ray
Carlson	Higgins	Moua	Saxhaug	Vickerman
Chaudhary	Kubly	Murphy	Scheid	Wiger
Clark	Langseth	Olseen	Sieben	
Cohen	Larson	Olson, M.	Skoe	

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

Senator Jungbauer moved to amend H.F. No. 2800 as follows:

Page 38, after line 24, insert:

"Sec. 10. **REBATE OF TRANSPORTATION COSTS.**

Subdivision 1. **Transportation revenues.** The commissioner of finance shall annually calculate and report to all executive agency commissioners on or before August 1, the total amount of revenues attributable to:

(1) that portion of the gasoline excise tax rate under section 296A.07, subdivision 3, in excess of 20 cents per gallon, and to that portion of the excise tax rates in excess of the energy equivalent of a gasoline excise tax rate of 20 cents per gallon for E85 and M85 under section 296A.07, subdivision 3, and special fuel under section 296A.08, subdivision 2; and

(2) a change in the passenger vehicle registration tax under section 168.013, imposed on or after July 1, 2008, that exceeds (i) the amount collected in fiscal year 2008, multiplied by (ii) the annual average United States Consumer Price Index for the calendar year previous to the current calendar year, divided by the annual average United States Consumer Price Index for calendar year 2007, in the previous fiscal year.

Subd. 2. **Agency budgets.** The commissioner of finance shall calculate the total general fund budgets of all state agencies, excluding the Department of Transportation, for the previous fiscal year. Of that total, the commissioner shall calculate each agency proportional share so that when all agency proportional shares are added together, they total the amount calculated under subdivision 1.

Subd. 3. **Budget reductions.** On or before August 1, the commissioner of finance shall inform each state agency commissioner, excluding the commissioner of transportation, the amount of that agency's proportional share under subdivision 2. Each agency commissioner shall reduce its fiscal year budgeted general fund appropriations in an amount equal to the agency's proportional share, and shall report the reductions to the commissioners of finance and revenue.

Subd. 4. **Income tax rebate.** The commissioner of revenue shall design an annual rebate program to rebate to the state's taxpayers on an annual basis, a total amount equal to the total calculated under subdivision 1. An individual taxpayer who has attained the age of 18 by the end of the taxable year and cannot be claimed as a dependent on another taxpayer's return is eligible to receive a rebate program.

Subd. 5. **Appropriation.** An amount sufficient to pay the rebate under subdivision 4 is annually appropriated from the general fund to the commissioner of revenue."

Amend the title accordingly

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

Senator Gerlach moved to amend H.F. No. 2800 as follows:

Page 24, delete article 5 and insert:

## "ARTICLE 5

### COUNTY STATE-AID HIGHWAY FUND DISTRIBUTION

Section 1. Minnesota Statutes 2006, section 162.07, subdivision 1, is amended to read:

Subdivision 1. **Formula.** After deducting for administrative costs and for the disaster account and research account and state park roads as heretofore provided, the remainder of the total sum provided for in section 162.06, subdivision 1, shall be identified as the apportionment sum and shall be apportioned by the commissioner to the several counties on the basis of the needs of the counties as determined in accordance with the following formula:

~~(a) An amount equal to ten percent of the apportionment sum shall be apportioned equally among the 87 counties.~~

~~(b)~~ (a) An amount equal to ~~ten~~ 40 percent of the apportionment sum shall be apportioned among the several counties so that each county shall receive of such amount the percentage that its motor vehicle registration for the calendar year preceding the one last past, determined by residence of registrants, bears to the total statewide motor vehicle registration.

~~(c) An amount equal to 30 percent of the apportionment sum shall be apportioned among the several counties so that each county shall receive of such amount the percentage that its total lane miles of approved county state aid highways bears to the total lane miles of approved statewide county state aid highways. In 1997 and subsequent years no county may receive, as a result of an apportionment under this clause based on lane miles rather than miles of approved county state aid highways, an apportionment that is less than its apportionment in 1996.~~

~~(d)~~ (b) An amount equal to ~~50~~ 60 percent of the apportionment sum shall be apportioned among the several counties so that each county shall receive of such amount the percentage that its money

needs bears to the sum of the money needs of all of the individual counties; ~~provided, that the percentage of such amount that each county is to receive shall be adjusted so that each county shall receive in 1958 a total apportionment at least ten percent greater than its total 1956 apportionments from the state road and bridge fund; and provided further that those counties whose money needs are thus adjusted shall never receive a percentage of the apportionment sum less than the percentage that such county received in 1958.~~"

Correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 12 and nays 55, as follows:

Those who voted in the affirmative were:

Gerlach	Jungbauer	Michel	Pariseau
Hann	Koch	Olson, G.	Robling
Johnson	Limmer	Ortman	Vandev eer

Those who voted in the negative were:

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

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

Senator Limmer moved to amend H.F. No. 2800 as follows:

Page 13, line 28, delete "HIGHWAY USER" and insert "STATE"

Page 13, after line 28, insert:

"Section 1. **PURPOSE.**

In order to avoid increasing the risk of economic recession in Minnesota while still meeting the state's significant transportation and transit needs, the legislature finds it necessary to implement individual income tax rate reductions to offset the state transportation tax increases in this article."

Page 15, after line 21, insert:

"Sec. 3. Minnesota Statutes 2006, section 290.06, subdivision 2c, is amended to read:

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

- (1) On the first \$25,680, ~~5.35~~ 5.3 percent;
- (2) On all over \$25,680, but not over \$102,030, ~~7.05~~ 7 percent;
- (3) On all over \$102,030, ~~7.85~~ 7.8 percent.

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

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

- (1) On the first \$17,570, ~~5.35~~ 5.3 percent;
- (2) On all over \$17,570, but not over \$57,710, ~~7.05~~ 7 percent;
- (3) On all over \$57,710, ~~7.85~~ 7.8 percent.

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

- (1) On the first \$21,630, ~~5.35~~ 5.3 percent;
- (2) On all over \$21,630, but not over \$86,910, ~~7.05~~ 7 percent;
- (3) On all over \$86,910, ~~7.85~~ 7.8 percent.

For taxable years beginning after December 31, 2008, and before January 1, 2011, all of the percentage rates in this section are reduced by two-tenths of one percent, to 5.15, 6.85, and 7.65 percent. For taxable years beginning after December 31, 2010, all of the percentage rates in this section are reduced by 35 hundredths of one percent, to 5, 6.7, and 7.5 percent.

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

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

(1) the numerator is the individual's Minnesota source federal adjusted gross income as defined in section 62 of the Internal Revenue Code and increased by the additions required under section 290.01, subdivision 19a, clauses (1), (5), (6), (7), (8), and (9), and reduced by the Minnesota assignable portion of the subtraction for United States government interest under section 290.01, subdivision 19b, clause (1), and the subtractions under section 290.01, subdivision 19b, clauses

(9), (10), (14), (15), and (16), after applying the allocation and assignability provisions of section 290.081, clause (a), or 290.17; and

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

**EFFECTIVE DATE.** This section is effective for taxable years beginning after December 31, 2007."

Page 16, after line 10, insert:

"Sec. 5. Minnesota Statutes 2006, section 290.091, subdivision 1, is amended to read:

Subdivision 1. **Imposition of tax.** In addition to all other taxes imposed by this chapter a tax is imposed on individuals, estates, and trusts equal to the excess (if any) of

(a) an amount equal to ~~6.4~~ 6.2 percent of alternative minimum taxable income after subtracting the exemption amount, over

(b) the regular tax for the taxable year.

**EFFECTIVE DATE.** This section is effective for taxable years beginning after December 31, 2008.

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

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

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

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

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

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

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

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

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

(ii) the medical expense deduction;

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

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

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

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

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

(6) the amount of addition required by section 290.01, subdivision 19a, clauses (7), (8), and (9); less the sum of the amounts determined under the following:

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

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

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

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

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

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

(c) "Tentative minimum tax" equals ~~6.4~~ 6.2 percent of alternative minimum taxable income after subtracting the exemption amount determined under subdivision 3.

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

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

**EFFECTIVE DATE.** This section is effective for taxable years beginning after December 31, 2008.

Sec. 7. Minnesota Statutes 2006, section 290.091, subdivision 6, is amended to read:

Subd. 6. **Credit for prior years' liability.** (a) A credit is allowed against the tax imposed by this chapter on individuals, trusts, and estates equal to the minimum tax credit for the taxable year. The



minimum tax credit equals the adjusted net minimum tax for taxable years beginning after December 31, 1988, reduced by the minimum tax credits allowed in a prior taxable year. The credit may not exceed the excess (if any) for the taxable year of

(1) the regular tax, over

(2) the greater of (i) the tentative alternative minimum tax, or (ii) zero.

(b) The adjusted net minimum tax for a taxable year equals the lesser of the net minimum tax or the excess (if any) of

(1) the tentative minimum tax, over

(2) ~~6.4~~ 6.2 percent of the sum of

(i) adjusted gross income as defined in section 62 of the Internal Revenue Code,

(ii) interest income as defined in section 290.01, subdivision 19a, clause (1),

(iii) interest on specified private activity bonds, as defined in section 57(a)(5) of the Internal Revenue Code, to the extent not included under clause (ii),

(iv) depletion as defined in section 57(a)(1), determined without regard to the last sentence of paragraph (1), of the Internal Revenue Code, less

(v) the deductions allowed in computing alternative minimum taxable income provided in subdivision 2, paragraph (a), clause (2) of the first series of clauses and clauses (1), (2), and (3) of the second series of clauses, and

(vi) the exemption amount determined under subdivision 3.

In the case of an individual who is not a Minnesota resident for the entire year, adjusted net minimum tax must be multiplied by the fraction defined in section 290.06, subdivision 2c, paragraph (e). In the case of a trust or estate, adjusted net minimum tax must be multiplied by the fraction defined under subdivision 4, paragraph (b).

**EFFECTIVE DATE.** This section is effective for taxable years beginning after December 31, 2008."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Murphy questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Senator Limmer appealed the decision of the President.

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

The roll was called, and there were yeas 45 and nays 21, as follows:

Those who voted in the affirmative were:

Anderson	Dahle	Latz	Pappas	Sieben
Bakk	Dibble	Lourey	Pogemiller	Skoe
Berglin	Doll	Lynch	Prettner Solon	Skogen
Betzold	Erickson Ropes	Marty	Rest	Sparks
Bonoff	Foley	Metzen	Rummel	Stumpf
Carlson	Higgins	Moua	Saltzman	Tomassoni
Chaudhary	Kubly	Murphy	Saxhaug	Torres Ray
Clark	Langseth	Olseen	Scheid	Vickerman
Cohen	Larson	Olson, M.	Sheran	Wiger

Those who voted in the negative were:

Day	Hann	Koering	Pariseau	Wergin
Dille	Ingebrigtsen	Limmer	Robling	
Fischbach	Johnson	Michel	Rosen	
Gerlach	Jungbauer	Olson, G.	Senjem	
Gimse	Koch	Ortman	Vandever	

So the decision of the President was sustained.

Senator Ortman moved to amend H.F. No. 2800 as follows:

Page 15, line 26, after the semicolon, insert "and"

Page 15, line 27, delete "; and" and insert a period

Page 15, delete line 28

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 12 and nays 54, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Ortman	Scheid
Berglin	Higgins	Pappas	Senjem
Dibble	Moua	Rosen	Torres Ray

Those who voted in the negative were:

Bakk	Erickson Ropes	Kubly	Olseen	Sieben
Betzold	Foley	Langseth	Olson, G.	Skoe
Bonoff	Frederickson	Larson	Olson, M.	Skogen
Carlson	Gerlach	Latz	Pogemiller	Sparks
Chaudhary	Gimse	Limmer	Prettner Solon	Stumpf
Clark	Hann	Lourey	Rest	Tomassoni
Cohen	Ingebrigtsen	Lynch	Robling	Vandever
Dahle	Johnson	Marty	Rummel	Vickerman
Day	Jungbauer	Metzen	Saltzman	Wergin
Dille	Koch	Michel	Saxhaug	Wiger
Doll	Koering	Murphy	Sheran	

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

Senator Vandever moved to amend H.F. No. 2800 as follows:

Pages 6 to 13, delete sections 1 to 7 and insert:

"Section 1. APPROPRIATION.

\$1,861,860,000 is appropriated to the commissioner of transportation from the bond proceeds account in the trunk highway fund to be spent for the sole purpose of expanding and adding capacity

to the trunk highway system.

Sec. 2. **BOND AUTHORIZATION.**

To provide the money appropriated in this article from the bond proceeds account in the trunk highway fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$1,801,800,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota Constitution, article XIV, section 11, at the times and in the amounts requested by the commissioner of transportation. The proceeds of the bonds, except accrued interest and any premium received from the sale of the bonds, must be deposited in the bond proceeds account in the trunk highway fund."

Page 13, delete section 1

Page 15, delete section 2 and insert:

"Section 1. Minnesota Statutes 2006, section 290.06, is amended by adding a subdivision to read:

Subd. 2g. **Adjustment of rate.** For taxable years beginning after December 31, 2007, when the gasoline excise tax in section 296A.07, subdivision 3, clause (3), is imposed at a rate of 25 cents a gallon, the commissioner must first calculate the percentage adjustment of the brackets from the base year to the current taxable year in the manner provided in subdivision 2d. The commissioner must calculate the revenues raised from five cents of the gasoline excise tax in section 296A.07, subdivision 3. Notwithstanding the provisions of subdivisions 2c and 2d, the commissioner must reduce the rate percentage of the lowest rate bracket so that the net impact on tax collections of the combination of five cents imposition of the gasoline excise tax and this rate adjustment is zero. The determination of the commissioner under this subdivision is not a "rule" and is not subject to the Administrative Procedure Act in chapter 14. No later than December 15 of each year, the commissioner must announce the rate percentage that is applicable for the lowest bracket under this subdivision.

**EFFECTIVE DATE.** This section is effective for taxable years beginning after December 31, 2007. This section expires the day after the commissioner of finance reports to the commissioner of revenue that the amount of the trunk highway debt service transfer forecast in the next two fiscal years attributable to the trunk highway bonds authorized in article 2 is zero."

Page 17, delete section 8 and insert:

"Sec. 8. Minnesota Statutes 2006, section 297A.94, is amended to read:

**297A.94 DEPOSIT OF REVENUES.**

(a) Except as provided in this section, the commissioner shall deposit the revenues, including interest and penalties, derived from the taxes imposed by this chapter in the state treasury and credit them to the general fund.

(b) The commissioner shall deposit taxes in the Minnesota agricultural and economic account in the special revenue fund if:

(1) the taxes are derived from sales and use of property and services purchased for the construction and operation of an agricultural resource project; and

(2) the purchase was made on or after the date on which a conditional commitment was made for a loan guaranty for the project under section 41A.04, subdivision 3.

The commissioner of finance shall certify to the commissioner the date on which the project received the conditional commitment. The amount deposited in the loan guaranty account must be reduced by any refunds and by the costs incurred by the Department of Revenue to administer and enforce the assessment and collection of the taxes.

(c) The commissioner shall deposit the revenues, including interest and penalties, derived from the taxes imposed on sales and purchases included in section 297A.61, subdivision 3, paragraph (g), clauses (1) and (4), in the state treasury, and credit them as follows:

(1) first to the general obligation special tax bond debt service account in each fiscal year the amount required by section 16A.661, subdivision 3, paragraph (b); and

(2) after the requirements of clause (1) have been met, the balance to the general fund.

(d) The commissioner shall deposit the revenues, including interest and penalties, collected under section 297A.64, subdivision 5, in the state treasury and credit them to the general fund. By July 15 of each year the commissioner shall transfer to the highway user tax distribution fund an amount equal to the excess fees collected under section 297A.64, subdivision 5, for the previous calendar year.

(e) For fiscal year 2001, 97 percent; for fiscal years 2002 and 2003, 87 percent; and for fiscal year 2004 and thereafter, 72.43 percent of the revenues, including interest and penalties, transmitted to the commissioner under section 297A.65, must be deposited by the commissioner in the state treasury as follows:

(1) 50 percent of the receipts must be deposited in the heritage enhancement account in the game and fish fund, and may be spent only on activities that improve, enhance, or protect fish and wildlife resources, including conservation, restoration, and enhancement of land, water, and other natural resources of the state;

(2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may be spent only for state parks and trails;

(3) 22.5 percent of the receipts must be deposited in the natural resources fund, and may be spent only on metropolitan park and trail grants;

(4) three percent of the receipts must be deposited in the natural resources fund, and may be spent only on local trail grants; and

(5) two percent of the receipts must be deposited in the natural resources fund, and may be spent only for the Minnesota Zoological Garden, the Como Park Zoo and Conservatory, and the Duluth Zoo.

(f) The revenue dedicated under paragraph (e) may not be used as a substitute for traditional sources of funding for the purposes specified, but the dedicated revenue shall supplement traditional sources of funding for those purposes. Land acquired with money deposited in the game and fish fund under paragraph (e) must be open to public hunting and fishing during the open season, except that in aquatic management areas or on lands where angling easements have been acquired, fishing

may be prohibited during certain times of the year and hunting may be prohibited. At least 87 percent of the money deposited in the game and fish fund for improvement, enhancement, or protection of fish and wildlife resources under paragraph (e) must be allocated for field operations.

(g) The revenues, including interest and penalties, collected under section 297A.815 must be deposited as follows:

(1) from July 1, 2009, through June 30, 2010, 50.25 percent of the money collected and received must be deposited in the highway user tax distribution fund, 30 percent must be deposited in the metropolitan area transit account under section 16A.88, 3.5 percent must be deposited in the greater Minnesota transit account under section 16A.88, and the remaining money must be deposited in the general fund;

(2) from July 1, 2010, through June 30, 2011, 56.25 percent of the money collected and received must be deposited in the highway user tax distribution fund, 33.75 percent must be deposited in the metropolitan area transit account under section 16A.88, 3.75 percent must be deposited in the greater Minnesota transit account under section 16A.88, and the remaining money must be deposited in the general fund; and

(3) on and after July 1, 2011, 60 percent of the money collected and received must be deposited in the highway user tax distribution fund, 36 percent must be deposited in the metropolitan area transit account under section 16A.88, and four percent must be deposited in the greater Minnesota transit account under section 16A.88."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 18 and nays 48, as follows:

Those who voted in the affirmative were:

Day	Hann	Koch	Ortman	Vandevveer
Fischbach	Ingebrigtsen	Limmer	Robling	Wergin
Gerlach	Johnson	Michel	Rosen	
Gimse	Jungbauer	Olson, G.	Senjem	

Those who voted in the negative were:

Anderson	Dibble	Larson	Pappas	Skoe
Bakk	Dille	Latz	Pariseau	Skogen
Berglin	Doll	Lourey	Pogemiller	Sparks
Betzold	Erickson Ropes	Lynch	Prettner Solon	Stumpf
Bonoff	Foley	Marty	Rummel	Tomassoni
Carlson	Frederickson	Metzen	Saltzman	Torres Ray
Chaudhary	Higgins	Moua	Saxhaug	Vickerman
Clark	Koering	Murphy	Scheid	Wiger
Cohen	Kubly	Olseen	Sheran	
Dahle	Langseth	Olson, M.	Sieben	

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

Senator Senjem moved that H.F. No. 2800 be laid on the table, until March 5, 2008.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 21 and nays 45, as follows:

Those who voted in the affirmative were:

Dille	Hann	Koering	Pariseau	Wergin
Fischbach	Ingebrigtsen	Limmer	Robling	
Frederickson	Johnson	Michel	Rosen	
Gerlach	Jungbauer	Olson, G.	Senjem	
Gimse	Koch	Ortman	Vandev eer	

Those who voted in the negative were:

Anderson	Dahle	Latz	Pappas	Sieben
Bakk	Dibble	Lourey	Pogemiller	Skoe
Berglin	Doll	Lynch	Prettner Solon	Skogen
Betzold	Erickson Ropes	Marty	Rest	Sparks
Bonoff	Foley	Metzen	Rummel	Stumpf
Carlson	Higgins	Moua	Saltzman	Tomassoni
Chaudhary	Kubly	Murphy	Saxhaug	Torres Ray
Clark	Langseth	Olseen	Scheid	Vickerman
Cohen	Larson	Olson, M.	Sheran	Wiger

The motion did not prevail.

H.F. No. 2800 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 47 and nays 20, as follows:

Those who voted in the affirmative were:

Anderson	Dibble	Latz	Pogemiller	Skogen
Bakk	Dille	Lourey	Prettner Solon	Sparks
Berglin	Doll	Lynch	Rest	Stumpf
Betzold	Erickson Ropes	Marty	Rummel	Tomassoni
Bonoff	Foley	Metzen	Saltzman	Torres Ray
Carlson	Frederickson	Moua	Saxhaug	Vickerman
Chaudhary	Higgins	Murphy	Scheid	Wiger
Clark	Kubly	Olseen	Sheran	
Cohen	Langseth	Olson, M.	Sieben	
Dahle	Larson	Pappas	Skoe	

Those who voted in the negative were:

Day	Hann	Koch	Olson, G.	Rosen
Fischbach	Ingebrigtsen	Koering	Ortman	Senjem
Gerlach	Johnson	Limmer	Pariseau	Vandev eer
Gimse	Jungbauer	Michel	Robling	Wergin

So the bill passed and its title was agreed to.

### MEMBERS EXCUSED

Senator Koering was excused from the Session of today from 11:00 to 11:45 a.m. Senator Sieben was excused from the Session of today from 11:00 a.m. to 2:50 p.m. Senator Johnson was excused from the Session of today from 7:05 to 8:10 p.m.

**ADJOURNMENT**

Senator Pogemiller moved that the Senate do now adjourn until 11:00 a.m., Monday, February 25, 2008. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate





# INDEX TO DAILY JOURNAL

Thursday, February 21, 2008

## MESSAGES FROM THE HOUSE AND FIRST READING OF HOUSE FILES

S.F. Nos.	Message Page	H.F. Nos.	Message Page	1st Reading Page
		2590 .....	6611	6612
		2800 .....	6634	6634

## SUSPENSION OF RULES

S.F. Nos.	Page	H.F. Nos.	Page
		2800 .....	6635

## REPORTS OF COMMITTEES AND SECOND READINGS

S.F. Nos.	Report Page	2nd Reading Page	H.F. Nos.	Report Page	2nd Reading Page
833 .....	6612				
1402 .....	6616				

## MOTIONS AND RESOLUTIONS

S.F. Nos.	Page	H.F. Nos.	Page
2024 .....	6616		
2218 .....	6616		
2811 .....	6616		
2815 .....	6617		
2822 .....	6617		
2890 .....	6617		
Sen. Res. No. 144 .....	6617		

## CONSENT CALENDAR

S.F. Nos.	Page	H.F. Nos.	Page
2428 .....	6632		

**SPECIAL ORDERS**

S.F. Nos.	Page	H.F. Nos.	Page
2521 .....	6633		

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

S.F Nos. 2925 to 3002 ..... Pages 6617 to 6632