

THIRTY-NINTH DAY

St. Paul, Minnesota, Monday, April 3, 2017

The Senate met at 9:30 a.m. and was called to order by the President.

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Anne Jackson.

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

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

Abeler	Dziedzic	Ingebrigtsen	Lourey	Schoen
Anderson, B.	Eaton	Isaacson	Marty	Senjem
Anderson, P.	Eichorn	Jasinski	Mathews	Simonson
Bakk	Eken	Jensen	Miller	Sparks
Benson	Fischbach	Johnson	Nelson	Tomassoni
Carlson	Franzen	Kent	Newman	Torres Ray
Chamberlain	Frentz	Kiffmeyer	Newton	Utke
Champion	Gazelka	Klein	Osmek	Weber
Clausen	Goggin	Koran	Pappas	Westrom
Cohen	Hall	Laine	Pratt	Wiger
Cwodzinski	Hawj	Lang	Relph	Wiklund
Dahms	Hayden	Latz	Rest	
Dibble	Hoffman	Limmer	Rosen	
Draheim	Housley	Little	Ruud	

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

Madam President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 3:

H.F. No. 3: A bill for an act relating to transportation; authorizing and governing implementation of requirements of the federal REAL ID Act; amending certain requirements governing driver's

licenses and Minnesota identification cards; amending imposition of certain fees; requiring legislative reporting; amending Minnesota Statutes 2016, sections 171.01, by adding subdivisions; 171.017; 171.04, by adding a subdivision; 171.06, subdivisions 1, 2, 3, by adding a subdivision; 171.07, subdivisions 1, 3, 4, 9a; 171.071, subdivision 3; 171.072; 171.12, by adding subdivisions; 171.27; proposing coding for new law in Minnesota Statutes, chapter 171; repealing Laws 2009, chapter 92, section 1, as amended.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Smith, Torkelson and Pelowski have been appointed as such committee on the part of the House.

House File No. 3 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Patrick D. Murphy, Chief Clerk, House of Representatives

Transmitted March 31, 2017

Senator Pratt moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 3, and that a Conference Committee of 3 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

REPORTS OF COMMITTEES

Senator Gazelka moved that the Committee Report at the Desk be now adopted. The motion prevailed.

Senator Gazelka, from the Committee on Rules and Administration, to which was referred

H.F. No. 890 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
890	718				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 890 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 890, the fourth engrossment; and insert the language after the enacting clause of S.F. No. 718, the second engrossment; further, delete the title of H.F. No. 890, the fourth engrossment; and insert the title of S.F. No. 718, the second engrossment.

And when so amended H.F. No. 890 will be identical to S.F. No. 718, and further recommends that H.F. No. 890 be given its second reading and substituted for S.F. No. 718, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

SECOND READING OF HOUSE BILLS

H.F. No. 890 was read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senators Benson and Abeler introduced--

S.F. No. 2304: A bill for an act relating to health; authorizing the commissioner of health to levy certain penalties against medical cannabis manufacturers; amending Minnesota Statutes 2016, sections 152.25, by adding a subdivision; 152.33, by adding a subdivision.

Referred to the Committee on Health and Human Services Finance and Policy.

Senators Nelson, Chamberlain, Torres Ray, and Pappas introduced--

S.F. No. 2305: A bill for an act relating to early childhood; requiring contracts for mixed delivery of services in the voluntary prekindergarten program; amending Minnesota Statutes 2016, section 124D.151, subdivision 3.

Referred to the Committee on E-12 Policy.

Senators Clausen, Wiklund, Kent, and Wiger introduced--

S.F. No. 2306: A bill for an act relating to education finance; increasing the basic formula allowance by 2.5 percent per year; appropriating money; amending Minnesota Statutes 2016, section 126C.10, subdivision 2.

Referred to the Committee on E-12 Finance.

MOTIONS AND RESOLUTIONS

Senator Eichorn moved that his name be stricken as a co-author to S.F. No. 700. The motion prevailed.

Senator Carlson moved that the name of Senator Marty be added as a co-author to S.F. No. 2184. The motion prevailed.

Senator Eaton moved that the name of Senator Marty be added as a co-author to S.F. No. 2204. The motion prevailed.

Senator Gazelka moved that H.F. No. 861 be taken from the table and given a second reading. The motion prevailed.

H.F. No. 861: A bill for an act relating to transportation finance; establishing the budget for transportation activities; modifying various provisions governing transportation finance and policy; establishing a fund; requiring reports; appropriating money; authorizing the sale and issuance of state bonds; amending Minnesota Statutes 2016, sections 16A.88, subdivision 2; 53C.01, subdivision 2; 115A.908, subdivision 2; 117.189; 160.18, by adding a subdivision; 161.081, subdivision 3; 161.088, subdivisions 4, 5, 7; 161.115, subdivision 190; 161.14, by adding subdivisions; 161.321, subdivision 6; 161.38, by adding a subdivision; 161.44, subdivisions 5, 6a, by adding a subdivision; 162.145, subdivision 2; 168.021, subdivisions 1, 2, 2a; 168.27, by adding a subdivision; 168.33, subdivision 2; 168A.09, subdivision 1; 169.011, subdivision 34; 169.18, subdivisions 5, 7; 169.345, subdivisions 1, 3; 169.442, subdivision 5; 169.443, subdivision 2; 169.444, subdivision 2; 169.449, subdivision 1; 169.4501, subdivisions 1, 2; 169.4503, subdivisions 4, 7, 14, 23, 30; 169.64, subdivision 8; 169.865, subdivision 3; 171.02, subdivision 2b; 171.06, subdivision 2a; 171.061, subdivision 3; 171.12, subdivision 6; 173.02, subdivisions 18, 23, by adding subdivisions; 173.06, subdivision 1; 173.07, subdivision 1; 173.08, by adding subdivisions; 173.13, subdivision 11; 173.16, by adding subdivisions; 174.03, subdivisions 1a, 1c, by adding a subdivision; 174.50, subdivisions 5, 6b, 6c, 7; 174.56, subdivisions 1, 2, by adding a subdivision; 174.93; 219.166; 219.20, subdivision 1; 221.031, by adding a subdivision; 222.49; 222.50, subdivision 6, by adding a subdivision; 299D.03, subdivision 6; 473.13, subdivision 1; 473.146, subdivision 3; 473.388, subdivision 4; 473.39, by adding a subdivision; 473.3994, by adding subdivisions; 473.4051, subdivision 3; Laws 2015, chapter 75, article 1, section 3, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 168; 169; 173; 174; 219; 398A; 471; 473; repealing Minnesota Statutes 2016, sections 161.115, subdivision 32; 169.4502, subdivision 5; 473.4051, subdivision 2; Minnesota Rules, parts 8810.0800, subpart 3; 8810.1300, subpart 4.

H.F. No. 861 was read the second time.

Senator Gazelka moved that H.F. No. 861 be laid on the table. The motion prevailed.

SPECIAL ORDERS

Pursuant to Rule 26, Senator Gazelka, Chair of the Committee on Rules and Administration, designated the following bills a Special Orders Calendar to be heard immediately:

H.F. No. 4 and S.F. No. 800.

SPECIAL ORDER

H.F. No. 4: A bill for an act relating to financing and operation of state and local government; making changes to individual income, corporate franchise, estate, property, sales and use, excise, mineral, tobacco, gambling, special, local, and other miscellaneous taxes and tax-related provisions; modifying provisions related to taxpayer empowerment, local government aids, credits, refunds, in perpetuity payments on land purchases, tax increment financing, and public finance; providing for new income tax subtractions, additions, and credits; establishing a first-time home buyer savings account program; providing for conformity to federal tax extenders by administrative action; modifying the education credit; providing a credit for donations to fund K-12 scholarships; modifying residency definitions; providing estate tax conformity; modifying property tax exemptions, classifications, and refunds; allowing a reverse referendum for property tax levies under certain

circumstances; establishing school building bond agricultural tax credit; modifying state general levy; modifying certain local government aids; modifying sales tax definitions and exemptions; providing sales tax exemptions; clarifying the appropriation for sales tax refunds; establishing sales tax collection duties for marketplace providers and certain retailers; dedicating certain sales tax revenues; providing exemptions from sales taxes and property taxes for a Major League Soccer stadium; authorizing certain tax increment financing authority; prohibiting municipalities from taxing paper or plastic bags; modifying county levy authority; authorizing certain local taxes; requiring voter approval for certain transportation sales taxes; restricting rail project expenditures; modifying provisions related to taconite; repealing political contribution refund; modifying taxes on tobacco products and cigarettes; providing for a private letter ruling program; modifying tax administration procedures; dedicating transportation-related taxes; modifying vehicle taxes and fees; making minor policy, technical, and conforming changes; requiring reports; appropriating money; amending Minnesota Statutes 2016, sections 13.4967, by adding a subdivision; 13.51, subdivision 2; 40A.18, subdivision 2; 69.021, subdivision 5; 84.82, subdivision 10; 84.922, subdivision 11; 86B.401, subdivision 12; 97A.056, subdivisions 1a, 3, by adding subdivisions; 116P.02, subdivision 1, by adding subdivisions; 116P.08, subdivisions 1, 4; 123B.63, subdivision 3; 126C.17, subdivision 9; 127A.45, subdivisions 10, 13; 128C.24; 168.013, subdivision 1a, by adding a subdivision; 169.011, by adding a subdivision; 205.10, subdivision 1; 205A.05, subdivision 1; 216B.36; 216B.46; 237.19; 270.071, subdivisions 2, 7, 8, by adding a subdivision; 270.072, subdivisions 2, 3, by adding a subdivision; 270.074, subdivision 1; 270.078, subdivision 1; 270.12, by adding a subdivision; 270.82, subdivision 1; 270A.03, subdivisions 5, 7; 270B.14, subdivision 1, by adding subdivisions; 270C.13, subdivision 1; 270C.171, subdivision 1; 270C.30; 270C.31, by adding a subdivision; 270C.33, subdivisions 5, 8, by adding subdivisions; 270C.34, subdivisions 1, 2; 270C.35, subdivisions 3, 4, by adding a subdivision; 270C.38, subdivision 1; 270C.445, subdivisions 2, 3, 5a, 6, 6a, 6b, 6c, 7, 8, by adding a subdivision; 270C.446, subdivisions 2, 3, 4, 5; 270C.447, subdivisions 1, 2, 3, by adding a subdivision; 270C.72, subdivision 4; 270C.89, subdivision 1; 271.06, subdivisions 2, 2a, 6, 7; 271.08, subdivision 1; 271.18; 272.02, subdivisions 9, 10, 23, 86, by adding a subdivision; 272.0211, subdivision 1; 272.0213; 272.025, subdivision 1; 272.029, subdivisions 2, 4, by adding a subdivision; 272.0295, subdivision 4, by adding a subdivision; 272.115, subdivisions 1, 2, 3; 272.162; 273.061, subdivision 7; 273.0755; 273.08; 273.121, by adding a subdivision; 273.124, subdivisions 3a, 13, 13d, 14, 21; 273.125, subdivision 8; 273.13, subdivisions 22, 23, 25, 34; 273.135, subdivision 1; 273.1392; 273.1393; 273.33, subdivisions 1, 2; 273.371; 273.372, subdivisions 2, 4, by adding subdivisions; 274.01, subdivision 1; 274.014, subdivision 3; 274.13, subdivision 1; 274.135, subdivision 3; 275.025, subdivisions 1, 2, 4, by adding a subdivision; 275.065, subdivisions 1, 3; 275.066; 275.07, subdivisions 1, 2; 275.08, subdivision 1b; 275.60; 275.62, subdivision 2; 276.017, subdivision 3; 276.04, subdivisions 1, 2; 278.01, subdivision 1; 279.01, subdivisions 1, 2, 3; 279.37, by adding a subdivision; 281.17; 281.173, subdivision 2; 281.174, subdivision 3; 282.01, subdivisions 1a, 1d, 4, 6, by adding a subdivision; 282.016; 282.018, subdivision 1; 282.02; 282.241, subdivision 1; 282.322; 287.08; 287.2205; 289A.08, subdivisions 11, 16, by adding a subdivision; 289A.09, subdivisions 1, 2; 289A.10, subdivision 1; 289A.11, subdivision 1; 289A.12, subdivision 14; 289A.18, subdivision 1, by adding a subdivision; 289A.20, subdivision 2; 289A.31, subdivision 1; 289A.35; 289A.37, subdivision 2; 289A.38, subdivision 6; 289A.40, subdivision 1; 289A.50, subdivisions 1, 2a, 7; 289A.60, subdivisions 1, 13, 28, by adding a subdivision; 289A.63, by adding a subdivision; 290.01, subdivisions 6, 7; 290.0131, by adding subdivisions; 290.0132, subdivisions 4, 14, 21, by adding subdivisions; 290.0133, by adding a subdivision; 290.06, subdivision 22, by adding subdivisions; 290.067, subdivisions 1, 2b; 290.0672, subdivision 1; 290.0674, subdivisions 1, 2, by adding a subdivision; 290.068, subdivisions 1, 2, 3, 6a; 290.0685, subdivision 1; 290.091,

subdivision 2; 290.0922, subdivision 2; 290.17, subdivision 2; 290.31, subdivision 1; 290A.03, subdivisions 3, 11, 13; 290A.10; 290A.19; 290C.03; 291.005, subdivision 1, as amended; 291.016, subdivisions 2, 3; 291.03, subdivisions 1, 9, 11; 291.075; 295.54, subdivision 2; 295.55, subdivision 6; 296A.01, subdivisions 7, 12, 33, 42, by adding a subdivision; 296A.02, by adding a subdivision; 296A.07, subdivision 1; 296A.08, subdivision 2; 296A.16, subdivision 2; 296A.22, subdivision 9; 296A.26; 297A.66, subdivisions 1, 2, 4, by adding a subdivision; 297A.67, subdivision 13a, by adding a subdivision; 297A.68, subdivisions 5, 9, 19, 35a; 297A.70, subdivisions 4, 12, 14, by adding subdivisions; 297A.71, subdivision 44, by adding subdivisions; 297A.75, subdivisions 1, 2, 3, 5; 297A.815, subdivision 3; 297A.82, subdivisions 4, 4a; 297A.94; 297A.992, subdivision 6a; 297A.993, subdivisions 1, 2, by adding subdivisions; 297B.07; 297D.02; 297E.02, subdivisions 3, 6, 7; 297E.04, subdivision 1; 297E.05, subdivision 4; 297E.06, subdivision 1; 297F.01, subdivision 13a; 297F.05, subdivisions 1, 3, 3a, 4a; 297F.09, subdivision 1; 297F.23; 297G.09, subdivision 1; 297G.22; 297H.06, subdivision 2; 297I.05, subdivision 2; 297I.10, subdivisions 1, 3; 297I.20, by adding a subdivision; 297I.30, subdivision 7, by adding a subdivision; 297I.60, subdivision 2; 298.01, subdivisions 3, 4, 4c; 298.225, subdivision 1; 298.24, subdivision 1; 298.28, subdivisions 2, 3, 5; 366.095, subdivision 1; 383B.117, subdivision 2; 398A.10, subdivisions 3, 4; 410.32; 412.221, subdivision 2; 412.301; 414.09, subdivision 2; 426.19, subdivision 2; 447.045, subdivisions 2, 3, 4, 6, 7; 452.11; 455.24; 455.29; 459.06, subdivision 1; 462.353, subdivision 4; 469.053, subdivision 5; 469.101, subdivision 1; 469.107, subdivision 2; 469.169, by adding a subdivision; 469.174, subdivision 12; 469.175, subdivision 3; 469.176, subdivision 4c; 469.1761, by adding a subdivision; 469.1763, subdivisions 1, 2, 3; 469.178, subdivision 7; 469.190, subdivisions 1, 5; 469.319, subdivision 5; 471.57, subdivision 3; 471.571, subdivision 3; 471.572, subdivisions 2, 4; 473.39, by adding subdivisions; 473H.09; 473H.17, subdivision 1a; 475.59; 475.60, subdivision 2; 477A.011, subdivisions 34, 45; 477A.0124, subdivision 2; 477A.013, subdivisions 1, 8, 9, by adding a subdivision; 477A.10; 477A.11, by adding subdivisions; 477A.19, by adding subdivisions; 504B.285, subdivision 1; 504B.365, subdivision 3; 559.202, subdivision 2; 609.5316, subdivision 3; Laws 1980, chapter 511, sections 1, subdivision 2, as amended; 2, as amended; Laws 1991, chapter 291, article 8, section 27, subdivisions 3, as amended, 4, as amended, 5; Laws 1996, chapter 471, article 2, section 29, subdivisions 1, as amended, 4, as amended; article 3, section 51; Laws 1999, chapter 243, article 4, sections 17, subdivisions 3, 5, by adding a subdivision; 18, subdivision 1, as amended; Laws 2005, First Special Session chapter 3, article 5, section 38, subdivisions 2, as amended, 4, as amended; Laws 2008, chapter 154, article 9, section 21, subdivision 2; Laws 2008, chapter 366, article 7, section 20; Laws 2009, chapter 88, article 5, section 17, as amended; Laws 2014, chapter 308, article 6, sections 8, subdivision 1; 9; article 9, section 94; Laws 2016, chapter 187, section 5; proposing coding for new law in Minnesota Statutes, chapters 11A; 16A; 16B; 41B; 88; 103C; 116P; 117; 174; 222; 270C; 273; 274; 275; 281; 289A; 290; 290B; 290C; 293; 297A; 416; 459; 462A; 471; 473; 477A; proposing coding for new law as Minnesota Statutes, chapter 462D; repealing Minnesota Statutes 2016, sections 10A.322, subdivision 4; 13.4967, subdivision 2; 136A.129; 205.10, subdivision 3; 270.074, subdivision 2; 270C.445, subdivision 1; 270C.447, subdivision 4; 270C.9901; 281.22; 289A.10, subdivision 1a; 289A.12, subdivision 18; 289A.18, subdivision 3a; 289A.20, subdivision 3a; 290.06, subdivisions 23, 36; 290.067, subdivision 2; 290.9743; 290.9744; 290C.02, subdivisions 5, 9; 290C.06; 291.03, subdivisions 8, 9, 10, 11; 297A.992, subdivision 12; 297F.05, subdivision 1a; 477A.085; 477A.20; Minnesota Rules, parts 4503.1400, subpart 4; 8092.1400; 8092.2000; 8100.0700; 8125.1300, subpart 3.

Senator Rest moved to amend H.F. No. 4, as amended pursuant to Rule 45, adopted by the Senate March 31, 2017, as follows:

(The text of the amended House File is identical to S.F. No. 2255.)

Page 10, delete section 5

Page 12, delete section 10

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Rest moved to amend the Rest amendment to H.F. No. 4 as follows:

Page 1, after line 5, insert:

"Page 17, delete section 17 and insert:

"Sec. 15. Minnesota Statutes 2016, section 290.0671, subdivision 1, is amended to read:

Subdivision 1. **Credit allowed.** (a) An individual who is a resident of Minnesota is allowed a credit against the tax imposed by this chapter equal to a percentage of earned income. To receive a credit, a taxpayer must be eligible for a credit under section 32 of the Internal Revenue Code-, except that:

(1) the earned income and adjusted gross income limitations of section 32 of the Internal Revenue Code do not apply; and

(2) a taxpayer with no qualifying children who has attained the age of 21 but not attained the age of 65 before the close of the taxable year and is otherwise eligible for a credit under section 32 of the Internal Revenue Code may also receive a credit.

(b) For individuals with no qualifying children, the credit equals ~~2-10~~ three percent of the first ~~\$6,180~~ \$6,550 of earned income. The credit is reduced by ~~2-04~~ three percent of earned income or adjusted gross income, whichever is greater, in excess of ~~\$8,130~~ \$11,160, but in no case is the credit less than zero.

(c) For individuals with one qualifying child, the credit equals ~~9-35~~ 12.71 percent of the first ~~\$11,120~~ \$8,420 of earned income. The credit is reduced by ~~6-02~~ 5.2 percent of earned income or adjusted gross income, whichever is greater, in excess of ~~\$21,190~~ \$19,670, but in no case is the credit less than zero.

(d) For individuals with two or more qualifying children, the credit equals ~~11~~ 14.94 percent of the first ~~\$18,240~~ \$13,810 of earned income. The credit is reduced by ~~10-82~~ 9.2 percent of earned income or adjusted gross income, whichever is greater, in excess of ~~\$25,130~~ \$23,437, but in no case is the credit less than zero.

(e) For a part-year resident, the credit must be allocated based on the percentage calculated under section 290.06, subdivision 2c, paragraph (e).

(f) For a person who was a resident for the entire tax year and has earned income not subject to tax under this chapter, including income excluded under section 290.0132, subdivision 10, the credit

must be allocated based on the ratio of federal adjusted gross income reduced by the earned income not subject to tax under this chapter over federal adjusted gross income. For purposes of this paragraph, the following clauses are not considered "earned income not subject to tax under this chapter":

(1) the subtractions for military pay under section 290.0132, subdivisions 11 and 12, are not considered "earned income not subject to tax under this chapter." For the purposes of this paragraph,

(2) the exclusion of combat pay under section 112 of the Internal Revenue Code is not considered "earned income not subject to tax under this chapter."; and

(3) income derived from an Indian reservation by an enrolled member of the reservation while living on the reservation.

(g) For tax years beginning after ~~December 31, 2007, and before December 31, 2010,~~ and for tax years beginning after December 31, 2017, the ~~\$8,130~~ \$12,100 in paragraph (b), the ~~\$21,190~~ \$21,790 in paragraph (c), and the ~~\$25,130~~ \$25,850 in paragraph (d), after being adjusted for inflation under subdivision 7, are each increased by \$3,000 for married taxpayers filing joint returns. For tax years beginning after December 31, ~~2008~~ 2017, the commissioner shall annually adjust the \$3,000 by the percentage determined pursuant to the provisions of section 1(f) of the Internal Revenue Code, except that in section 1(f)(3)(B), the word "2007" shall be substituted for the word "1992." For ~~2009~~ 2018, the commissioner shall then determine the percent change from the 12 months ending on August 31, 2007, to the 12 months ending on August 31, ~~2008~~ 2017, and in each subsequent year, from the 12 months ending on August 31, 2007, to the 12 months ending on August 31 of the year preceding the taxable year. The earned income thresholds as adjusted for inflation must be rounded to the nearest \$10. If the amount ends in \$5, the amount is rounded up to the nearest \$10. The determination of the commissioner under this subdivision is not a rule under the Administrative Procedure Act.

(h)(1) ~~For tax years beginning after December 31, 2012, and before January 1, 2014, the \$5,770 in paragraph (b), the \$15,080 in paragraph (c), and the \$17,890 in paragraph (d), after being adjusted for inflation under subdivision 7, are increased by \$5,340 for married taxpayers filing joint returns;~~ and (2) For tax years beginning after December 31, ~~2013~~ 2016, and before January 1, 2018, the ~~\$8,130~~ \$12,100 in paragraph (b), the ~~\$21,190~~ \$21,790 in paragraph (c), and the ~~\$25,130~~ \$25,850 in paragraph (d), after being adjusted for inflation under subdivision 7, are each increased by \$5,000 for married taxpayers filing joint returns. For tax years beginning after ~~December 31, 2010, and before January 1, 2012,~~ and for tax years beginning after December 31, ~~2013~~ 2016, and before January 1, 2018, the commissioner shall annually adjust the \$5,000 by the percentage determined pursuant to the provisions of section 1(f) of the Internal Revenue Code, except that in section 1(f)(3)(B), the word "2008" shall be substituted for the word "1992." For ~~2014~~ 2017, the commissioner shall then determine the percent change from the 12 months ending on August 31, 2008, to the 12 months ending on August 31, ~~2010~~ 2016, and in each subsequent year, from the 12 months ending on August 31, 2008, to the 12 months ending on August 31 of the year preceding the taxable year. The earned income thresholds as adjusted for inflation must be rounded to the nearest \$10. If the amount ends in \$5, the amount is rounded up to the nearest \$10. The determination of the commissioner under this subdivision is not a rule under the Administrative Procedure Act.

(i) The commissioner shall construct tables showing the amount of the credit at various income levels and make them available to taxpayers. The tables shall follow the schedule contained in this subdivision, except that the commissioner may graduate the transition between income brackets.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2016.

Sec. 16. Minnesota Statutes 2016, section 290.0671, subdivision 7, is amended to read:

Subd. 7. **Inflation adjustment.** The earned income amounts used to calculate the credit and the income thresholds at which the maximum credit begins to be reduced in subdivision 1 must be adjusted for inflation. The commissioner shall adjust by the percentage determined pursuant to the provisions of section 1(f) of the Internal Revenue Code, except that in section 1(f)(3)(B) the word "~~2013~~" "2016" shall be substituted for the word "1992." For ~~2015~~ 2018, the commissioner shall then determine the percent change from the 12 months ending on August 31, ~~2013~~ 2016, to the 12 months ending on August 31, ~~2014~~ 2017, and in each subsequent year, from the 12 months ending on August 31, ~~2013~~ 2016, to the 12 months ending on August 31 of the year preceding the taxable year. The earned income thresholds as adjusted for inflation must be rounded to the nearest \$10 amount. If the amount ends in \$5, the amount is rounded up to the nearest \$10 amount. The determination of the commissioner under this subdivision is not a rule under the Administrative Procedure Act.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2017."''

The question was taken on the adoption of the Rest amendment to the Rest amendment.

The roll was called, and there were yeas 31 and nays 33, as follows:

Those who voted in the affirmative were:

Bakk	Dziedzic	Isaacson	Newton	Torres Ray
Carlson	Eaton	Kent	Pappas	Wiger
Champion	Eken	Klein	Rest	Wiklund
Clausen	Frentz	Laine	Schoen	
Cohen	Hawj	Little	Simonson	
Cwodzinski	Hayden	Lourey	Sparks	
Dibble	Hoffman	Marty	Tomassoni	

Those who voted in the negative were:

Abeler	Eichorn	Jasinski	Mathews	Ruud
Anderson, B.	Fischbach	Jensen	Miller	Senjem
Anderson, P.	Gazelka	Johnson	Nelson	Utke
Benson	Goggin	Kiffmeyer	Osmek	Weber
Chamberlain	Hall	Koran	Pratt	Westrom
Dahms	Housley	Lang	Relph	
Draheim	Ingebrigtsen	Limmer	Rosen	

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

Senator Rest moved to amend the first Rest amendment to H.F. No. 4 as follows:

Page 1, after line 5, insert:

"Page 17, after line 26, before the period, insert " , except that a taxpayer with no qualifying children who has attained the age of 21 but not attained the age of 65 before the close of the taxable year and is otherwise eligible for a credit under section 32 of the Internal Revenue Code may also receive a credit""

CALL OF THE SENATE

Senator Rest imposed a call of the Senate for the balance of the proceedings on H.F. No. 4. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Rest amendment to the first Rest amendment.

The roll was called, and there were yeas 31 and nays 33, as follows:

Those who voted in the affirmative were:

Bakk	Dziedzic	Isaacson	Newton	Torres Ray
Carlson	Eaton	Kent	Pappas	Wiger
Champion	Eken	Klein	Rest	Wiklund
Clausen	Frentz	Laine	Schoen	
Cohen	Hawj	Little	Simonson	
Cwodzinski	Hayden	Lourey	Sparks	
Dibble	Hoffman	Marty	Tomassoni	

Those who voted in the negative were:

Abeler	Eichorn	Jasinski	Mathews	Ruud
Anderson, B.	Fischbach	Jensen	Miller	Senjem
Anderson, P.	Gazelka	Johnson	Nelson	Utke
Benson	Goggin	Kiffmeyer	Osmek	Weber
Chamberlain	Hall	Koran	Pratt	Westrom
Dahms	Housley	Lang	Relph	
Draheim	Ingebrigtsen	Limmer	Rosen	

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

Senator Clausen moved to amend the first Rest amendment to H.F. No. 4 as follows:

Page 1, delete line 5 and insert:

"Page 12, delete section 10 and insert:

"Sec. 19. Minnesota Statutes 2016, section 290.0132, is amended by adding a subdivision to read:

Subd. 25. Section 529 plans. The amount equal to the contributions made by the taxpayer during the taxable year to an account in a plan qualifying under section 529 of the Internal Revenue Code, reduced by any withdrawals from the account during the taxable year, not including amounts rolled over from other accounts in plans qualifying under section 529 of the Internal Revenue Code, and not to exceed \$3,000 for married couples filing joint returns and \$1,500 for all other filers is a subtraction. The subtraction is limited to individuals who do not claim the credit allowed under section 290.0684.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2016."

Page 21, after line 24, insert:

"Sec. 21. **[290.0684] SECTION 529 COLLEGE SAVINGS PLAN CREDIT.**

Subdivision 1. **Definitions.** For purposes of this section, the term "federal adjusted gross income" has the meaning given under section 62(a) of the Internal Revenue Code, and "nonqualified distribution" means any distribution that is includible in gross income under section 529 of the Internal Revenue Code.

Subd. 2. **Credit allowed.** (a) A credit of up to \$500 is allowed against the tax imposed by this chapter to a resident individual who contributes to an account in a plan qualifying under section 529 of the Internal Revenue Code, subject to the limitations in paragraph (b). The credit is not allowed to an individual who is eligible to be claimed as a dependent, as defined in sections 151 and 152 of the Internal Revenue Code.

(b) The credit allowed must be calculated by applying the following rates to the amount contributed to an account in a plan qualifying under section 529 of the Internal Revenue Code, in a taxable year, reduced by any withdrawals from the account made during the taxable year, and not including any amounts rolled over from other accounts in plans qualifying under section 529 of the Internal Revenue Code:

(1) 50 percent for individual filers and married couples filing a joint return who have federal adjusted gross income of not more than \$80,000;

(2) 25 percent for married couples filing a joint return who have federal adjusted gross income over \$80,000, but not more than \$100,000;

(3) ten percent for married couples filing a joint return who have federal adjusted gross income over \$100,000, but not more than \$120,000; and

(4) five percent for married couples filing a joint return who have federal adjusted gross income over \$120,000, but not more than \$160,000.

(c) The income thresholds in paragraph (b), clauses (1) to (4), used to calculate the credit, must be adjusted for inflation. The commissioner shall adjust by the percentage determined under the provisions of section 1(f) of the Internal Revenue Code, except that in section 1(f)(3)(B) the word "2015" is substituted for the word "1992." For 2017, the commissioner shall then determine the percent change from the 12 months ending on August 31, 2015, to the 12 months ending on August 31, 2016, and in each subsequent year, from the 12 months ending on August 31, 2015, to the 12 months ending on August 31 of the year preceding the taxable year. The income thresholds as adjusted for inflation must be rounded to the nearest \$10 amount. If the amount ends in \$5, the amount is rounded up to the nearest \$10 amount. The determination of the commissioner under this subdivision is not a rule under the Administrative Procedure Act including section 14.386.

Subd. 3. **Credit refundable.** If the amount of credit that an individual is eligible to receive under this section exceeds the individual's tax liability under this chapter, the commissioner shall refund the excess to the individual.

Subd. 4. **Allocation.** For a part-year resident, the credit must be allocated based on the percentage calculated under section 290.06, subdivision 2c, paragraph (e).

Subd. 5. **Recapture of credit.** In the case of a nonqualified distribution, the taxpayer is liable to the commissioner for the lesser of: ten percent of the amount of the nonqualified distribution, or the sum of credits received under this section for all years.

Subd. 6. **Appropriation.** An amount sufficient to pay the refunds required by this section is appropriated to the commissioner from the general fund.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2016."

The question was taken on the adoption of the Clausen amendment to the first Rest amendment.

The roll was called, and there were yeas 31 and nays 33, as follows:

Those who voted in the affirmative were:

Bakk	Dziedzic	Isaacson	Newton	Torres Ray
Carlson	Eaton	Kent	Pappas	Wiger
Champion	Eken	Klein	Rest	Wiklund
Clausen	Frentz	Laine	Schoen	
Cohen	Hawj	Little	Simonson	
Cwodzinski	Hayden	Lourey	Sparks	
Dibble	Hoffman	Marty	Tomassoni	

Those who voted in the negative were:

Abeler	Eichorn	Jasinski	Mathews	Ruud
Anderson, B.	Fischbach	Jensen	Miller	Senjem
Anderson, P.	Gazelka	Johnson	Nelson	Utke
Benson	Goggin	Kiffmeyer	Osmek	Weber
Chamberlain	Hall	Koran	Pratt	Westrom
Dahms	Housley	Lang	Relph	
Draheim	Ingebrigtsen	Limmer	Rosen	

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

Senator Simonson moved to amend the first Rest amendment to H.F. No. 4 as follows:

Page 1, after line 5, insert:

"Page 110, line 5, delete "2018," and insert "2018 and thereafter," and delete "\$531,398,012. For aids" and insert "\$564,982,145"

Page 110, delete line 6

Page 110, line 7, delete everything before the period"

The question was taken on the adoption of the Simonson amendment to the first Rest amendment.

The roll was called, and there were yeas 31 and nays 33, as follows:

Those who voted in the affirmative were:

Bakk	Dziedzic	Isaacson	Newton	Torres Ray
Carlson	Eaton	Kent	Pappas	Wiger
Champion	Eken	Klein	Rest	Wiklund
Clausen	Frentz	Laine	Schoen	
Cohen	Hawj	Little	Simonson	
Cwodzinski	Hayden	Lourey	Sparks	
Dibble	Hoffman	Marty	Tomassoni	

Those who voted in the negative were:

Abeler	Eichorn	Jasinski	Mathews	Ruud
Anderson, B.	Fischbach	Jensen	Miller	Senjem
Anderson, P.	Gazelka	Johnson	Nelson	Utke
Benson	Goggin	Kiffmeyer	Osmek	Weber
Chamberlain	Hall	Koran	Pratt	Westrom
Dahms	Housley	Lang	Relph	
Draheim	Ingebrigtsen	Limmer	Rosen	

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

Senator Lourey moved to amend the first Rest amendment to H.F. No. 4 as follows:

Page 1, after line 5, insert:

"Page 70, after line 7, insert:

"Sec. 16. Minnesota Statutes 2016, section 278.12, is amended to read:

278.12 REFUNDS OF OVERPAYMENT.

If upon final determination the petitioner has paid more than the amount so determined to be due, judgment shall be entered in favor of the petitioner for such excess, ~~and~~. In the case of a petition under section 273.372, relative to property value determined by the commissioner of revenue, the petitioner shall file a copy of the judgment with the commissioner of revenue, who must issue a warrant for payment thereof within 30 days of receipt. In the case of a judgment relative to any other property, upon filing a copy thereof of the judgment with the county auditor the auditor shall forthwith draw a warrant upon the county treasurer for the payment thereof; provided that, with the consent of the petitioner, the county auditor may, in lieu of drawing such warrant, issue to the petitioner a certificate stating the amount of such judgment, which amount may be used to apply upon any taxes due or to become due for the taxing district or districts whose taxes or assessments are reduced, or their successors in the event of a reorganization or reincorporation of any such taxing district. In the event the auditor shall issue a warrant for refund or certificates, the amount thereof shall be charged to the state and other taxing districts in proportion to the amount of their respective taxes included in the levy and deduct the same in the subsequent distribution of any tax proceeds to the state or such taxing districts, and upon receiving any such certificate in payment of other taxes, the amount thereof shall be distributed to the state and other taxing districts in proportion to the amount of their respective taxes included in the levy; provided that if in the judgment the levy of one or more of the districts be found to be illegal, to the extent that the tax so levied is reduced on account of the illegal levies, the amount to be charged back shall be charged to the districts and the amount thereof deducted from any distributions thereafter made to them.

EFFECTIVE DATE. This section is effective for judgments entered after May 31, 2017."

Page 74, after line 31, insert:

"Sec. 25. **APPROPRIATION.**

\$88,000,000 is appropriated in fiscal year 2018 only from the general fund to the commissioner of revenue to make payments as authorized under Minnesota Statutes, section 278.12. This appropriation is available until spent."

The question was taken on the adoption of the Lourey amendment to the first Rest amendment.

The roll was called, and there were yeas 31 and nays 33, as follows:

Those who voted in the affirmative were:

Bakk	Dziedzic	Isaacson	Newton	Torres Ray
Carlson	Eaton	Kent	Pappas	Wiger
Champion	Eken	Klein	Rest	Wiklund
Clausen	Frentz	Laine	Schoen	
Cohen	Hawj	Little	Simonson	
Cwodzinski	Hayden	Lourey	Sparks	
Dibble	Hoffman	Marty	Tomassoni	

Those who voted in the negative were:

Abeler	Eichorn	Jasinski	Mathews	Ruud
Anderson, B.	Fischbach	Jensen	Miller	Senjem
Anderson, P.	Gazelka	Johnson	Nelson	Utke
Benson	Goggin	Kiffmeyer	Osmek	Weber
Chamberlain	Hall	Koran	Pratt	Westrom
Dahms	Housley	Lang	Relph	
Draheim	Ingebrigtsen	Limmer	Rosen	

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

Senator Dziedzic moved to amend the first Rest amendment to H.F. No. 4 as follows:

Page 1, after line 5, insert:

"Page 17, after line 20, insert:

"Sec. 15. Minnesota Statutes 2016, section 290.067, subdivision 1, is amended to read:

Subdivision 1. **Amount of credit.** (a) A taxpayer may take as a credit against the tax ~~due from the taxpayer and a spouse, if any,~~ imposed under this chapter an amount equal to the sum of dependent care credit for which the taxpayer is eligible pursuant to the provisions of section 21 of the Internal Revenue Code subject to the limitations provided in subdivision 2 except that credits calculated under this paragraph and paragraphs (b), (d), and (e). In determining whether ~~the child qualified as a dependent~~ expenses were paid to care for a qualifying individual, income received as a Minnesota family investment program grant or allowance to or on behalf of the ~~child~~ individual must not be taken into account in determining whether the ~~child~~ individual received more than half of the ~~child's~~ individual's support from the taxpayer, and the provisions of section 32(b)(1)(D) of the Internal Revenue Code do not apply.

(b) A taxpayer who incurs actual employment-related expenses may take as a credit against the tax imposed under this chapter an amount equal to the dependent care credit for which the taxpayer is eligible pursuant to the provisions of section 21 of the Internal Revenue Code.

(c) A taxpayer who elects to claim a credit under paragraph (d) or (e) may claim a credit under paragraph (b) only for employment-related expenses paid to care for qualifying individuals other than the child for whom deemed expenses were used to claim the credit under paragraph (d) or (e).

(b) If a child who has not attained the age of six years at the close of the taxable year is cared for at a licensed family day care home operated by the child's parent, the taxpayer is deemed to have paid employment-related expenses. (d) In lieu of the credit under paragraph (b), a taxpayer who operates a licensed family day care home may elect to claim as a credit against the tax imposed under this chapter an amount equal to the dependent care credit for which the taxpayer is eligible pursuant to the provisions of section 21 of the Internal Revenue Code calculated using deemed expenses rather than actual expenses paid. If the child is 16 months old or younger at the close of the taxable year, the amount of deemed expenses deemed to have been paid equals are equal to the maximum limit amount of employment-related expenses incurred during the taxable year that may be taken into account for one qualified qualifying individual under section 21(c) and (d) of the Internal Revenue Code minus the amount of employment-related expenses paid by the taxpayer for the care of the individual. If the child is older than 16 months of age but has not attained the age of six years at the close of the taxable year, the amount of deemed expenses deemed to have been paid equals are equal to the amount the licensee would charge for the care of a child of the same age for the same number of hours of care. If the child has attained six years of age at the close of the taxable year, deemed expenses are zero.

(e) If a (e) In lieu of the credit under paragraph (b), a married couple may elect to claim a credit against the tax imposed under this chapter as computed under paragraph (f) if the married couple:

(1) has a child who has not attained the age of one year at the close of the taxable year;

(2) files a joint tax return for the taxable year; and

(3) does not participate in a dependent care assistance program as defined in section 129 of the Internal Revenue Code, in lieu of the actual employment related expenses paid for that child under paragraph (a) or the deemed amount under paragraph (b), the lesser of (i) the combined earned income of the couple or (ii) the amount of the maximum limit for one qualified individual under section 21(c) and (d) of the Internal Revenue Code will be deemed to be the employment related expense paid for that child. The earned income limitation of section 21(d) of the Internal Revenue Code shall not apply to this deemed amount. These deemed amounts apply regardless of whether any employment-related expenses have been paid; and

(4) does not operate a licensed family day care center home.

(f) A married couple meeting the requirements of paragraph (e) is allowed a credit against the tax due under this chapter equal to the dependent care for which the couple is eligible pursuant to section 21 of the Internal Revenue Code calculated using deemed expenses rather than actual employment-related expenses paid. For purposes of this paragraph, deemed expenses are the lesser of (i) the combined earned income of the couple or (ii) the maximum amount of employment-related expenses incurred during the taxable year that may be taken into account for one qualified individual

under section 21(c) and (d) of the Internal Revenue Code or for two qualifying individuals for a taxpayer with two children who have not attained one year of age. The earned income limitation of section 21(d) of the Internal Revenue Code does not apply to this deemed amount. These deemed amounts apply regardless of whether any employment-related expenses have been paid.

~~(d)~~ (g) If the taxpayer is not required and does not file a federal individual income tax return for the tax year, or if the taxpayer files a federal return but does not claim a federal dependent care credit, no credit is allowed for any amount paid to any person unless:

(1) the name, address, and taxpayer identification number of the person are included on the return claiming the credit; or

(2) if the person is an organization described in section 501(c)(3) of the Internal Revenue Code and exempt from tax under section 501(a) of the Internal Revenue Code, the name and address of the person are included on the return claiming the credit.

In the case of a failure to provide the information required under the preceding sentence, the preceding sentence does not apply if it is shown that the taxpayer exercised due diligence in attempting to provide the information required.

~~(e)~~ (h) In the case of a nonresident, part-year resident, or a person who has earned income not subject to tax under this chapter including earned income excluded pursuant to section 290.0132, subdivision 10, the credit determined under this section ~~21 of the Internal Revenue Code~~ must be allocated based on the ratio by which the earned income of the claimant and the claimant's spouse from Minnesota sources bears to the total earned income of the claimant and the claimant's spouse.

~~(f)~~ (i) For residents of Minnesota, the subtractions for military pay under section 290.0132, subdivisions 11 and 12, are not considered "earned income not subject to tax under this chapter."

~~(g)~~ (j) For residents of Minnesota, the exclusion of combat pay under section 112 of the Internal Revenue Code is not considered "earned income not subject to tax under this chapter."

(k) For purposes of this section, "qualifying individual" and "employment-related expenses" have the meanings given in section 21 of the Internal Revenue Code.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2016.

Sec. 16. Minnesota Statutes 2016, section 290.067, subdivision 2, is amended to read:

Subd. 2. **Limitations.** ~~The credit for expenses incurred for the care of each dependent shall not exceed \$720 in any taxable year, and the total credit for all dependents of a claimant shall not exceed \$1,440 in a taxable year. The maximum total credit shall be reduced according to the amount of the income of the claimant and a spouse, if any, as follows:~~

~~income up to \$18,040, \$720 maximum for one dependent, \$1,440 for all dependents;~~

~~income over \$18,040, the maximum credit for one dependent shall be reduced by \$18 for every \$350 of additional income, \$36 for all dependents.~~

~~The commissioner shall construct and make available to taxpayers tables showing the amount of the credit at various levels of income and expenses. The tables shall follow the schedule contained in this subdivision, except that the commissioner may graduate the transitions between expenses and income brackets.~~

(a) The maximum credit under subdivision 1, paragraph (b), is:

(1) \$1,050 for a taxpayer with employment-related expenses for one qualifying individual;

(2) \$2,100 for a taxpayer with employment-related expenses for two or more qualifying individuals;

(3) \$1,050 for a taxpayer who elects to claim a credit under subdivision 1, paragraph (d) or (e), if that credit is based on deemed expenses for one child; and

(4) \$0 for a taxpayer who elects to claim a credit under subdivision 1, paragraph (d) or (e), if that credit is based on deemed expenses for two or more children.

(b) The maximum credit under subdivision 1, paragraphs (d) and (e), is:

(1) \$720 for a taxpayer with deemed expenses for one child; and

(2) \$1,440 for a taxpayer with deemed expenses for two or more children.

(c) For a taxpayer who claims a credit under subdivision 1, paragraph (b), who has federal adjusted gross income as defined in the Internal Revenue Code in excess of \$77,000, the credit under subdivision 1, paragraph (b), is equal to the lesser of:

(1) the credit calculated under subdivision 1, paragraph (b); or

(2) \$600 minus five percent of federal adjusted gross income in excess of \$77,000 for a taxpayer with one qualifying individual, or \$1,200 minus five percent of federal gross adjusted income in excess of \$77,000 for a taxpayer with two or more qualifying individuals, but in no case is the credit less than zero.

(d) For a taxpayer who elects to claim the credit under subdivision 1, paragraph (d) or (e), with federal adjusted gross income as defined in the Internal Revenue Code in excess of \$25,000, the credit is equal to the lesser of:

(1) the credit calculated under subdivision 1, paragraph (d) or (e); or

(2) \$720 minus five percent of federal adjusted gross income in excess of \$25,000 for a taxpayer with one qualifying individual, or \$1,440 minus five percent of federal gross adjusted income in excess of \$25,000 for a taxpayer with two or more qualifying individuals, but in no case is the credit less than zero.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2016.

Sec. 17. Minnesota Statutes 2016, section 290.067, subdivision 2b, is amended to read:

Subd. 2b. **Inflation adjustment.** The commissioner shall adjust the dollar amount of the income threshold at which the ~~maximum~~ credit begins to be reduced under subdivision 2 by the percentage determined pursuant to the provisions of section 1(f) of the Internal Revenue Code, except that in section 1(f)(3)(B) the word "~~1999~~" "2016" shall be substituted for the word "1992." For ~~2001~~ 2018, the commissioner shall then determine the percent change from the 12 months ending on August 31, ~~1999~~ 2016, to the 12 months ending on August 31, ~~2000~~ 2017, and in each subsequent year, from the 12 months ending on August 31, ~~1999~~ 2016, to the 12 months ending on August 31 of the year preceding the taxable year. The determination of the commissioner pursuant to this subdivision must not be considered a "rule" and is not subject to the Administrative Procedure Act contained in chapter 14. The threshold amount as adjusted must be rounded to the nearest \$10 amount. If the amount ends in \$5, the amount is rounded up to the nearest \$10 amount.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2017.

Sec. 18. Minnesota Statutes 2016, section 290.067, subdivision 3, is amended to read:

Subd. 3. **Credit to be refundable.** If the amount of credit which a claimant would be eligible to receive pursuant to this ~~subdivision~~ section exceeds the claimant's tax liability under chapter 290, the excess amount of the credit shall be refunded to the claimant by the commissioner ~~of revenue~~.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2016."

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

Senator Bakk moved to amend the first Rest amendment to H.F. No. 4 as follows:

Page 1, after line 5, insert:

"Page 111, after line 4, insert:

"Sec. 18. Minnesota Statutes 2016, section 477A.11, is amended by adding a subdivision to read:

Subd. 5a. Large forest easement value reduction. "Large forest easement value reduction" means the market value reduction due to a single forest for the future easement on land exceeding 60,000 acres that was acquired as provided in section 84.66.

EFFECTIVE DATE. This section is effective retroactively for assessment year 2011 and thereafter."

Page 111, after line 19, insert:

"(4) \$5.133, multiplied by the total number of acres of large forest easement land, or, at the county's option, three-fourths of one percent of the large forest easement value reduction in the county, whichever is greater;"

Page 111, line 20, strike "(4)" and insert "(5)"

Page 111, line 22, strike "(5)" and insert "(6)"

Page 111, line 24, strike "(6)" and insert "(7)"

Page 111, line 26, strike "(7)" and insert "(8)"

Page 111, line 28, strike "(8)" and insert "(9)"

Page 112, delete lines 1 and 2 and insert:

"EFFECTIVE DATE. Clause (4) is effective retroactively for assessment year 2011 and thereafter. Clauses (6) and (8) are effective for payments made in calendar year 2018 and thereafter.

Sec. 20. Minnesota Statutes 2016, section 477A.12, subdivision 2, is amended to read:

Subd. 2. **Procedure.** (a) Each county auditor shall certify to the Department of Natural Resources during July of each year prior to the payment year: (1) the number of acres of county-administered other natural resources land within the county; and (2) the assessed value of large forest easement value reduction in the county. The Department of Natural Resources may, in addition to the certification of acreage, require descriptive lists of land so certified. The commissioner of natural resources shall determine and certify to the commissioner of revenue by March 1 of the payment year:

(1) the number of acres and most recent appraised value of acquired natural resources land, wildlife management land, and military refuge land within each county;

(2) the number of acres of commissioner-administered natural resources land within each county;

(3) the number of acres of county-administered other natural resources land within each county, based on the reports filed by each county auditor with the commissioner of natural resources; and

(4) the number of acres of land utilization project land within each county.

(b) The commissioner of transportation shall determine and certify to the commissioner of revenue by March 1 of the payment year the number of acres of transportation wetland and the appraised value of the land, but only if it exceeds 500 acres in a county.

(c) Each auditor of a county that contains state-owned lands within a conservation area shall determine and certify to the commissioner of natural resources by May 31 of the payment year, the county's ditch assessments for state-owned lands subject to section 84A.55, subdivision 9. A joint certification for two or more counties may be submitted to the commissioner of natural resources through the Consolidated Conservation Counties Joint Powers Board. The commissioner of natural resources shall certify the ditch assessments to the commissioner of revenue by June 15 of the payment year.

(d) The commissioner of revenue shall determine the distributions provided for in this section using: (1) the number of acres and appraised values certified by the commissioner of natural resources and the commissioner of transportation by March 1 of the payment year; and (2) ditch assessments under paragraph (c), by July 15 of the payment year; and (3) the assessed value of large forest easement value reduction certified by the county auditor.

EFFECTIVE DATE. This section is effective retroactively for assessment year 2011 and thereafter.

Sec. 21. Minnesota Statutes 2016, section 477A.14, subdivision 3, is amended to read:

Subd. 3. **Distribution for wildlife management lands and military refuge lands.** (a) The county treasurer shall allocate the payment for wildlife management land, large forest easement value reduction, and military game refuge land among the county, towns, and school districts on the same basis as if the payments were taxes on the land received in the year. Payment of a town's or a school district's allocation must be made by the county treasurer to the town or school district within 30 days of receipt of the payment to the county. The county's share of the payment shall be deposited in the county general revenue fund.

(b) The county treasurer of a county with a population over 39,000, but less than 42,000, in the 1950 federal census shall allocate the payment only among the towns and school districts on the same basis as if the payments were taxes on the lands received in the current year.

(c) If a town received a payment in calendar year 2006 or thereafter under this subdivision, and subsequently incorporated as a city, the city shall continue to receive any future year's allocations of wildlife land payments that would have been made to the town had it not incorporated, provided that the payments shall terminate if the governing body of the city passes an ordinance that prohibits hunting within the boundaries of the city.

EFFECTIVE DATE. This section is effective retroactively for assessment year 2011 and thereafter."

The question was taken on the adoption of the Bakk amendment to the first Rest amendment.

The roll was called, and there were yeas 34 and nays 32, as follows:

Those who voted in the affirmative were:

Bakk	Dziedzic	Hoffman	Lourey	Simonson
Carlson	Eaton	Isaacson	Marty	Sparks
Champion	Eichorn	Kent	Newton	Tomassoni
Clausen	Eken	Klein	Pappas	Torres Ray
Cohen	Frentz	Laine	Rest	Wiger
Cwodzinski	Hawj	Latz	Ruud	Wiklund
Dibble	Hayden	Little	Schoen	

Those who voted in the negative were:

Abeler	Fischbach	Jensen	Miller	Senjem
Anderson, B.	Gazelka	Johnson	Nelson	Utke
Anderson, P.	Goggin	Kiffmeyer	Newman	Weber
Benson	Hall	Koran	Osmeck	Westrom
Chamberlain	Housley	Lang	Pratt	
Dahms	Ingebrigtsen	Limmer	Relph	
Draheim	Jasinski	Mathews	Rosen	

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

Senator Rest withdrew her first amendment.

Senator Dziejdzic moved to amend H.F. No. 4, as amended pursuant to Rule 45, adopted by the Senate March 31, 2017, as follows:

(The text of the amended House File is identical to S.F. No. 2255.)

Page 42, after line 8, insert:

"Sec. 36. **PENSION INCOME REPORT.**

By March 15, 2018, the commissioner of revenue, in conjunction with the Legislative Commission on Pensions and Retirement, shall provide a report to the senate and house of representatives committees with jurisdiction over taxes that includes the following information:

(1) the number of Minnesota recipients, including survivors, of a basic member pension plan governed by Minnesota Statutes, chapter 3A, 352B, 353, 354, or 354A, that is based on service for which the member or survivor is not also receiving Social Security benefits;

(2) the number of Minnesota recipients, including survivors, of any retirement system administered by the federal government for which the recipient or survivor is not also receiving Social Security benefits;

(3) the number of Minnesota recipients, including survivors, of an annuity or benefit from a public retirement system of or created by another state or any of its political subdivisions, where the income tax laws of the other state permit a reciprocal deduction or exemption of retirement or pension benefits received from a public retirement system;

(4) the average and median amount of pension or retirement benefit income received by the individuals in each of clauses (1) to (3); and

(5) an estimate of the amount of a subtraction for annuities or benefits received by the individuals in each of clauses (1) to (3) that would be proportionate to the subtraction for Social Security benefits under section 8."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Dziejdzic moved to amend the Dziejdzic amendment to H.F. No. 4 as follows:

Page 1, line 8, after "taxes" insert "and the Legislative Commission on Pensions and Retirement"

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

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

Senator Dziejdzic moved to amend H.F. No. 4, as amended pursuant to Rule 45, adopted by the Senate March 31, 2017, as follows:

(The text of the amended House File is identical to S.F. No. 2255.)

Page 10, delete section 6

Page 21, delete section 22

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 33 and nays 34, as follows:

Those who voted in the affirmative were:

Bakk	Dziedzic	Hoffman	Lourey	Sparks
Carlson	Eaton	Isaacson	Marty	Tomassoni
Champion	Eken	Kent	Newton	Torres Ray
Clausen	Franzen	Klein	Pappas	Wiger
Cohen	Frentz	Laine	Rest	Wiklund
Cwodzinski	Hawj	Latz	Schoen	
Dibble	Hayden	Little	Simonson	

Those who voted in the negative were:

Abeler	Eichorn	Jasinski	Mathews	Rosen
Anderson, B.	Fischbach	Jensen	Miller	Ruud
Anderson, P.	Gazelka	Johnson	Nelson	Senjem
Benson	Goggin	Kiffmeyer	Newman	Utke
Chamberlain	Hall	Koran	Osmek	Weber
Dahms	Housley	Lang	Pratt	Westrom
Draheim	Ingebrigtsen	Limmer	Relph	

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

Senator Bakk moved to amend H.F. No. 4, as amended pursuant to Rule 45, adopted by the Senate March 31, 2017, as follows:

(The text of the amended House File is identical to S.F. No. 2255.)

Page 45, after line 30, insert:

"Sec. 2. Minnesota Statutes 2016, section 126C.01, subdivision 3, is amended to read:

Subd. 3. **Referendum market value.** "Referendum market value" means the market value of all taxable property, excluding property classified as class 2, 4c(4), or 4c(12) under section 273.13. The portion of class 2a property consisting of the house, garage, and surrounding one acre of land of an agricultural homestead is included in referendum market value. For the purposes of this subdivision, in the case of class 1a, 1b, or 2a property, "market value" means the value prior to the exclusion under section 273.13, subdivision 35. Any class of property, or any portion of a class of property, that is included in the definition of referendum market value and that has a classification rate of less than ~~one~~ 0.9 percent under section 273.13 shall have a referendum market value equal to its market value times its classification rate, multiplied by 100.

EFFECTIVE DATE. This section is effective for taxes levied in 2017, payable in 2018, and thereafter."

Page 51, after line 27, insert:

"Sec. 9. Minnesota Statutes 2016, section 273.13, subdivision 22, is amended to read:

Subd. 22. **Class 1.** (a) Except as provided in subdivision 23 and in paragraphs (b) and (c), real estate which is residential and used for homestead purposes is class 1a. In the case of a duplex or triplex in which one of the units is used for homestead purposes, the entire property is deemed to be used for homestead purposes. The market value of class 1a property must be determined based upon the value of the house, garage, and land.

The first \$500,000 of market value of class 1a property has a net classification rate of ~~one~~ 0.9 percent of its market value; and the market value of class 1a property that exceeds \$500,000 has a classification rate of 1.25 percent of its market value.

(b) Class 1b property includes homestead real estate or homestead manufactured homes used for the purposes of a homestead by:

(1) any person who is blind as defined in section 256D.35, or the blind person and the blind person's spouse;

(2) any person who is permanently and totally disabled or by the disabled person and the disabled person's spouse; or

(3) the surviving spouse of a permanently and totally disabled veteran homesteading a property classified under this paragraph for taxes payable in 2008.

Property is classified and assessed under clause (2) only if the government agency or income-providing source certifies, upon the request of the homestead occupant, that the homestead occupant satisfies the disability requirements of this paragraph, and that the property is not eligible for the valuation exclusion under subdivision 34.

Property is classified and assessed under paragraph (b) only if the commissioner of revenue or the county assessor certifies that the homestead occupant satisfies the requirements of this paragraph.

Permanently and totally disabled for the purpose of this subdivision means a condition which is permanent in nature and totally incapacitates the person from working at an occupation which brings the person an income. The first \$50,000 market value of class 1b property has a net classification rate of .45 percent of its market value. The remaining market value of class 1b property has a classification rate using the rates for class 1a or class 2a property, whichever is appropriate, of similar market value.

(c) Class 1c property is commercial use real and personal property that abuts public water as defined in section 103G.005, subdivision 15, and is devoted to temporary and seasonal residential occupancy for recreational purposes but not devoted to commercial purposes for more than 250 days in the year preceding the year of assessment, and that includes a portion used as a homestead by the owner, which includes a dwelling occupied as a homestead by a shareholder of a corporation that owns the resort, a partner in a partnership that owns the resort, or a member of a limited liability company that owns the resort even if the title to the homestead is held by the corporation, partnership, or limited liability company. For purposes of this paragraph, property is devoted to a commercial

purpose on a specific day if any portion of the property, excluding the portion used exclusively as a homestead, is used for residential occupancy and a fee is charged for residential occupancy. Class 1c property must contain three or more rental units. A "rental unit" is defined as a cabin, condominium, townhouse, sleeping room, or individual camping site equipped with water and electrical hookups for recreational vehicles. Class 1c property must provide recreational activities such as the rental of ice fishing houses, boats and motors, snowmobiles, downhill or cross-country ski equipment; provide marina services, launch services, or guide services; or sell bait and fishing tackle. Any unit in which the right to use the property is transferred to an individual or entity by deeded interest, or the sale of shares or stock, no longer qualifies for class 1c even though it may remain available for rent. A camping pad offered for rent by a property that otherwise qualifies for class 1c is also class 1c, regardless of the term of the rental agreement, as long as the use of the camping pad does not exceed 250 days. If the same owner owns two separate parcels that are located in the same township, and one of those properties is classified as a class 1c property and the other would be eligible to be classified as a class 1c property if it was used as the homestead of the owner, both properties will be assessed as a single class 1c property; for purposes of this sentence, properties are deemed to be owned by the same owner if each of them is owned by a limited liability company, and both limited liability companies have the same membership. The portion of the property used as a homestead is class 1a property under paragraph (a). The remainder of the property is classified as follows: the first \$600,000 of market value is tier I, the next \$1,700,000 of market value is tier II, and any remaining market value is tier III. The classification rates for class 1c are: tier I, 0.50 percent; tier II, 1.0 percent; and tier III, 1.25 percent. Owners of real and personal property devoted to temporary and seasonal residential occupancy for recreation purposes in which all or a portion of the property was devoted to commercial purposes for not more than 250 days in the year preceding the year of assessment desiring classification as class 1c, must submit a declaration to the assessor designating the cabins or units occupied for 250 days or less in the year preceding the year of assessment by January 15 of the assessment year. Those cabins or units and a proportionate share of the land on which they are located must be designated as class 1c as otherwise provided. The remainder of the cabins or units and a proportionate share of the land on which they are located must be designated as class 3a commercial. The owner of property desiring designation as class 1c property must provide guest registers or other records demonstrating that the units for which class 1c designation is sought were not occupied for more than 250 days in the year preceding the assessment if so requested. The portion of a property operated as a (1) restaurant, (2) bar, (3) gift shop, (4) conference center or meeting room, and (5) other nonresidential facility operated on a commercial basis not directly related to temporary and seasonal residential occupancy for recreation purposes does not qualify for class 1c.

(d) Class 1d property includes structures that meet all of the following criteria:

(1) the structure is located on property that is classified as agricultural property under section 273.13, subdivision 23;

(2) the structure is occupied exclusively by seasonal farm workers during the time when they work on that farm, and the occupants are not charged rent for the privilege of occupying the property, provided that use of the structure for storage of farm equipment and produce does not disqualify the property from classification under this paragraph;

(3) the structure meets all applicable health and safety requirements for the appropriate season;
and

(4) the structure is not salable as residential property because it does not comply with local ordinances relating to location in relation to streets or roads.

The market value of class 1d property has the same classification rates as class 1a property under paragraph (a) first \$500,000 of market value of class 1d property has a classification rate of one percent of its market value; and the market value of class 1d property that exceeds \$500,000 has a classification rate of 1.25 percent of market value.

EFFECTIVE DATE. This section is effective for taxes levied in 2017, payable in 2018, and thereafter."

Page 58, strike lines 16 and 17 and insert "The first \$500,000 of market value of class 4bb property has a classification rate of one percent of its market value; and the market value of class 4bb property that exceeds \$500,000 has a classification rate of 1.25 percent of its market value."

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 33 and nays 34, as follows:

Those who voted in the affirmative were:

Bakk	Dziedzic	Hoffman	Lourey	Sparks
Carlson	Eaton	Isaacson	Marty	Tomassoni
Champion	Eken	Kent	Newton	Torres Ray
Clausen	Franzen	Klein	Pappas	Wiger
Cohen	Frentz	Laine	Rest	Wiklund
Cwodzinski	Hawj	Latz	Schoen	
Dibble	Hayden	Little	Simonson	

Those who voted in the negative were:

Abeler	Eichorn	Jasinski	Mathews	Rosen
Anderson, B.	Fischbach	Jensen	Miller	Ruud
Anderson, P.	Gazelka	Johnson	Nelson	Senjem
Benson	Goggin	Kiffmeyer	Newman	Utke
Chamberlain	Hall	Koran	Osmek	Weber
Dahms	Housley	Lang	Pratt	Westrom
Draheim	Ingebrigtsen	Limmer	Relph	

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

Senator Hoffman moved to amend H.F. No. 4, as amended pursuant to Rule 45, adopted by the Senate March 31, 2017, as follows:

(The text of the amended House File is identical to S.F. No. 2255.)

Page 10, delete section 6

Page 19, delete section 18 and insert:

"Sec. 17. Minnesota Statutes 2016, section 290.0674, subdivision 1, is amended to read:

Subdivision 1. **Credit allowed.** An individual is allowed a credit against the tax imposed by this chapter in an amount equal to 75 percent of the amount paid for education-related expenses for a qualifying child in kindergarten through grade 12. For purposes of this section, "education-related expenses" means:

(1) fees or tuition for instruction by an instructor under section 120A.22, subdivision 10, clause (1), (2), (3), (4), or (5), or a member of the Minnesota Music Teachers Association, and who is not a lineal ancestor or sibling of the dependent for instruction outside the regular school day or school year, including tutoring, driver's education offered as part of school curriculum, regardless of whether it is taken from a public or private entity or summer camps, in grade or age appropriate curricula that supplement curricula and instruction available during the regular school year, that assists a dependent to improve knowledge of core curriculum areas or to expand knowledge and skills under the required academic standards under section 120B.021, subdivision 1, and the elective standard under section 120B.022, subdivision 1, clause (2), and that do not include the teaching of religious tenets, doctrines, or worship, the purpose of which is to instill such tenets, doctrines, or worship;

(2) expenses for textbooks, including books and other instructional materials and equipment purchased or leased for use in elementary and secondary schools in teaching only those subjects legally and commonly taught in public elementary and secondary schools in this state. "Textbooks" does not include instructional books and materials used in the teaching of religious tenets, doctrines, or worship, the purpose of which is to instill such tenets, doctrines, or worship, nor does it include books or materials for extracurricular activities including sporting events, musical or dramatic events, speech activities, driver's education, or similar programs;

(3) a maximum expense of ~~\$200~~ \$300 per family for personal computer hardware, excluding single purpose processors, and educational software that assists a dependent to improve knowledge of core curriculum areas or to expand knowledge and skills under the required academic standards under section 120B.021, subdivision 1, and the elective standard under section 120B.022, subdivision 1, clause (2), purchased for use in the taxpayer's home and not used in a trade or business regardless of whether the computer is required by the dependent's school; and

(4) the amount paid to others for transportation of a qualifying child attending an elementary or secondary school situated in Minnesota, North Dakota, South Dakota, Iowa, or Wisconsin, wherein a resident of this state may legally fulfill the state's compulsory attendance laws, which is not operated for profit, and which adheres to the provisions of the Civil Rights Act of 1964 and chapter 363A. Amounts under this clause exclude any expense the taxpayer incurred in using the taxpayer's or the qualifying child's vehicle.

For purposes of this section, "qualifying child" has the meaning given in section 32(c)(3) of the Internal Revenue Code.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2016.

Sec. 18. Minnesota Statutes 2016, section 290.0674, subdivision 2, is amended to read:

Subd. 2. **Limitations.** (a) For claimants with income not greater than ~~\$33,500~~ \$50,000, the maximum credit allowed for a family is ~~\$1,000~~ \$1,500 multiplied by the number of qualifying children in kindergarten through grade 12 in the family. The maximum credit ~~for families with one~~

~~qualifying child in kindergarten through grade 12 is reduced by \$1 for each \$4 \$10 of household income over \$33,500, and the maximum credit for families with two or more qualifying children in kindergarten through grade 12 is reduced by \$2 for each \$4 of household income over \$33,500 \$50,000, but in no case is the credit less than zero.~~

For purposes of this section "income" has the meaning given in section 290.067, subdivision 2a. In the case of a married claimant, a credit is not allowed unless a joint income tax return is filed.

(b) For a nonresident or part-year resident, the credit determined under subdivision 1 and the maximum credit amount in paragraph (a) must be allocated using the percentage calculated in section 290.06, subdivision 2c, paragraph (e).

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2016.

Sec. 19. Minnesota Statutes 2016, section 290.0674, is amended by adding a subdivision to read:

Subd. 6. Inflation adjustment. The income threshold at which the maximum credit begins to be reduced in subdivision 2 must be adjusted for inflation. The commissioner shall adjust the income threshold by the percentage determined pursuant to the provisions of section 1(f) of the Internal Revenue Code, except that in section 1(f)(3)(B), the word "2016" shall be substituted for the word "1992." For 2018, the commissioner shall then determine the percent change from the 12 months ending on August 31, 2016, to the 12 months ending on August 31, 2017, and in each subsequent year, from the 12 months ending August 31, 2016, to the 12 months ending on August 31 of the year preceding the taxable year. The income threshold as adjusted for inflation must be rounded to the nearest \$10 amount. If the amount ends in \$5, the amount is rounded up to the nearest \$10 amount. The determination of the commissioner under this subdivision is not a rule under the Administrative Procedure Act.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2016."

Page 21, delete section 22

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 33 and nays 34, as follows:

Those who voted in the affirmative were:

Bakk	Dziedzic	Hoffman	Lourey	Sparks
Carlson	Eaton	Isaacson	Marty	Tomassoni
Champion	Eken	Kent	Newton	Torres Ray
Clausen	Franzen	Klein	Pappas	Wiger
Cohen	Frentz	Laine	Rest	Wiklund
Cwodzinski	Hawj	Latz	Schoen	
Dibble	Hayden	Little	Simonson	

Those who voted in the negative were:

Abeler	Eichorn	Jasinski	Mathews	Rosen
Anderson, B.	Fischbach	Jensen	Miller	Ruud
Anderson, P.	Gazelka	Johnson	Nelson	Senjem
Benson	Goggin	Kiffmeyer	Newman	Utke
Chamberlain	Hall	Koran	Osmek	Weber
Dahms	Housley	Lang	Pratt	Westrom
Draheim	Ingebrigtsen	Limmer	Relph	

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

Senator Hoffman moved to amend H.F. No. 4, as amended pursuant to Rule 45, adopted by the Senate March 31, 2017, as follows:

(The text of the amended House File is identical to S.F. No. 2255.)

Page 27, after line 4, insert:

"Subd. 6. **Mandatory inclusion for people with disabilities.** No otherwise qualified individual with a disability, as defined in Minnesota Statutes, shall, solely by reason of the individual's disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving funding from tax credits defined within this section."

The motion prevailed. So the amendment was adopted.

Senator Dibble moved to amend H.F. No. 4, as amended pursuant to Rule 45, adopted by the Senate March 31, 2017, as follows:

(The text of the amended House File is identical to S.F. No. 2255.)

Page 22, line 22, delete "and" and insert "chapter 121A, sections 121A.03 to 121A.0311, and"

Senator Limmer questioned whether the amendment was germane.

The President ruled that the amendment was germane.

The question was taken on the adoption of the Dibble amendment. The motion prevailed. So the amendment was adopted.

Senator Klein moved to amend H.F. No. 4, as amended pursuant to Rule 45, adopted by the Senate March 31, 2017, as follows:

(The text of the amended House File is identical to S.F. No. 2255.)

Page 10, delete section 6

Page 21, delete section 22

Page 97, after line 10, insert:

"Sec. 3. Minnesota Statutes 2016, section 126C.17, subdivision 6, is amended to read:

Subd. 6. **Referendum equalization levy.** (a) A district's referendum equalization levy equals the sum of the first tier referendum equalization levy, the second tier referendum equalization levy, and the third tier referendum equalization levy.

(b) A district's first tier referendum equalization levy equals the district's first tier referendum equalization revenue times the lesser of one or the ratio of the district's referendum market value per resident pupil unit to ~~\$880,000~~ \$950,000.

(c) A district's second tier referendum equalization levy equals the district's second tier referendum equalization revenue times the lesser of one or the ratio of the district's referendum market value per resident pupil unit to ~~\$510,000~~ \$611,000.

(d) A district's third tier referendum equalization levy equals the district's third tier referendum equalization revenue times the lesser of one or the ratio of the district's referendum market value per resident pupil unit to \$290,000.

EFFECTIVE DATE. This section is effective for taxes payable in 2018 and later."

Page 114, after line 12, insert:

"Sec. 26. **APPROPRIATION.**

For fiscal year 2019, \$28,827,000 is appropriated from the general fund to the commissioner of education for additional referendum equalization aid under Minnesota Statutes, section 126C.17, subdivision 7. This amount is in addition to other appropriations for the same purpose."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Nelson moved to amend the Klein amendment to H.F. No. 4 as follows:

Page 1, delete line 4

Page 1, delete line 5

Page 1, after line 26, insert:

"Sec. 27. **AID REDUCTIONS.**

(a) Notwithstanding any law to the contrary, for aids payable in 2018 and thereafter, under Minnesota Statutes, section 477A.013, the total aid payable to the city of Minneapolis shall be \$50,000,000.

(b) The total appropriation under section 477A.03, subdivision 2a, shall be reduced by \$28,827,000 for aids payable in 2018 and thereafter.

EFFECTIVE DATE. This section is effective for aids payable in 2018 and thereafter."

Senator Little questioned whether the Nelson amendment to the amendment was germane.

The President ruled that the amendment to the amendment was germane.

The question was taken on the adoption of the Nelson amendment to the Klein amendment.

The roll was called, and there were yeas 34 and nays 33, as follows:

Those who voted in the affirmative were:

Abeler	Eichorn	Jasinski	Mathews	Rosen
Anderson, B.	Fischbach	Jensen	Miller	Ruud
Anderson, P.	Gazelka	Johnson	Nelson	Senjem
Benson	Goggin	Kiffmeyer	Newman	Utke
Chamberlain	Hall	Koran	Osmek	Weber
Dahms	Housley	Lang	Pratt	Westrom
Draheim	Ingebrigtsen	Limmer	Relph	

Those who voted in the negative were:

Bakk	Dziedzic	Hoffman	Lourey	Sparks
Carlson	Eaton	Isaacson	Marty	Tomassoni
Champion	Eken	Kent	Newton	Torres Ray
Clausen	Franzen	Klein	Pappas	Wiger
Cohen	Frentz	Laine	Rest	Wiklund
Cwodzinski	Hawj	Latz	Schoen	
Dibble	Hayden	Little	Simonson	

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

The question recurred on the adoption of the Klein amendment, as amended.

The roll was called, and there were yeas 35 and nays 32, as follows:

Those who voted in the affirmative were:

Abeler	Draheim	Ingebrigtsen	Latz	Relph
Anderson, B.	Eichorn	Jasinski	Limmer	Rosen
Anderson, P.	Fischbach	Jensen	Mathews	Ruud
Bakk	Gazelka	Johnson	Miller	Senjem
Benson	Goggin	Kiffmeyer	Nelson	Utke
Chamberlain	Hall	Koran	Newman	Westrom
Dahms	Housley	Lang	Osmek	Wiger

Those who voted in the negative were:

Carlson	Eaton	Isaacson	Newton	Tomassoni
Champion	Eken	Kent	Pappas	Torres Ray
Clausen	Franzen	Klein	Pratt	Weber
Cohen	Frentz	Laine	Rest	Wiklund
Cwodzinski	Hawj	Little	Schoen	
Dibble	Hayden	Lourey	Simonson	
Dziedzic	Hoffman	Marty	Sparks	

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

Senator Bakk moved to amend H.F. No. 4, as amended pursuant to Rule 45, adopted by the Senate March 31, 2017, as follows:

(The text of the amended House File is identical to S.F. No. 2255.)

Page 10, delete section 5

Page 12, delete section 10

Page 111, after line 4, insert:

"Sec. 18. Minnesota Statutes 2016, section 477A.11, is amended by adding a subdivision to read:

Subd. 5a. **Large forest easement value reduction.** "Large forest easement value reduction" means the market value reduction due to a single forest for the future easement on land exceeding 60,000 acres that was acquired as provided in section 84.66.

EFFECTIVE DATE. This section is effective retroactively for assessment year 2011 and thereafter."

Page 111, after line 19, insert:

"(4) \$5.133, multiplied by the total number of acres of large forest easement land, or, at the county's option, three-fourths of one percent of the large forest easement value reduction in the county, whichever is greater;"

Page 111, line 20, strike "(4)" and insert "(5)"

Page 111, line 22, strike "(5)" and insert "(6)"

Page 111, line 24, strike "(6)" and insert "(7)"

Page 111, line 26, strike "(7)" and insert "(8)"

Page 111, line 28, strike "(8)" and insert "(9)"

Page 112, delete lines 1 and 2, and insert:

"**EFFECTIVE DATE.** Clause (4) is effective retroactively for assessment year 2011 and thereafter. Clauses (6) and (8) are effective for payments made in calendar year 2018 and thereafter."

Sec. 20. Minnesota Statutes 2016, section 477A.12, subdivision 2, is amended to read:

Subd. 2. **Procedure.** (a) Each county auditor shall certify to the Department of Natural Resources during July of each year prior to the payment year: (1) the number of acres of county-administered other natural resources land within the county; and (2) the assessed value of large forest easement value reduction in the county. The Department of Natural Resources may, in addition to the certification of acreage, require descriptive lists of land so certified. The commissioner of natural resources shall determine and certify to the commissioner of revenue by March 1 of the payment year:

(1) the number of acres and most recent appraised value of acquired natural resources land, wildlife management land, and military refuge land within each county;

(2) the number of acres of commissioner-administered natural resources land within each county;

(3) the number of acres of county-administered other natural resources land within each county, based on the reports filed by each county auditor with the commissioner of natural resources; and

(4) the number of acres of land utilization project land within each county.

(b) The commissioner of transportation shall determine and certify to the commissioner of revenue by March 1 of the payment year the number of acres of transportation wetland and the appraised value of the land, but only if it exceeds 500 acres in a county.

(c) Each auditor of a county that contains state-owned lands within a conservation area shall determine and certify to the commissioner of natural resources by May 31 of the payment year, the county's ditch assessments for state-owned lands subject to section 84A.55, subdivision 9. A joint certification for two or more counties may be submitted to the commissioner of natural resources through the Consolidated Conservation Counties Joint Powers Board. The commissioner of natural resources shall certify the ditch assessments to the commissioner of revenue by June 15 of the payment year.

(d) The commissioner of revenue shall determine the distributions provided for in this section using: (1) the number of acres and appraised values certified by the commissioner of natural resources and the commissioner of transportation by March 1 of the payment year; ~~and~~ (2) ditch assessments under paragraph (c), by July 15 of the payment year; and (3) the assessed value of large forest easement value reduction certified by the county auditor.

EFFECTIVE DATE. This section is effective retroactively for assessment year 2011 and thereafter.

Sec. 21. Minnesota Statutes 2016, section 477A.14, subdivision 3, is amended to read:

Subd. 3. **Distribution for wildlife management lands and military refuge lands.** (a) The county treasurer shall allocate the payment for wildlife management land, large forest easement value reduction, and military game refuge land among the county, towns, and school districts on the same basis as if the payments were taxes on the land received in the year. Payment of a town's or a school district's allocation must be made by the county treasurer to the town or school district within 30 days of receipt of the payment to the county. The county's share of the payment shall be deposited in the county general revenue fund.

(b) The county treasurer of a county with a population over 39,000, but less than 42,000, in the 1950 federal census shall allocate the payment only among the towns and school districts on the same basis as if the payments were taxes on the lands received in the current year.

(c) If a town received a payment in calendar year 2006 or thereafter under this subdivision, and subsequently incorporated as a city, the city shall continue to receive any future year's allocations of wildlife land payments that would have been made to the town had it not incorporated, provided that the payments shall terminate if the governing body of the city passes an ordinance that prohibits hunting within the boundaries of the city.

EFFECTIVE DATE. This section is effective retroactively for assessment year 2011 and thereafter."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Rest requested division of the Bakk amendment.

First portion:

Page 111, after line 4, insert:

"Sec. 18. Minnesota Statutes 2016, section 477A.11, is amended by adding a subdivision to read:

Subd. 5a. **Large forest easement value reduction.** "Large forest easement value reduction" means the market value reduction due to a single forest for the future easement on land exceeding 60,000 acres that was acquired as provided in section 84.66.

EFFECTIVE DATE. This section is effective retroactively for assessment year 2011 and thereafter."

Page 111, after line 19, insert:

"(4) \$5.133, multiplied by the total number of acres of large forest easement land, or, at the county's option, three-fourths of one percent of the large forest easement value reduction in the county, whichever is greater;"

Page 111, line 20, strike "(4)" and insert "(5)"

Page 111, line 22, strike "(5)" and insert "(6)"

Page 111, line 24, strike "(6)" and insert "(7)"

Page 111, line 26, strike "(7)" and insert "(8)"

Page 111, line 28, strike "(8)" and insert "(9)"

Page 112, delete lines 1 and 2, and insert:

"**EFFECTIVE DATE.** Clause (4) is effective retroactively for assessment year 2011 and thereafter. Clauses (6) and (8) are effective for payments made in calendar year 2018 and thereafter.

Sec. 20. Minnesota Statutes 2016, section 477A.12, subdivision 2, is amended to read:

Subd. 2. **Procedure.** (a) Each county auditor shall certify to the Department of Natural Resources during July of each year prior to the payment year: (1) the number of acres of county-administered other natural resources land within the county; and (2) the assessed value of large forest easement value reduction in the county. The Department of Natural Resources may, in addition to the certification of acreage, require descriptive lists of land so certified. The commissioner of natural resources shall determine and certify to the commissioner of revenue by March 1 of the payment year:

(1) the number of acres and most recent appraised value of acquired natural resources land, wildlife management land, and military refuge land within each county;

(2) the number of acres of commissioner-administered natural resources land within each county;

(3) the number of acres of county-administered other natural resources land within each county, based on the reports filed by each county auditor with the commissioner of natural resources; and

(4) the number of acres of land utilization project land within each county.

(b) The commissioner of transportation shall determine and certify to the commissioner of revenue by March 1 of the payment year the number of acres of transportation wetland and the appraised value of the land, but only if it exceeds 500 acres in a county.

(c) Each auditor of a county that contains state-owned lands within a conservation area shall determine and certify to the commissioner of natural resources by May 31 of the payment year, the county's ditch assessments for state-owned lands subject to section 84A.55, subdivision 9. A joint certification for two or more counties may be submitted to the commissioner of natural resources through the Consolidated Conservation Counties Joint Powers Board. The commissioner of natural resources shall certify the ditch assessments to the commissioner of revenue by June 15 of the payment year.

(d) The commissioner of revenue shall determine the distributions provided for in this section using: (1) the number of acres and appraised values certified by the commissioner of natural resources and the commissioner of transportation by March 1 of the payment year; ~~and~~ (2) ditch assessments under paragraph (c), by July 15 of the payment year; and (3) the assessed value of large forest easement value reduction certified by the county auditor.

EFFECTIVE DATE. This section is effective retroactively for assessment year 2011 and thereafter.

Sec. 21. Minnesota Statutes 2016, section 477A.14, subdivision 3, is amended to read:

Subd. 3. **Distribution for wildlife management lands and military refuge lands.** (a) The county treasurer shall allocate the payment for wildlife management land, large forest easement value reduction, and military game refuge land among the county, towns, and school districts on the same basis as if the payments were taxes on the land received in the year. Payment of a town's or a school district's allocation must be made by the county treasurer to the town or school district within 30 days of receipt of the payment to the county. The county's share of the payment shall be deposited in the county general revenue fund.

(b) The county treasurer of a county with a population over 39,000, but less than 42,000, in the 1950 federal census shall allocate the payment only among the towns and school districts on the same basis as if the payments were taxes on the lands received in the current year.

(c) If a town received a payment in calendar year 2006 or thereafter under this subdivision, and subsequently incorporated as a city, the city shall continue to receive any future year's allocations of wildlife land payments that would have been made to the town had it not incorporated, provided

that the payments shall terminate if the governing body of the city passes an ordinance that prohibits hunting within the boundaries of the city.

EFFECTIVE DATE. This section is effective retroactively for assessment year 2011 and thereafter."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Relph raised a point of order pursuant to Mason's Manual of Legislative Procedure, Sec. 313, that the Bakk amendment was not divisible. The President ruled the point of order not well taken, and the Bakk amendment was divisible.

The question was taken on the adoption of the first portion of the Bakk amendment.

The roll was called, and there were yeas 34 and nays 32, as follows:

Those who voted in the affirmative were:

Bakk	Dziedzic	Hoffman	Lourey	Simonson
Carlson	Eaton	Isaacson	Marty	Sparks
Champion	Eichorn	Kent	Newton	Tomassoni
Clausen	Eken	Klein	Pappas	Torres Ray
Cohen	Frentz	Laine	Rest	Wiger
Cwodzinski	Hawj	Latz	Ruud	Wiklund
Dibble	Hayden	Little	Schoen	

Those who voted in the negative were:

Abeler	Fischbach	Jensen	Miller	Senjem
Anderson, B.	Gazelka	Johnson	Nelson	Utke
Anderson, P.	Goggin	Kiffmeyer	Newman	Weber
Benson	Hall	Koran	Osmek	Westrom
Chamberlain	Housley	Lang	Pratt	
Dahms	Ingebrigtsen	Limmer	Relph	
Draheim	Jasinski	Mathews	Rosen	

The motion prevailed. So the first portion of the Bakk amendment was adopted.

Second portion:

Page 10, delete section 5

Page 12, delete section 10

Senator Pratt moved to amend the second portion of the Bakk amendment to H.F. No. 4 as follows:

Page 1, delete lines 4 and 5 and insert:

"Page 114, after line 12, insert:

"Sec. 25. **AID REDUCTION.**

(a) Notwithstanding any law to the contrary, for aids payable in 2017 under section 477A.013, the total aid paid to the city of Minneapolis shall be \$74,900,000, and the total aid paid to the city of St. Paul shall be \$60,300,000. For aids payable in 2018 and thereafter, the total aid paid to the city of Minneapolis shall be \$46,800,000 and the total aid paid to the city of St. Paul is \$62,455,000.

(b) The total appropriation under section 477A.03, subdivision 2a, shall be reduced by \$5,800,000 for aids payable in 2017 and by \$29,747,000 for aids paid in 2018 and thereafter.

EFFECTIVE DATE. This section is effective for aids payable in 2017 and thereafter. ""

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

Senator Bakk withdrew the second portion of his amendment.

H.F. No. 4 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 40 and nays 27, as follows:

Those who voted in the affirmative were:

Abeler	Eichorn	Ingebrigtsen	Mathews	Rosen
Anderson, B.	Eken	Jasinski	Miller	Ruud
Anderson, P.	Fischbach	Jensen	Nelson	Senjem
Bakk	Franzen	Johnson	Newman	Sparks
Benson	Gazelka	Kiffmeyer	Osmek	Tomassoni
Chamberlain	Goggin	Koran	Pratt	Utke
Dahms	Hall	Lang	Relph	Weber
Draheim	Housley	Limmer	Rest	Westrom

Those who voted in the negative were:

Carlson	Dziedzic	Isaacson	Lourey	Torres Ray
Champion	Eaton	Kent	Marty	Wiger
Clausen	Frentz	Klein	Newton	Wiklund
Cohen	Hawj	Laine	Pappas	
Cwudzinski	Hayden	Latz	Schoen	
Dibble	Hoffman	Little	Simonson	

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

SPECIAL ORDER

S.F. No. 800: A bill for an act relating to human services finance and policy; appropriating money for human services and health-related programs; modifying various provisions governing community supports, housing, continuing care, health care, managed care organizations, health insurance, direct care and treatment, children and families, chemical and mental health services, Department of Human Services operations, Department of Health policy, and health licensing boards; establishing a license for substance abuse disorder treatment; authorizing transfers; providing for supplemental rates; modifying reimbursement rates and premium scales; making forecast adjustments; providing for audits; authorizing pilot projects; requiring reports; establishing a legislative commission; making technical and terminology changes; amending Minnesota Statutes 2016, sections 3.972, by adding a subdivision; 13.32, by adding a subdivision; 13.46, subdivisions 1, 2, 4; 13.69,

subdivision 1; 13.84, subdivision 5; 62A.04, subdivision 1; 62A.21, subdivision 2a; 62A.3075; 62A.65, subdivisions 2, 5, by adding a subdivision; 62D.105, subdivisions 1, 2; 62E.04, subdivision 11; 62E.05, subdivision 1; 62E.06, by adding a subdivision; 62Q.18, subdivision 7; 62U.02; 62V.05, subdivision 12; 103I.101, subdivisions 2, 5; 103I.111, subdivisions 6, 7, 8; 103I.205; 103I.301; 103I.501; 103I.505; 103I.515; 103I.535, subdivisions 3, 6, by adding a subdivision; 103I.541; 103I.545, subdivisions 1, 2; 103I.711, subdivision 1; 103I.715, subdivision 2; 119B.011, by adding subdivisions; 119B.02, subdivision 5; 119B.09, subdivision 9a; 119B.125, subdivisions 4, 6; 119B.13, subdivisions 1, 6; 119B.16, subdivisions 1, 1a, 1b, by adding subdivisions; 144.05, subdivision 6; 144.0724, subdivisions 4, 6; 144.122; 144.1501, subdivision 2; 144.551, subdivision 1; 144A.071, subdivision 4d; 144A.351; 144A.472, subdivision 7; 144A.474, subdivision 11; 144A.4799, subdivision 3; 144A.70, subdivision 6, by adding a subdivision; 144D.04, subdivision 2, by adding a subdivision; 144D.06; 145.4716, subdivision 2; 145.986, subdivision 1a; 146B.02, subdivisions 2, 5, 8, by adding subdivisions; 146B.03, subdivisions 6, 7; 146B.07, subdivision 4; 146B.10, subdivision 1; 147.01, subdivision 7; 147.02, subdivision 1; 147.03, subdivision 1; 147B.08, by adding a subdivision; 147C.40, by adding a subdivision; 148.5194, subdivision 7; 148.6402, subdivision 4; 148.6405; 148.6408, subdivision 2; 148.6410, subdivision 2; 148.6412, subdivision 2; 148.6415; 148.6418, subdivisions 1, 2, 4, 5; 148.6420, subdivisions 1, 3, 5; 148.6423; 148.6425, subdivisions 2, 3; 148.6428; 148.6443, subdivisions 5, 6, 7, 8; 148.6445, subdivisions 1, 10; 148.6448; 157.16, subdivision 1; 214.01, subdivision 2; 245.4889, subdivision 1; 245.91, subdivisions 4, 6; 245.97, subdivision 6; 245A.02, subdivision 2b, by adding a subdivision; 245A.03, subdivisions 2, 7; 245A.04, subdivision 14; 245A.06, subdivision 2; 245A.07, subdivision 3; 245A.11, by adding subdivisions; 245A.191; 245A.50, subdivision 5; 245D.03, subdivision 1; 245D.04, subdivision 3; 245D.071, subdivision 3; 245D.11, subdivision 4; 245D.24, subdivision 3; 245E.01, by adding a subdivision; 245E.02, subdivisions 1, 3, 4; 245E.03, subdivisions 2, 4; 245E.04; 245E.05, subdivision 1; 245E.06, subdivisions 1, 2, 3; 245E.07, subdivision 1; 252.27, subdivision 2a; 252.41, subdivision 3; 253B.10, subdivision 1; 253B.22, subdivision 1; 254A.01; 254A.02, subdivisions 2, 3, 5, 6, 8, 10, by adding subdivisions; 254A.03; 254A.035, subdivision 1; 254A.04; 254A.08; 254A.09; 254A.19, subdivision 3; 254B.01, subdivision 3, by adding a subdivision; 254B.03, subdivision 2; 254B.04, subdivisions 1, 2b; 254B.05, subdivisions 1, 1a, 5; 254B.051; 254B.07; 254B.08; 254B.09; 254B.12, subdivision 2; 254B.13, subdivision 2a; 256.01, subdivision 41, by adding a subdivision; 256.045, subdivision 3; 256.969, subdivisions 2b, 4b, by adding a subdivision; 256.975, subdivision 7, by adding a subdivision; 256.98, subdivision 8; 256B.04, subdivisions 21, 22; 256B.055, subdivision 2; 256B.0621, subdivision 10; 256B.0625, subdivisions 7, 20, 45a, 57, 64, by adding subdivisions; 256B.0659, subdivisions 1, 2, 11, 21, by adding a subdivision; 256B.072; 256B.0755, subdivisions 1, 3, 4, by adding a subdivision; 256B.0911, subdivisions 1a, 3a, 4d, by adding subdivisions; 256B.0915, subdivisions 1, 1a, 3a, 3e, 3h, 5, by adding subdivisions; 256B.092, subdivision 4; 256B.0922, subdivision 1; 256B.0924, by adding a subdivision; 256B.0943, subdivision 13; 256B.0945, subdivisions 2, 4; 256B.196, subdivision 2; 256B.431, subdivisions 10, 16, 30; 256B.434, subdivisions 4, 4f; 256B.49, subdivisions 11, 15; 256B.4913, subdivision 4a, by adding a subdivision; 256B.4914, subdivisions 2, 3, 5, 6, 7, 8, 9, 10, 16; 256B.493, subdivisions 1, 2, by adding a subdivision; 256B.50, subdivision 1b; 256B.5012, by adding a subdivision; 256B.69, subdivision 9e; 256B.76, subdivisions 1, 2; 256B.766; 256B.85, subdivisions 3, 5, 6; 256C.23, subdivision 2, by adding subdivisions; 256C.233, subdivisions 1, 2; 256C.24, subdivisions 1, 2, by adding a subdivision; 256C.261; 256D.44, subdivisions 4, 5; 256E.30, subdivision 2; 256I.03, subdivision 8; 256I.04, subdivisions 1, 2d, 2g, 3; 256I.05, subdivisions 1a, 1c, 1e, 1j, 1m, 8, by adding subdivisions; 256I.06, subdivisions 2, 8; 256J.24, subdivision 5; 256J.45, subdivision 2; 256L.03, subdivisions 1, 1a, 5; 256L.15, subdivision 2; 256P.06, subdivision 2; 256R.02, subdivisions

4, 18; 256R.07, by adding a subdivision; 256R.10, by adding a subdivision; 256R.37; 256R.40, subdivision 5; 256R.41; 256R.47; 256R.49, subdivision 1; 260C.451, subdivision 6; 317A.811, subdivision 1, by adding a subdivision; 327.15, subdivision 3; 609.5315, subdivision 5c; 626.556, subdivisions 2, 3, 3c, 10d, 10j; Laws 2009, chapter 101, article 1, section 12; Laws 2012, chapter 247, article 6, section 2, subdivision 2; Laws 2013, chapter 108, article 15, section 2, subdivision 2; Laws 2014, chapter 312, article 23, section 9, subdivision 8, by adding a subdivision; Laws 2015, chapter 71, article 14, section 3, subdivision 2, as amended; Laws 2017, chapter 2, article 1, sections 1, subdivision 3; 2, subdivision 4, by adding a subdivision; 3; 5; 7; article 2, section 13; proposing coding for new law in Minnesota Statutes, chapters 62Q; 119B; 144; 144D; 145; 147A; 148; 245; 245A; 256; 256B; 256I; 256N; 256R; 317A; proposing coding for new law as Minnesota Statutes, chapters 144H; 245G; repealing Minnesota Statutes 2016, sections 13.468; 147A.21; 147B.08, subdivisions 1, 2, 3; 147C.40, subdivisions 1, 2, 3, 4; 148.6402, subdivision 2; 148.6450; 245A.1915; 245A.192; 254A.02, subdivision 4; 256B.0659, subdivision 22; 256B.19, subdivision 1c; 256B.4914, subdivision 16; 256B.64; 256C.23, subdivision 3; 256C.233, subdivision 4; 256C.25, subdivisions 1, 2; 256J.626, subdivision 5; Laws 2014, chapter 312, article 23, section 9, subdivision 5; Minnesota Rules, parts 5600.2500; 9530.6405, subparts 1, 1a, 2, 3, 4, 5, 6, 7, 7a, 8, 9, 10, 11, 12, 13, 14, 14a, 15, 15a, 16, 17, 17a, 17b, 17c, 18, 20, 21; 9530.6410; 9530.6415; 9530.6420; 9530.6422; 9530.6425; 9530.6430; 9530.6435; 9530.6440; 9530.6445; 9530.6450; 9530.6455; 9530.6460; 9530.6465; 9530.6470; 9530.6475; 9530.6480; 9530.6485; 9530.6490; 9530.6495; 9530.6500; 9530.6505.

Senator Benson moved to amend S.F. No. 800 as follows:

Page 66, delete section 49 and insert:

"Sec. 49. **REPEALER.**

(a) Minnesota Statutes 2016, sections 256C.23, subdivision 3; 256C.233, subdivision 4; and 256C.25, subdivisions 1 and 2, are repealed effective the day following final enactment.

(b) Minnesota Statutes 2016, section 256B.4914, subdivision 16, is repealed effective January 1, 2018."

Page 112, line 19, after the period, insert "This subdivision does not apply to a facility with rates established under subdivision 2."

Page 173, delete section 13 and insert:

"Sec. 13. Minnesota Statutes 2016, section 256B.056, subdivision 5c, is amended to read:

Subd. 5c. **Excess income standard.** (a) The excess income standard for parents and caretaker relatives, pregnant women, infants, and children ages two through 20 is the standard specified in subdivision 4, paragraph (b).

(b) The excess income standard for a person whose eligibility is based on blindness, disability, or age of 65 or more years shall equal ~~80~~ 81 percent of the federal poverty guidelines.

EFFECTIVE DATE. This section is effective June 1, 2019."

Page 199, line 31, after the period, insert "The services described under section 256B.0625, subdivision 58, are included in the rate reduction described in this paragraph."

Page 454, line 5, delete "7,445,538,000" and insert "7,446,117,000" and delete "7,511,844,000" and insert "7,512,091,000"

Page 454, line 8, delete "6,892,112,000" and insert "6,892,691,000" and delete "6,948,691,000" and insert "6,948,938,000"

Page 457, line 34, delete "108,512,000" and insert "108,954,000" and delete "107,093,000" and insert "107,626,000"

Page 459, line 30, delete "\$103,017,000" and insert "\$104,288,000"

Page 459, line 31, delete "\$102,877,000" and insert "\$104,219,000"

Page 460, line 19, delete "22,326,000" and insert "22,340,000"

Page 461, line 6, delete "\$27,441,000" and insert "\$27,444,000"

Page 461, line 7, delete "\$27,674,000" and insert "\$27,677,000"

Page 461, line 11, delete "13,618,000" and insert "14,180,000" and delete "14,189,000" and insert "13,951,000"

Page 462, line 16, delete "107,340,000" and insert "107,385,000" and delete "102,181,000" and insert "103,760,000"

Page 463, line 13, delete "5,307,513,000" and insert "5,307,745,000" and delete "5,306,794,000" and insert "5,307,287,000"

Page 464, line 7, delete "45,444,000" and insert "45,477,000"

Page 464 line 21, delete "51,932,000" and insert "51,945,000" and delete "48,207,000" and insert "48,635,000"

Page 464, line 23, delete "\$48,279,000" and insert "\$48,708,000"

Page 464, line 24, delete "\$48,360,000" and insert "\$48,780,000"

Page 465, line 4, delete "265N.621" and insert "256N.621"

Page 471, line 3, delete "21,374,000" and insert "20,852,000" and delete "21,375,000" and insert "20,853,000"

Page 471, line 5, delete "\$552,000" and insert "\$30,000"

Page 471, line 6, delete "\$553,000" and insert "\$31,000"

Page 471, line 12, delete everything after the period

Page 471, delete line 13

Page 471, line 14, delete everything before "The"

Page 471, line 20, delete "\$4,650,000" and insert "\$287,000"

Page 471, line 21, delete "\$4,650,000" and insert "\$288,000"

Page 472, line 4, delete "\$24,041,000" and insert "\$21,109,000"

Page 472, line 5, delete "\$24,043,000" and insert "\$21,110,000"

Page 477, line 20, delete "(a)"

Page 477, delete lines 25 to 31

Page 478, line 7, delete "196,496,000" and insert "195,996,000" and delete "185,774,000" and insert "185,274,000"

Page 478, line 10, delete "97,170,000" and insert "96,670,000" and delete "87,309,000" and insert "86,809,000"

Page 478, line 20, delete "75,043,000" and insert "74,543,000" and delete "65,256,000" and insert "64,756,000"

Page 479, delete lines 25 to 35

Page 480, delete lines 1 to 20 and insert:

"(c) Evidence-based Home Visiting.
\$1,500,000 in fiscal year 2018 and \$1,500,000 in fiscal year 2019 are from the general fund to provide start-up and expansion grants to community health boards, nonprofit organizations, and tribal nations to start up or expand evidence-based home visiting programs. Grant funds must be used to start up or expand evidence-based home visiting programs in the county, reservation, or region to serve families, such as parents with high risk or high needs, parents with a history of mental illness, domestic abuse, or substance abuse, or first-time mothers prenatally until the child is four years of age, who are eligible for medical assistance under Minnesota Statutes, chapter 256B, or the federal Special Supplemental Nutrition Program for Women, Infants, and Children. The commissioner shall award grants to community health

boards, nonprofits, or tribal nations in metropolitan and rural areas of the state. Priority for grants to rural areas shall be given to community health boards, nonprofits, and tribal nations that expand services within regional partnerships that provide the evidence-based home visiting programs. This funding shall only be used to supplement, not to replace, funds being used for evidence-based home visiting services as of June 30, 2017. The general fund base for these grants is \$750,000 in fiscal year 2020 and \$750,000 in fiscal year 2021."

Page 481, after line 14, insert:

"(f) Administration of Safe Harbor Program. \$60,000 in fiscal year 2018 and \$60,000 in fiscal year 2019 are for administration of the safe harbor for sexually exploited youth program."

Page 481, line 15, delete "(f)" and insert "(g)"

Page 481, line 21, delete "(g)" and insert "(h)"

Page 481, line 22, delete "\$75,000" and insert "\$73,000"

Page 481, line 26, after the period, insert "This is a onetime appropriation."

Page 481, line 27, delete "(h)" and insert "(i)"

Page 482, line 1, delete "(i)" and insert "(j)"

Page 482, line 12, delete "(j)" and insert "(k)"

Page 482, line 16, delete "(k)" and insert "(l)" and delete "\$2,000,000" and insert "\$2,028,000"

Page 482, line 19, after the period, insert "\$28,000 of this amount is for administration."

Page 482, line 21, delete "(l)" and insert "(m)" and delete "\$500,000" and insert "\$535,000"

Page 482, line 22, delete "\$500,000" and insert "\$535,000"

Page 482, line 25, after the period, insert "\$35,000 in fiscal year 2018 and \$35,000 in fiscal year 2019 are for administration."

Page 482, after line 25, insert:

"(n) Primary Care Clinical Training Expansion Grant Program. \$526,000 in fiscal year 2018 and \$526,000 in fiscal year 2019 are for the primary care clinical training expansion grant program under Minnesota Statutes, section 144.1505. \$26,000 in fiscal year 2018 and \$26,000 in fiscal year 2019 are for administration."

Page 482, line 26, delete "(m)" and insert "(o)"

Page 482, line 27, delete "\$80,678,000" and insert "\$79,428,000"

Page 482, line 28, delete "\$72,992,000" and insert "\$71,742,000"

Correct the subdivision and section totals and the appropriations by fund

The motion prevailed. So the amendment was adopted.

Senator Abeler moved to amend S.F. No. 800 as follows:

Page 173, after line 24, insert:

"Sec. 15. Minnesota Statutes 2016, section 256B.0625, subdivision 3b, is amended to read:

Subd. 3b. **Telemedicine services.** (a) Medical assistance covers medically necessary services and consultations delivered by a licensed health care provider via telemedicine in the same manner as if the service or consultation was delivered in person. Coverage is limited to three telemedicine services per enrollee per calendar week. Telemedicine services shall be paid at the full allowable rate.

(b) The commissioner shall establish criteria that a health care provider must attest to in order to demonstrate the safety or efficacy of delivering a particular service via telemedicine. The attestation may include that the health care provider:

(1) has identified the categories or types of services the health care provider will provide via telemedicine;

(2) has written policies and procedures specific to telemedicine services that are regularly reviewed and updated;

(3) has policies and procedures that adequately address patient safety before, during, and after the telemedicine service is rendered;

(4) has established protocols addressing how and when to discontinue telemedicine services; and

(5) has an established quality assurance process related to telemedicine services.

(c) As a condition of payment, a licensed health care provider must document each occurrence of a health service provided by telemedicine to a medical assistance enrollee. Health care service records for services provided by telemedicine must meet the requirements set forth in Minnesota Rules, part 9505.2175, subparts 1 and 2, and must document:

(1) the type of service provided by telemedicine;

(2) the time the service began and the time the service ended, including an a.m. and p.m. designation;

(3) the licensed health care provider's basis for determining that telemedicine is an appropriate and effective means for delivering the service to the enrollee;

(4) the mode of transmission of the telemedicine service and records evidencing that a particular mode of transmission was utilized;

(5) the location of the originating site and the distant site;

(6) if the claim for payment is based on a physician's telemedicine consultation with another physician, the written opinion from the consulting physician providing the telemedicine consultation; and

(7) compliance with the criteria attested to by the health care provider in accordance with paragraph (b).

(d) For purposes of this subdivision, unless otherwise covered under this chapter, "telemedicine" is defined as the delivery of health care services or consultations while the patient is at an originating site and the licensed health care provider is at a distant site. A communication between licensed health care providers, or a licensed health care provider and a patient that consists solely of a telephone conversation, e-mail, or facsimile transmission does not constitute telemedicine consultations or services. Telemedicine may be provided by means of real-time two-way, interactive audio and visual communications, including the application of secure video conferencing or store-and-forward technology to provide or support health care delivery, which facilitate the assessment, diagnosis, consultation, treatment, education, and care management of a patient's health care.

(e) For purposes of this section, "licensed health care provider" is defined under section 62A.671, subdivision 6, and includes a mental health practitioner as defined under section 245.462, subdivision 17, or 245.4871, subdivision 26, working under the general supervision of a mental health professional; "health care provider" is defined under section 62A.671, subdivision 3; and "originating site" is defined under section 62A.671, subdivision 7.

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

Page 265, after line 17, insert:

"Sec. 45. **INDIAN CHILD WELFARE ACT COMPLIANCE SYSTEM REVIEW.**

By February 1, 2018, the commissioner of human services shall report back to the legislature on a system for the review of cases reported by counties for aid payments under Minnesota Statutes,

section 477A.0126, for compliance with the Indian Child Welfare Act and the Minnesota Indian Family Preservation Act. The proposed case review system may include, but is not limited to, the cases to be reviewed, the criteria to be reviewed to demonstrate compliance with the Indian Child Welfare Act and the Minnesota Indian Family Preservation Act, the rate of noncompliance, and training."

Page 413, line 33, reinstate the stricken "(c)"

Page 413, after line 35, insert:

"The grantee shall report to the commissioner and the chairs and ranking minority members of the legislative committees with jurisdiction over health care policy and finance on the grant funds used and any notable outcomes achieved by January 15, 2019."

Page 414, line 1, reinstate the stricken "(d)"

Page 422, line 1, after the period, insert "The Department of Health and the Department of Human Services shall provide technical assistance to the working group by providing existing data and analysis documenting the current and projected workforce shortages in the area of regular home care nursing."

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Schoen moved to amend S.F. No. 800 as follows:

Page 398, after line 12, insert:

"Sec. 66. [448.58] ATHLETIC FIELDS AND PLAYGROUNDS; MORATORIUM; DEFINITIONS.

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

(b) "Crumb rubber" means rubber processed from a waste tire into granules or larger pieces that are loosely combined to form a nonuniform surface.

(c) "Municipality" has the meaning given in section 471.345.

(d) "Waste tire" has the meaning given in section 115A.90.

Subd. 2. **Moratorium.** (a) No municipality may construct an athletic field or playground containing crumb rubber until July 1, 2020.

(b) No athletic field or playground containing crumb rubber may be constructed on land leased or owned by a municipality until July 1, 2020.

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

Page 426, after line 6, insert:

"Sec. 82. **REPORT ON HEALTH EFFECTS OF ATHLETIC FIELDS AND PLAYGROUNDS CONSTRUCTED OF CRUMB RUBBER.**

(a) The Department of Health shall, by July 1, 2019, submit a report to the chairs and ranking minority members of the senate and house of representatives committees with primary jurisdiction over health and environmental policy containing a summary and evaluation of recent studies examining the effects on the environment and human health of athletic fields and playgrounds containing crumb rubber, including a study currently being conducted by the California Office of Environmental Health Hazard Assessment under contract to the California Department of Resources Recycling and Recovery. Issues that must be addressed in the study include, but are not limited to:

(1) identifying chemicals released from crumb rubber from athletic fields and playgrounds of various ages and under different weather conditions;

(2) evaluating exposures to chemicals released from crumb rubber that may occur through inhalation, ingestion, and contact with skin; and

(3) assessing what, if any, potential health risks are associated with use of athletic fields and playgrounds constructed of crumb rubber.

(b) For the purposes of this section, "crumb rubber" means rubber processed from a waste tire into granules or larger pieces that are loosely combined to form a nonuniform surface.

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

Senator Schoen moved to amend the Schoen amendment to S.F. No. 800 as follows:

Page 1, delete lines 15 to 31

Page 2, delete lines 1 to 4

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

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

Senator Lourey moved to amend S.F. No. 800 as follows:

Page 202, after line 32, insert:

"Sec. 38. **[256L.29] MINNESOTACARE BUY-IN OPTION PLAN.**

Subdivision 1. **Request for federal authority and program establishment.** (a) The commissioner of human services shall seek all necessary federal authority to establish a program that allows individuals who are determined eligible for enrollment in a qualified health plan with or without advance premium tax credits and cost-sharing reductions according to the requirements

of Code of Federal Regulations, title 45, section 155.305, paragraphs (a), (f), and (g); to purchase a health plan pursuant to this section.

(b) The commissioner shall seek all necessary federal authority to maximize federal funding and to:

(1) allow individuals who qualify under paragraph (a) and who choose to purchase the MinnesotaCare buy-in option plan to use advance premium tax credits and cost-sharing reductions, if eligible, to purchase this option;

(2) permit the MinnesotaCare buy-in option plan to be offered through MNsure as a coverage option and to be compared with qualified health plans offered through MNsure;

(3) allow the commissioner to use any surplus funds in the basic health plan trust account in the federal fund in accordance with section 16A.724, subdivision 3, for purposes of establishing a special revenue account that will serve as a reserve to support the payment of claims and liabilities and other financial needs for the MinnesotaCare program as described in section 256L.04, and the MinnesotaCare buy-in option plan as described in this section; and

(4) maintain program requirements and funding mechanisms to the MinnesotaCare program that provides coverage to individuals eligible under section 256L.04.

(c) The commissioner is exempt from the requirements in chapter 16C to contract for actuarial services that satisfy the waiver submission requirements under this subdivision. The commissioner may utilize existing contracts to satisfy the waiver submission requirements of this subdivision.

(d) By March 15, 2018, the commissioner shall provide the chairs and ranking minority members of the legislative committees with jurisdiction over health care policy and finance with an update on the waiver application required under this subdivision and any analysis of the potential impact on the individual health insurance market and enrollee premiums if the MinnesotaCare buy-in option plan is made available for the upcoming open enrollment period in 2018.

Subd. 2. **Program establishment and criteria.** (a) The commissioner shall establish a program consistent with this section to offer health plans developed for the MinnesotaCare buy-in option plan as a coverage option and shall enter into contracts with participating entities to offer the health plans, consistent with sections 256L.12 and 256L.121.

(b) The commissioner shall coordinate administration of the MinnesotaCare buy-in option plan with the MinnesotaCare program, as described in section 256L.04, to maximize efficiency and improve continuity of care for enrollees. The commissioner shall seek to implement mechanisms to ensure the long-term financial sustainability of MinnesotaCare and mitigate any adverse financial impacts to the state and MNsure. These mechanisms must address issues related to minimizing adverse selection, the state financial risk and contribution, and negative impacts to premiums in the individual and group health insurance market both inside and outside of MNsure.

(c) The MinnesotaCare buy-in option plan shall include, at a minimum, the following:

(1) establishment of an annual per-enrollee premium rate similar to the average rate paid by the state to participating entities under sections 256L.12 and 256L.121, with the exception that the rate

paid shall assume that payments to providers shall be at least equal to the Medicare rates, unless the Medicare rate is less than the medical assistance rate and shall incorporate participation in the Minnesota premium security plan established under section 62E.23;

(2) establishment of a benefit set similar to the benefits covered under section 256L.03;

(3) limiting enrollment of eligible individuals to the same annual open and special enrollment periods established for MNsure as defined in Code of Federal Regulations, title 45, sections 155.410 and 155.420;

(4) establishment of two health plans to be offered through MNsure with actuarial values of 70 percent and 80 percent;

(5) a cost allocation methodology to reimburse MNsure operations in lieu of the premium withhold for qualified health plans under section 62V.05; and

(6) establishment of mechanisms that mitigate the fiscal impact to the state budget.

(d) Individuals who are determined eligible for enrollment in a health plan with or without advance payments of the premium tax credit and cost-sharing reductions according to Code of Federal Regulations, title 45, section 155.305, paragraphs (a), (f), and (g), are eligible to purchase and enroll in a health plan established under this section through MNsure, instead of purchasing a qualified health plan as defined under section 62V.02.

(e) Individuals who are eligible under this section, and whose income is less than or equal to 400 percent of the federal poverty guidelines, may qualify for advance premium tax credits and cost-sharing reductions to purchase a health plan established under this section.

(f) No state premium subsidies shall be available to individuals eligible for the MinnesotaCare buy-in option plan.

(g) The MinnesotaCare buy-in option plan established under this section shall be considered as part of the MinnesotaCare program for purposes of the health maintenance organizations requirements under section 62D.04, subdivision 5, and health care providers requirements under section 256B.0644.

(h) The commissioner shall have the authority to accept and expend all federal funds made available under this section upon federal approval.

Subd. 3. **Eligible counties.** (a) For the open enrollment period beginning on November 1, 2018, and each open enrollment period thereafter, the MinnesotaCare buy-in option plan, as established under subdivision 2, shall only be made available to consumers in a county that has been deemed eligible by the commissioner of commerce.

(b) The commissioner of commerce, in consultation with the commissioner of health, shall deem a county eligible for the MinnesotaCare buy-in option plan if there is not at least two health carriers in the county's service area actively marketing at least one silver level health plan and one gold level health plan without limits on enrollment or waivers from the network adequacy requirements under section 62K.10.

(c) By July 15, 2017, and each July 1 thereafter, the commissioner of commerce shall provide the commissioner of human services with a preliminary report of the counties deemed eligible for the MinnesotaCare buy-in option plan under this subdivision. By October 1, 2017, and each October 1 thereafter, the commissioner of commerce shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over health care policy and finance the final list of the counties deemed eligible for the MinnesotaCare buy-in option plan under this subdivision.

(d) Once a county has been deemed eligible by the commissioner of commerce under this subdivision, the MinnesotaCare buy-in option plan shall become available as an option for that county for the following open enrollment period and future open enrollment periods in subsequent years as long as the option plan continues to meet all applicable state and federal requirements.

EFFECTIVE DATE. This section is effective upon federal approval."

Page 458, line 3, delete "20,025,000" and insert "22,716,000"

Page 459, line 28, after the period, insert "\$2,691,000 of the health care access fund appropriation in fiscal year 2018 is for the systems cost to implement the MinnesotaCare buy-in option plan under Minnesota Statutes, section 256L.39."

Page 460, line 20, delete "23,697,000" and insert "33,931,000"

Page 461, line 4, after the period, insert "\$10,234,000 of the health care access fund appropriation in fiscal year 2018 is for administrative costs to implement the MinnesotaCare buy-in option plan under Minnesota Statutes, section 256L.39."

Page 463, line 14, delete "210,159,000" and insert "197,234,000"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

CALL OF THE SENATE

Senator Benson imposed a call of the Senate for the balance of the proceedings on the Lourey amendment to S.F. No. 800. The Sergeant at Arms was instructed to bring in the absent members.

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

The roll was called, and there were yeas 33 and nays 33, as follows:

Those who voted in the affirmative were:

Bakk	Dziedzic	Hayden	Little	Sparks
Carlson	Eaton	Hoffman	Lourey	Tomassoni
Champion	Eken	Isaacson	Marty	Torres Ray
Clausen	Franzen	Kent	Newton	Wiger
Cohen	Frentz	Klein	Pappas	Wiklund
Cwodzinski	Hall	Laine	Schoen	
Dibble	Hawj	Latz	Simonson	

Those who voted in the negative were:

Abeler	Eichorn	Jensen	Miller	Ruud
Anderson, B.	Fischbach	Johnson	Nelson	Senjem
Anderson, P.	Gazelka	Kiffmeyer	Newman	Utke
Benson	Goggin	Koran	Osmek	Weber
Chamberlain	Housley	Lang	Pratt	Westrom
Dahms	Ingebrigtsen	Limmer	Relph	
Draheim	Jasinski	Mathews	Rosen	

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

Senator Kiffmeyer moved to amend S.F. No. 800 as follows:

Page 205, after line 20, insert:

"Sec. 41. **OPIOID USE AND ACUPUNCTURE STUDY.**

(a) Within existing appropriations, the Human Services Policy Committee, established under Minnesota Statutes, section 256B.0625, subdivision 3c, in consultation with the opioid prescribing work group, shall study and compare the use of opiates for the treatment of chronic pain conditions when acupuncture services are also part of the treatment for chronic pain.

(b) The committee shall identify a sample of medical assistance recipients who are utilizing opiate prescriptions for the treatment of chronic pain, and a sample of recipients who are utilizing opiate prescriptions as well as receiving or have received acupuncture services as part of their treatment of chronic pain. The two sample groups must be similar in pain diagnosis, co-morbidities, and demographic characteristics.

(c) In comparing the sample groups, the committee shall look at each group's number of opiate prescriptions filled, the number of refills, utilization of other health care services, and the number of emergency room visits.

(d) The committee shall report the aggregate findings of the study to the chairs and ranking minority members of the senate and house of representatives legislative committees with jurisdiction over health and human services policy and finance by February 15, 2018. The report shall not contain or disclose any patient identifying data."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Hayden moved to amend S.F. No. 800 as follows:

Page 224, after line 30, insert:

"Sec. 26. **HEALTH PLAN RATE APPROVAL.**

Individual health plan premium rates filed with the commissioner of commerce under Minnesota Statutes, section 62A.02, for the benefit years 2018 and 2019, by health carriers eligible for reinsurance payments under the Minnesota premium security plan under Minnesota Statutes, section 62E.23, shall be at least 15 percent less than the rates in effect for the 2017 benefit year for the same

or similar health plan. If the rate filed does not meet this requirement, the commissioner shall not approve the rate or shall withdraw approval of the rate, unless the commissioner determines the rate filed is justified and actuarially based after taking into consideration any payments received by the health carrier under the Minnesota premium subsidy plan for the previous benefit year."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 34, as follows:

Those who voted in the affirmative were:

Bakk	Dziedzic	Hoffman	Lourey	Tomassoni
Carlson	Eaton	Isaacson	Marty	Torres Ray
Champion	Eken	Kent	Newton	Wiger
Clausen	Franzen	Klein	Pappas	Wiklund
Cohen	Frentz	Laine	Schoen	
Cwodzinski	Hawj	Latz	Simonson	
Dibble	Hayden	Little	Sparks	

Those who voted in the negative were:

Abeler	Eichorn	Jasinski	Mathews	Rosen
Anderson, B.	Fischbach	Jensen	Miller	Ruud
Anderson, P.	Gazelka	Johnson	Nelson	Senjem
Benson	Goggin	Kiffmeyer	Newman	Utke
Chamberlain	Hall	Koran	Osmek	Weber
Dahms	Housley	Lang	Pratt	Westrom
Draheim	Ingebrigtsen	Limmer	Relph	

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

Senator Hayden moved to amend S.F. No. 800 as follows:

Page 224, after line 30, insert:

"Sec. 26. **HEALTH PLAN RATE APPROVAL.**

Individual health plan premium rates filed with the commissioner of commerce under Minnesota Statutes, section 62A.02, for the benefit years 2018 and 2019, by health carriers eligible for reinsurance payments under the Minnesota premium security plan under Minnesota Statutes, section 62E.23, shall not be greater than the rates in effect for the 2017 benefit year for the same or similar health plan. If the rate filed does not meet this requirement, the commissioner shall not approve the rate or shall withdraw approval of the rate, unless the commissioner determines the rate filed is justified and actuarially based after taking into consideration any payments received by the health carrier under the Minnesota premium subsidy plan for the previous benefit year."

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

Senator Jensen moved to amend S.F. No. 800 as follows:

Page 157, after line 10, insert:

"Sec. 3. **[62J.815] HEALTH CARE PROVIDERS PRICE DISCLOSURES.**

(a) Each health care provider, as defined by section 62J.03, subdivision 8, except hospitals and outpatient surgical centers subject to the requirements of section 62J.82, shall maintain a list of the services or procedures that correspond with the 35 most frequent current procedural terminology (CPT) codes, and a list of the ten most frequent CPT codes for preventive services used by the provider for reimbursement purposes and the provider's charge for each of these services or procedures that the provider would charge to patients who are not covered by private or public health care coverage.

(b) This list must be updated annually and be readily available on site at no cost to the public. The provider must also post this information on the provider's Web site or the health care clinic's Web site where the provider practices."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Nelson moved to amend S.F. No. 800 as follows:

Page 212, after line 32, insert:

"Sec. 12. Minnesota Statutes 2016, section 62M.07, is amended to read:

62M.07 PRIOR AUTHORIZATION OF SERVICES.

(a) Utilization review organizations conducting prior authorization of services must have written standards that meet at a minimum the following requirements:

(1) written procedures and criteria used to determine whether care is appropriate, reasonable, or medically necessary;

(2) a system for providing prompt notification of its determinations to enrollees and providers and for notifying the provider, enrollee, or enrollee's designee of appeal procedures under clause (4);

(3) compliance with section 62M.05, subdivisions 3a and 3b, regarding time frames for approving and disapproving prior authorization requests;

(4) written procedures for appeals of denials of prior authorization which specify the responsibilities of the enrollee and provider, and which meet the requirements of sections 62M.06 and 72A.285, regarding release of summary review findings; and

(5) procedures to ensure confidentiality of patient-specific information, consistent with applicable law.

(b) No utilization review organization, health plan company, or claims administrator may conduct or require prior authorization of emergency confinement or emergency treatment. The enrollee or the enrollee's authorized representative may be required to notify the health plan company, claims

administrator, or utilization review organization as soon after the beginning of the emergency confinement or emergency treatment as reasonably possible.

(c) If prior authorization for a health care service is required, the utilization review organization, health plan company, or claim administrator must allow providers to submit requests for prior authorization of the health care services without unreasonable delay by telephone, facsimile, or voice mail or through an electronic mechanism 24 hours a day, seven days a week. This paragraph does not apply to dental service covered under MinnesotaCare or medical assistance.

(d) Any prior authorization for a prescription drug must remain valid for the duration of an enrollee's contract term. These requirements related to the validity of prior authorization apply only if:

(1) the drug continues to be prescribed for a patient with a condition that requires ongoing medication therapy;

(2) the drug has not otherwise been deemed unsafe by the Food and Drug Administration;

(3) the drug has not been withdrawn by the manufacturer or the Food and Drug Administration;

(4) there is no evidence of the enrollee's abuse or misuse of the prescription drug; and

(5) no independent source of research, clinical guidelines, or evidence-based standards has issued drug-specific warnings or recommended changes in drug usage.

This paragraph does not apply to individuals enrolled in a public health care program under chapter 256B or 256L; or assigned to the restricted recipient program under Minnesota Rules, parts 9505.2160 to 9505.2245."

Page 215, after line 19, insert:

"Sec. 16. [62Q.83] PRESCRIPTION DRUG BENEFIT TRANSPARENCY AND MANAGEMENT.

Subdivision 1. Definitions. (a) For purposes of this section, the following terms have the meanings given them.

(b) "Drug" has the meaning given in section 151.01, subdivision 5.

(c) "Enrollee contract year" means the 12-month term during which benefits associated with health plan company products are in effect.

(d) "Formulary" means a list of prescription drugs that have been developed by clinical and pharmacy experts and represents the health plan company's medically appropriate and cost-effective prescription drugs approved for use.

(e) "Health plan company" has the meaning given in section 62Q.01, subdivision 4, and includes an entity that performs pharmacy benefits management for the health plan company. For purposes of this definition, "pharmacy benefits management" means the administration or management of prescription drug benefits provided by the health plan company for the benefit of its enrollees and

may include, but is not limited to, procurement of prescription drugs, clinical formulary development and management services, claims processing, and rebate contracting and administration.

(f) "Prescription" has the meaning given in section 151.01, subdivision 16a.

Subd. 2. **Prescription drug benefit disclosure.** (a) A health plan company that provides prescription drug benefit coverage and uses a formulary must make its formulary and related benefit information available by electronic means and, upon request, in writing, at least 30 days prior to annual renewal dates.

(b) Formularies must be organized and disclosed consistent with the most recent version of the United States Pharmacopeia's (USP) Model Guidelines.

(c) For each item or category of items on the formulary, the specific enrollee benefit terms must be identified, including enrollee cost-sharing and expected out-of-pocket costs.

Subd. 3. **Formulary changes.** (a) Once a formulary has been established, a health plan company may, at any time during the enrollee's contract year:

- (1) expand its formulary by adding drugs to the formulary;
- (2) reduce co-payments or coinsurance; or
- (3) move a drug to a benefit category that reduces an enrollee's cost.

(b) A health plan company may remove a brand name drug from its formulary or place a brand name drug in a benefit category that increases an enrollee's cost only upon the addition to the formulary of a generic or multisource brand name drug rated as therapeutically equivalent according to the FDA Orange Book or a biologic drug rated as interchangeable according to the FDA Purple Book at a lower cost to the enrollee, and upon at least a 60-day notice to prescribers, pharmacists, and affected enrollees.

(c) A health plan company may change utilization review requirements or move drugs to a benefit category that increases an enrollee's cost during the enrollee's contract year upon at least a 60-day notice to prescribers, pharmacists, and affected enrollees, provided that these changes do not apply to enrollees who are currently taking the drugs affected by these changes for the duration of the enrollee's contract year.

(d) A health plan company may remove any drugs from its formulary that have been deemed unsafe by the Food and Drug Administration, that have been withdrawn by either the Food and Drug Administration or the product manufacturer, or when an independent source of research, clinical guidelines, or evidence-based standards has issued drug-specific warnings or recommended changes in drug usage.

Subd. 4. **Exclusions.** This section does not apply to individuals enrolled in a public health care program under chapter 256B or 256L, or assigned to the restricted recipient program under Minnesota Rules, parts 9505.2160 to 9505.2245."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Eken moved to amend S.F. No. 800 as follows:

Page 155, after line 18, insert:

"Sec. 37. DIRECTION TO THE COMMISSIONER; BORDER CITY NURSING FACILITY RATE STUDY.

The commissioner of human services shall conduct a study using existing administrative appropriations to assess the rate disparity between the medical assistance rates paid to nursing facilities located in Moorhead and those located in an adjacent city in another state and in cities contiguous to the adjacent city. The study shall review past, current, and projected disparities in rates and the impact of the disparities on workforce shortage issues and continued access to medical assistance nursing facility services in Moorhead. The commissioner shall submit the report to the legislature no later than January 15, 2018."

Renumber the sections in sequence and correct the internal references

The motion prevailed. So the amendment was adopted.

Senator Little moved to amend S.F. No. 800 as follows:

Page 212, after line 32, insert:

"Sec. 12. [62K.16] COVERAGE TERMINATION NOTIFICATION.

(a) All individual health carriers issuing individual health plans must permit enrollees to terminate their individual health plan coverage by directly contacting either the health carrier or MNsure, if the enrollee purchased the coverage through MNsure. If an enrollee terminates coverage by contacting the health carrier directly, the health carrier must inform MNsure of the termination request.

(b) Health plan companies and MNsure shall develop a form that can be accessed by an enrollee through either the health plan company's Web site or MNsure's Web site for the purpose of terminating coverage online.

(c) Termination of coverage shall be effective the first day of the month following the month in which the enrollee notified either the health carrier or MNsure."

Page 224, after line 30, insert:

"Sec. 27. WAIVER.

MNsure shall seek any federal waivers necessary to permit enrollees to contact health carriers directly to terminate individual health plan coverage according to Minnesota Statutes, section 62K.16, when the individual purchased the coverage through MNsure.

EFFECTIVE DATE. This section is effective January 1, 2018, or upon federal approval if required, whichever is later."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Eaton moved to amend S.F. No. 800 as follows:

Page 161, after line 26, insert:

"Sec. 5. Minnesota Statutes 2016, section 151.065, is amended by adding a subdivision to read:

Subd. 3a. **Stewardship fee.** (a) In addition to the annual renewal fee specified under subdivision 3, any drug manufacturer licensed under section 151.252 that sells opiates listed under section 152.02, subdivision 3, paragraph (b) or (c), in this state shall pay an annual stewardship fee in accordance with this subdivision.

(b) Annually by March 1, beginning March 1, 2018, a manufacturer must report to the board the quantity of each opiate listed in section 152.02, subdivision 3, paragraphs (b) and (c), that the manufacturer sold in the state in the previous calendar year. The board shall use the information in the report to calculate the stewardship fee for each manufacturer and shall provide each drug manufacturer with an invoice stating the stewardship fee owed by the manufacturer to be paid with the manufacturer's annual license renewal fee. The stewardship fee shall be equal to one cent per morphine milligram equivalent of opiates listed in section 152.02, subdivision 3, paragraphs (b) and (c). The board shall use a morphine equivalent chart published by the Centers for Disease Control and Prevention or another reputable source to calculate morphine equivalents. If there is no commonly accepted morphine equivalent for an opiate in a manufacturer's report, the board shall determine an appropriate conversion based on its knowledge and expertise and shall notify the manufacturer of the conversion value and method.

Sec. 6. Minnesota Statutes 2016, section 151.252, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** (a) No person shall act as a drug manufacturer without first obtaining a license from the board and paying any applicable fee specified in section 151.065.

(b) Application for a drug manufacturer license under this section shall be made in a manner specified by the board.

(c) No license shall be issued or renewed for a drug manufacturer unless the applicant agrees to operate in a manner prescribed by federal and state law and according to Minnesota Rules.

(d) No license shall be issued or renewed for a drug manufacturer that is required to be registered pursuant to United States Code, title 21, section 360, unless the applicant supplies the board with proof of registration. The board may establish by rule the standards for licensure of drug manufacturers that are not required to be registered under United States Code, title 21, section 360.

(e) No license shall be issued or renewed for a drug manufacturer that is required to be licensed or registered by the state in which it is physically located unless the applicant supplies the board with proof of licensure or registration. The board may establish, by rule, standards for the licensure of a drug manufacturer that is not required to be licensed or registered by the state in which it is physically located.

(f) The board shall require a separate license for each facility located within the state at which drug manufacturing occurs and for each facility located outside of the state at which drugs that are shipped into the state are manufactured.

(g) The board shall not issue an initial or renewed license for a drug manufacturing facility unless the facility passes an inspection conducted by an authorized representative of the board. In the case of a drug manufacturing facility located outside of the state, the board may require the applicant to pay the cost of the inspection, in addition to the license fee in section 151.065, unless the applicant furnishes the board with a report, issued by the appropriate regulatory agency of the state in which the facility is located or by the United States Food and Drug Administration, of an inspection that has occurred within the 24 months immediately preceding receipt of the license application by the board. The board may deny licensure unless the applicant submits documentation satisfactory to the board that any deficiencies noted in an inspection report have been corrected.

(h) The board shall not renew the license of any drug manufacturer that is required to pay the stewardship fee under section 151.065, subdivision 3a, unless the drug manufacturer pays the board the required fee in accordance with section 151.065, subdivision 3a.

Sec. 7. [151.255] OPIATE PRODUCT STEWARDSHIP.

Subdivision 1. **Establishment of the advisory council.** (a) The Opiate Product Stewardship Advisory Council is established to confront the opioid addition and overdose epidemic in this state and focus on:

(1) prevention and education, including public education and awareness for adults and youth, prescriber education, and the development and sustainability of opioid overdose prevention programs;

(2) a continuum of care for opioid-related substance use disorders that expands and enhances all modality of treatment from detox to sober housing; and

(3) services to ensure overdose prevention as well as public safety and community well-being, including expanding access to naloxone and providing social services to families affected by the opioid overdose epidemic.

(b) The council shall:

(1) review local, state, and federal initiatives and activities related to education, prevention, and services for individuals and families experiencing and affected by opioid abuse;

(2) establish priorities and actions to address the state's opioid epidemic for the purpose of allocating funds;

(3) ensure optimal allocation of available funding and alignment of existing state and federal funding to achieve the greatest impact and ensure a coordinated state effort;

(4) develop criteria and procedures to be used in awarding grants and allocating available funds from the opiate stewardship account; and

(5) develop measurable outcomes to determine the effectiveness of the funds allocated under this section.

(c) The council shall make recommendations on possible grant and funding options for the funds annually appropriated to the commissioner of human services from the opiate stewardship account. The options for funding may include prescriber education, the development and sustainability of prevention programs, the creation of a continuum of care for opioid-related substance abuse disorders from detox to sober houses, and additional funding for child protection case management services for children and families affected by opioid addiction.

(d) The council shall submit recommendations for possible funding options to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance committees by March 1 of each year beginning March 1, 2019.

Subd. 2. **Membership.** (a) The council shall consist of 17 members appointed by the commissioner of human services, except as otherwise specified:

(1) two members of the house of representatives, one from the majority party appointed by the speaker of the house and one from the minority party appointed by the minority leader;

(2) two members of the senate, one from the majority party appointed by the senate majority leader and one from the minority party appointed by the senate minority leader;

(3) one member appointed by the Board of Pharmacy;

(4) one member appointed by the Minnesota chapter of the Academy of Emergency Physicians who is a medical doctor;

(5) one member representing treatment facilities or sober living facilities;

(6) one member who is a medical doctor appointed by the Minnesota Hospital Association;

(7) one member who is a medical doctor appointed by the Minnesota Society of Addiction Medicine;

(8) one member representing a pain psychologist;

(9) one member appointed by the Steve Rummeler Hope Network;

(10) one member appointed by the Minnesota Ambulance Association;

(11) one member representing the Minnesota courts who is a judge or law enforcement officer;

(12) one public member who is a Minnesota resident and who has been impacted by the opioid epidemic;

(13) one member representing an Indian tribe;

(14) the commissioner of human services or designee; and

(15) the commissioner of health or designee.

(b) Except for section 15.059, subdivisions 2 and 3, section 15.059 shall apply to the council and all the council member appointments, except those members who are commissioners or their designees. The members of the council shall receive no compensation other than reimbursement for expenses. Notwithstanding section 15.059, subdivision 6, the council shall not expire.

(c) The chair must convene the council at least quarterly, and may convene other meetings as deemed necessary.

(d) The commissioner of human services shall provide staff and administrative services for the advisory council.

Subd. 3. **Dedicated account.** (a) The opiate stewardship account is created in the special revenue fund in the state treasury. The fees collected by the Board of Pharmacy under section 151.065, subdivision 3a, shall be deposited in the account.

(b) In fiscal year 2019, \$50,000 is appropriated to the Board of Pharmacy to be used for system changes needed to collect the stewardship fees specified in section 151.065, subdivision 3a.

(c) Beginning July 1, 2018, and each fiscal year thereafter, money in the account minus the amount appropriated under paragraph (b) in fiscal year 2019, shall be appropriated to the commissioner of human services to be awarded as grants as determined appropriate to address the opioid epidemic in the state in accordance with subdivision 4.

Subd. 4. **Opioid abuse grants.** (a) Each fiscal year, at least 50 percent of the funds appropriated under subdivision 3, paragraph (c), must be used for competitive grants to one or more nonprofit organizations for the purpose of expanding prescriber education, public awareness, and overdose prevention program development and sustainability. The grantees must coordinate with health care systems, professional associations, and emergency medical services providers. Each grantee receiving funds under this subdivision shall report to the commissioner of human services and the Opiate Product Stewardship Advisory Council on how the funds were spent and the outcomes achieved.

(b) At least 50 percent of the funds appropriated under subdivision 3, paragraph (c), must be used to establish a continuum of care for opioid-related substance use disorders, from detox through sober living."

Page 205, after line 20,insert:

"Sec. 44. **OPIATE PRODUCT STEWARDSHIP ADVISORY COUNCIL FIRST MEETING.**

The commissioner of human services shall convene the first meeting of the Opiate Product Stewardship Advisory Council no later than October 1, 2017. The members shall elect a chair at the first meeting."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

CALL OF THE SENATE

Senator Schoen imposed a call of the Senate for the balance of the proceedings on the Eaton amendment to S.F. No. 800. The Sergeant at Arms was instructed to bring in the absent members.

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

The roll was called, and there were yeas 32 and nays 34, as follows:

Those who voted in the affirmative were:

Bakk	Dziedzic	Hoffman	Lourey	Tomassoni
Carlson	Eaton	Isaacson	Marty	Torres Ray
Champion	Eken	Kent	Newton	Wiger
Clausen	Franzen	Klein	Pappas	Wiklund
Cohen	Frentz	Laine	Schoen	
Cwodzinski	Hawj	Latz	Simonson	
Dibble	Hayden	Little	Sparks	

Those who voted in the negative were:

Abeler	Eichorn	Jasinski	Mathews	Rosen
Anderson, B.	Fischbach	Jensen	Miller	Ruud
Anderson, P.	Gazelka	Johnson	Nelson	Senjem
Benson	Goggin	Kiffmeyer	Newman	Utke
Chamberlain	Hall	Koran	Osmek	Weber
Dahms	Housley	Lang	Pratt	Westrom
Draheim	Ingebrigtsen	Limmer	Relph	

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

Senator Clausen moved to amend S.F. No. 800 as follows:

Page 369, after line 25, insert:

"(2) "eligible mental health professional program" means a program that is located in Minnesota and is listed as a mental health professional program by the appropriate accrediting body for clinical social work, psychology, marriage and family therapy, or licensed professional clinical counseling, or is a candidate for accreditation;"

Page 369, line 26, delete "(2)" and insert "(3)"

Page 369, line 29, delete "and"

Page 369, line 30, delete "(3)" and insert "(4)"

Page 369, delete line 31 and insert "assistants, advanced practice registered nurses, or mental health professionals in Minnesota; and"

Page 369, after line 31, insert:

"(5) "mental health professional" means an individual providing clinical services in the treatment of mental illness who meets one of the qualifications under section 245.462, subdivision 18."

Page 369, line 33, delete "and" and insert a comma, and after "nurse" insert ", and mental health professional"

Page 370, line 5, delete "and" and insert a comma

Page 370, line 6, after "nurses" insert ", and mental health professionals"

Page 370, line 15, delete the second "or" and insert a comma and after "nurse" insert ", or mental health professional"

Page 370, line 18, delete "and" and insert a comma

Page 370, line 19, after "nurse" insert ", and mental health professional"

The motion prevailed. So the amendment was adopted.

Senator Lourey moved to amend S.F. No. 800 as follows:

Page 207, delete section 4

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Lourey moved to amend S.F. No. 800 as follows:

Page 208, delete section 5

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Lourey moved to amend S.F. No. 800 as follows:

Page 209, delete section 6

Page 213, delete section 12

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Abeler moved to amend S.F. No. 800 as follows:

Page 205, after line 20, insert:

"Sec. 41. **HEALTH CARE ACCESS FUND ASSESSMENT.**

(a) The commissioner of human services, in consultation with the commissioner of management and budget, shall assess any federal health care reform legislation passed at the federal level on its effect on the MinnesotaCare program and the need for the health care access fund as its continued source of funding.

(b) The commissioner shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over health care policy and finance within 90 days of the passage of any federal health care reform legislation."

Renumber the sections in sequence and correct the internal references

Senator Abeler moved to amend the Abeler amendment to S.F. No. 800 as follows:

Page 1, after line 10, insert:

"Page 205, delete section 42 and insert:

"Sec. 42. **REPEALER.**

(a) Minnesota Statutes 2016, sections 256B.0659, subdivision 22; 256B.19, subdivision 1c; and 256B.64, are repealed.

(b) Laws 2011, First Special Session chapter 9, article 6, section 97, subdivision 6, is repealed."

CALL OF THE SENATE

Senator Abeler imposed a call of the Senate for the balance of the proceedings on the Abeler amendment to the amendment to S.F. No. 800. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Abeler amendment to the Abeler amendment.

The roll was called, and there were yeas 26 and nays 40, as follows:

Those who voted in the affirmative were:

Bakk	Dziedzic	Kent	Newton	Wiger
Carlson	Eaton	Klein	Pappas	Wiklund
Champion	Frentz	Laine	Schoen	
Clausen	Hawj	Latz	Simonson	
Cohen	Hayden	Lourey	Tomassoni	
Dibble	Isaacson	Marty	Torres Ray	

Those who voted in the negative were:

Abeler	Eichorn	Housley	Limmer	Relph
Anderson, B.	Eken	Ingebrigtsen	Little	Rosen
Anderson, P.	Fischbach	Jasinski	Mathews	Ruud
Benson	Franzen	Jensen	Miller	Senjem
Chamberlain	Gazelka	Johnson	Nelson	Sparks
Cwodzinski	Goggin	Kiffmeyer	Newman	Utke
Dahms	Hall	Koran	Osmek	Weber
Draheim	Hoffman	Lang	Pratt	Westrom

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

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

Senator Marty moved to amend S.F. No. 800 as follows:

Page 62, delete section 42

Page 65, delete section 48

Pages 66 to 83, delete sections 1 to 12

Page 115, delete section 1

Page 166, delete sections 8 and 9

Page 203, delete section 40

Page 205, delete article 5

Page 225, delete article 6

Pages 226 to 233, delete sections 1 to 4

Page 245, delete section 21

Page 263, delete section 42

Page 264, delete section 44

Page 339, delete section 61

Pages 352 to 363, delete sections 1 to 18

Page 371, delete section 24

Page 381, delete section 31

Pages 391 to 397, delete sections 54 to 65

Pages 427 to 431, delete sections 2 to 6

Renumber the articles and sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

Senator Limmer moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 26 and nays 39, as follows:

Those who voted in the affirmative were:

Bakk	Dibble	Hayden	Marty	Wiger
Carlson	Dziedzic	Kent	Newton	Wiklund
Champion	Eaton	Klein	Pappas	
Clausen	Franzen	Laine	Simonson	
Cohen	Frentz	Latz	Sparks	
Cwodzinski	Hawj	Lourey	Torres Ray	

Those who voted in the negative were:

Abeler	Fischbach	Jasinski	Mathews	Ruud
Anderson, B.	Gazelka	Jensen	Miller	Schoen
Anderson, P.	Goggin	Johnson	Nelson	Senjem
Benson	Hall	Kiffmeyer	Newman	Tomassoni
Chamberlain	Hoffman	Koran	Osmek	Utke
Dahms	Housley	Lang	Pratt	Weber
Eichorn	Ingebrigtsen	Limmer	Relph	Westrom
Eken	Isaacson	Little	Rosen	

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

Senator Eaton moved to amend S.F. No. 800 as follows:

Page 259, line 13, delete "\$263" and insert "\$260"

Page 259, line 14, delete "\$450" and insert "\$447"

Page 259, line 15, delete "\$545" and insert "\$542"

Page 259, line 16, delete "\$634" and insert "\$631"

Page 259, line 17, delete "\$710" and insert "\$707"

Page 259, line 18, delete "\$786" and insert "\$783"

Page 259, line 19, delete "\$863" and insert "\$860"

Page 259, line 20, delete "\$929" and insert "\$926"

Page 259, line 21, delete "\$993" and insert "\$990"

Page 259, line 22, delete "\$1,048" and insert "\$1,045"

Page 259, line 23, delete "\$56" and insert "\$53"

Page 479, after line 20, insert:

"(5) \$1,156,000 of the TANF fund is appropriated each year of the biennium to the commissioner for family planning grants under Minnesota Statutes, section 145.925."

Correct the subdivision and section totals and the appropriations by fund

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

S.F. No. 800 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 36 and nays 30, as follows:

Those who voted in the affirmative were:

Abeler	Fischbach	Johnson	Nelson	Tomassoni
Anderson, B.	Gazelka	Kiffmeyer	Newman	Utke
Anderson, P.	Goggin	Koran	Osmek	Weber
Benson	Hall	Lang	Pratt	Westrom
Chamberlain	Housley	Limmer	Relph	
Dahms	Ingebrigtsen	Lourey	Rosen	
Draheim	Jasinski	Mathews	Ruud	
Eichorn	Jensen	Miller	Senjem	

Those who voted in the negative were:

Bakk	Dibble	Hawj	Laine	Schoen
Carlson	Dziedzic	Hayden	Latz	Simonson
Champion	Eaton	Hoffman	Little	Sparks
Clausen	Eken	Isaacson	Marty	Torres Ray
Cohen	Franzen	Kent	Newton	Wiger
Cwodzinski	Frentz	Klein	Pappas	Wiklund

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

MOTIONS AND RESOLUTIONS - CONTINUED

Senator Gazelka moved that H.F. No. 888 be taken from the table. The motion prevailed.

Pursuant to Rule 26, Senator Gazelka, Chair of the Committee on Rules and Administration, designated H.F. No. 888 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 888: A bill for an act relating to state government; appropriating money for environment, natural resources, and tourism purposes; modifying fees; creating accounts; providing for disposition of certain receipts; modifying grant, contract, and lease provisions; modifying water safety provisions; modifying provisions to take, possess, and transport wildlife; modifying duties and authority; providing for no net gain of state lands; modifying buffer requirements; modifying wetland provisions; modifying invasive species provisions; modifying off-highway vehicle provisions;

modifying permit and license requirements; modifying Petroleum Tank Release Cleanup Act; extending ban on open air swine basins; modifying environmental review; modifying Environmental Quality Board; requiring reports; requiring rulemaking; amending Minnesota Statutes 2016, sections 84.01, by adding a subdivision; 84.027, subdivisions 14a, 14b, by adding subdivisions; 84.788, subdivision 2; 84.793, subdivision 1; 84.82, subdivision 2; 84.925, subdivision 1; 84.9256, subdivisions 1, 2; 84.946, subdivision 2, by adding a subdivision; 84.992, subdivisions 3, 4, 5, 6; 84D.03, subdivisions 3, 4; 84D.04, subdivision 1; 84D.05, subdivision 1; 84D.108, subdivision 2a, by adding a subdivision; 84D.11, by adding a subdivision; 85.052, subdivision 1; 85.054, by adding a subdivision; 85.055, subdivision 1; 85.22, subdivision 2a; 85.32, subdivision 1; 86B.313, subdivision 1; 86B.511; 86B.701, subdivision 3; 88.01, subdivision 28; 88.523; 89.39; 90.01, subdivisions 8, 12, by adding a subdivision; 90.041, subdivision 2; 90.051; 90.101, subdivision 2; 90.14; 90.145, subdivision 2; 90.151, subdivision 1; 90.162; 90.252; 93.47, subdivision 4; 93.481, subdivision 2; 93.50; 94.343, subdivision 9; 94.344, subdivision 9; 97A.015, subdivisions 39, 43, 45, 52, 53; 97A.045, subdivision 10; 97A.075, subdivision 1; 97A.137, subdivision 5; 97A.201, subdivision 2, by adding a subdivision; 97A.301, subdivision 1; 97A.338; 97A.420, subdivision 1; 97A.421, subdivision 2a; 97B.031, subdivision 6; 97B.516; 97B.655, subdivision 1; 97C.401, subdivision 2; 97C.501, subdivision 1; 97C.701, by adding a subdivision; 103B.101, subdivision 12a; 103F.411, subdivision 1; 103F.48, subdivisions 1, 3, 7; 103G.005, subdivisions 10b, 10h, by adding a subdivision; 103G.222, subdivisions 1, 3; 103G.2242, subdivision 2; 103G.2372, subdivision 1; 103G.271, subdivisions 1, 6, 6a, 7, by adding a subdivision; 103G.287, subdivisions 1, 4; 103G.411; 114D.25, by adding a subdivision; 115B.41, subdivision 1; 115B.421; 115C.021, subdivision 1, by adding a subdivision; 116.03, subdivision 2b, by adding subdivisions; 116.07, subdivision 4d, by adding subdivisions; 116.0714; 116C.03, subdivision 2; 116C.04, subdivision 2; 116D.04, subdivisions 2a, 10; 116D.045, subdivision 1; 160.06; 168.1295, subdivision 1; 296A.18, subdivision 6a; Laws 2013, chapter 114, article 4, section 105; Laws 2015, First Special Session chapter 4, article 4, section 136; Laws 2016, chapter 189, article 3, sections 6; 26; 46; proposing coding for new law in Minnesota Statutes, chapters 15; 85; 93; 97B; 115; 115B; repealing Minnesota Statutes 2016, sections 84.026, subdivision 3; 97B.031, subdivision 5; 97C.701, subdivisions 1a, 6; 97C.705; 97C.711; 116C.04, subdivisions 3, 4; Minnesota Rules, parts 6258.0100; 6258.0200; 6258.0300; 6258.0400; 6258.0500; 6258.0600; 6258.0700, subparts 1, 4, 5; 6258.0800; 6258.0900.

Senator Ingebrigtsen moved to amend H.F. No. 888 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 888, and insert the language after the enacting clause, and the title, of S.F. No. 723, the third engrossment.

The motion prevailed. So the amendment was adopted.

H.F. No. 888 was read the third time and placed on its final passage.

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

The roll was called, and there were yeas 37 and nays 29, as follows:

Those who voted in the affirmative were:

Abeler	Chamberlain	Eken	Hall	Jasinski
Anderson, B.	Dahms	Fischbach	Hoffman	Jensen
Anderson, P.	Draheim	Gazelka	Housley	Johnson
Benson	Eichorn	Goggin	Ingebrigtsen	Kiffmeyer

Koran	Miller	Pratt	Senjem	Westrom
Lang	Nelson	Relph	Tomassoni	
Limmer	Newman	Rosen	Utke	
Mathews	Osmek	Ruud	Weber	

Those who voted in the negative were:

Bakk	Dibble	Hayden	Little	Simonson
Carlson	Dziedzic	Isaacson	Lourey	Sparks
Champion	Eaton	Kent	Marty	Torres Ray
Clausen	Franzen	Klein	Newton	Wiger
Cohen	Frentz	Laine	Pappas	Wiklund
Cwodzinski	Hawj	Latz	Schoen	

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

MOTIONS AND RESOLUTIONS - CONTINUED

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

MESSAGES FROM THE HOUSE

Madam President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 803: A bill for an act relating to public safety; appropriating money for public safety, courts, corrections, Guardian Ad Litem Board, Uniform Laws Commission, Board on Judicial Standards, Board of Public Defense, Sentencing Guidelines, Peace Officer Standards and Training (POST) Board, Private Detective Board, and Human Rights; lowering certain court-related fees; amending Minnesota Statutes 2016, sections 13.69, subdivision 1; 271.21, subdivision 2; 357.021, subdivision 2; 609.748, subdivision 3a.

House File No. 803 is herewith transmitted to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned April 3, 2017

Senator Limmer moved that the Senate do not concur in the amendments by the House to S.F. No. 803, and that a Conference Committee of 5 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

MEMBERS EXCUSED

Senator Franzen was excused from the Session of today from 9:30 a.m. to 12:40 p.m. and from 3:40 to 4:10 p.m. Senators Latz and Newman were excused from the Session of today from 10:30 to 11:25 a.m. Senator Rest was excused from the Session of today at 4:50 p.m. Senator Draheim was excused from the Session of today from 8:15 to 8:25 p.m.

ADJOURNMENT

Senator Gazelka moved that the Senate do now adjourn until 9:00 a.m., Tuesday, April 4, 2017. The motion prevailed.

Cal R. Ludeman, Secretary of the Senate

