The House of Representatives convened at 1:30 p.m. and was called to order by Steve Sviggum, Speaker of the House.

Prayer was offered by Senator Dean Johnson, District 15, Willmar, Minnesota.

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

The roll was called and the following members were present:


A quorum was present.

Kahn; Kelliher; Krinkie; Larsen, P.; Orfield; Tingelstad and Van Dellen were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Lenczewski moved that further reading of the Journal be suspended and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.
Abrams from the Committee on Taxes to which was referred:

H. F. No. 1, A bill for an act relating to taxation; providing an income tax rebate; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [1999 INCOME TAX REBATE.]

Subd. 1. [PAYMENT REQUIRED.] The commissioner of revenue shall pay an income tax rebate to each individual or married couple who paid tax under Minnesota Statutes, chapter 290, for a taxable year beginning after December 31, 1996, and before January 1, 1998. The commissioner shall pay the rebate by (1) 60 days after the day following final enactment of this section for returns filed before January 1, 1999; or (2) within 90 days after the commissioner receives the taxpayer's return for all other returns. Payments of the rebate made after the required payment date bear interest at the rate provided in Minnesota Statutes, section 270.76. For returns filed after July 1, 1999, the commissioner may allow the rebate as a credit against the tax imposed.

Subd. 2. [AMOUNT ALLOWED.] (a) The amount of the rebate equals the sum of:

(1) 100 percent of the first $150 of income tax liability; and

(2) 20 percent of any income tax liability in excess of $150.

The maximum rebate is $7,600 for married taxpayers filing joint returns and surviving spouses, and $3,800 for all other taxpayers.

(b) Income tax liability means the liability for tax computed under Minnesota Statutes, sections 290.06 and 290.091, and before subtraction of the credits in Minnesota Statutes, sections 290.067 and 290.0671, and Laws 1997, chapter 231, article 1, section 16, as amended.

Subd. 3. [NO OFFSET OF INTEREST AND PENALTIES.] The rebate may not be used to offset any interest and penalties resulting from underpayment of estimated tax for taxable year 1997.

Subd. 4. [JOINT RETURNS.] Individuals who filed a joint return must receive a joint income tax rebate. After the income tax rebate has been issued, but before the check has been cashed, either joint claimant may request a separate check for one-half of the rebate.

Subd. 5. [APPLICATION OF OTHER LAWS.] (a) The income tax rebate is a "Minnesota tax law" for purposes of Minnesota Statutes, section 270B.01, subdivision 8.

(b) The income tax rebate is "an overpayment of any tax collected by the commissioner" for purposes of Minnesota Statutes, section 270.07, subdivision 5. For purposes of this paragraph, a joint income tax rebate is payable to each spouse equally.

(c) The income tax rebate is a refund subject to revenue recapture under Minnesota Statutes, chapter 270A. The commissioner of revenue shall remit the entire refund to the claimant agency, which shall, upon the request of the spouse who does not owe the debt, refund one-half of a joint income tax rebate to the spouse who does not owe the debt.

Subd. 6. [UNCASHED CHECKS.] If the commissioner of revenue cannot locate an individual entitled to a rebate by July 1, 2001, or if an individual to whom a rebate was issued has not cashed the check by July 1, 2001, the right to the rebate lapses and the check must be deposited in the general fund.
Subd. 7.  [FILING PERMITTED.] Individuals entitled to an income tax rebate under this section, but who did not receive one, and individuals who receive an income tax rebate that was not correctly computed, must file a claim with the commissioner before July 1, 2000, in a form prescribed by the commissioner. The commissioner shall treat these claims as claims for refund under Minnesota Statutes, section 289A.50, subdivisions 4 and 7.

Subd. 8.  [PAYMENT TO STATE.] (a) A taxpayer receiving a rebate under this section may endorse and return the rebate check to the state and designate that the returned rebate must be deposited in one or more of the following accounts for use only for the purposes designated in this subdivision:

1. an account for the basic sliding fee child care program for child care assistance to families administered by the commissioner of children, families, and learning under Minnesota Statutes, section 119B.03;

2. an account to lower kindergarten through grade 6 classroom size and reduce instructor-to-student ratios to an average level of 1 to 17 to be administered by the commissioner of children, families, and learning;

3. the affordable rental investment fund to be used by the housing finance agency for family rental housing assistance under Minnesota Statutes, section 462A.21, subdivision 8b;

4. the contaminated site cleanup and development account to be used by the commissioner of trade and economic development for contamination cleanup development grants under Minnesota Statutes, sections 116J.551 to 116J.556; and

5. the general fund for use as appropriated by law.

(b) Each rebate check shall have printed on the back of the check that it may be endorsed to the state of Minnesota and used for the designated option under paragraph (a). If more than one use of the rebate is designated, the rebate must be divided evenly between the designated options. If a check is endorsed and mailed to the state and no option is designated, the check must be deposited in the general fund.

(c) The rebate check shall be accompanied by a notice prepared by the commissioner of revenue that explains the taxpayer's option to endorse the check to the state, and explains the uses of the funds that the taxpayer may designate. In preparing the notice, the commissioner of revenue shall consult with the commissioners or agencies that administer the funds or accounts. The notice shall also explain that a taxpayer may cash the rebate check and mail a contribution of any amount to the state and that the contribution must be used for the option or options under paragraph (a) as designated by the taxpayer. The notice shall contain in bold print the address to which the endorsed check or a state contribution may be mailed.

(d) Funds endorsed and mailed to the state and contributions mailed to the state under this subdivision shall be deposited by the commissioner of finance in the fund or account designated, and are appropriated to the agency or commissioner designated by the taxpayer or contributor for use as provided in this subdivision. Funds appropriated under this paragraph are available until expended.

(e) Funds appropriated under this subdivision are in addition to any funds appropriated for the purposes given in this subdivision and may not be used for any other purposes including the reduction of any other appropriations. Funds appropriated to a commissioner or agency under this subdivision are not included in the department's or agency's budget base.

Sec. 2.  [AGRICULTURAL ASSISTANCE IN 1999.]

Subdivision 1.  [DEFINITIONS.] (a) The definitions in this subdivision apply to this section.

(b) "Commissioner" means the commissioner of revenue.

(c) "Farm service agency" means the United States Farm Service Agency.
(d) "Farmer" means a person who produces an agricultural crop or livestock and is certified by the farm service agency as bearing a percentage of the risk for the production operation.

(e) "Livestock" means cattle, hogs, poultry, and sheep.

(f) "Livestock production facility" means a facility that has produced at least $10,000 in sales of livestock or dairy products as reported on schedule F of the farmer’s federal income tax return for either taxable years beginning in calendar year 1997 or 1998.

Subd. 2. [PAYMENT TO FARMERS.] Every farmer may apply to the commissioner by April 1, 1999, for a payment as provided under this subdivision. The payment is equal to $4 for every acre in Minnesota on which the farmer produced an agricultural crop for crop year 1998 as certified by the farm service agency by December 31, 1998. The commissioner shall prepare application forms for the payment and ensure that they are available throughout the state. To receive a payment under this subdivision, a farmer must include with the application a certification from the farm service agency of the number of acres farmed including any percentage of risk for particular acres. The commissioner shall make the payment to each eligible farmer by May 1, 1999.

Subd. 3. [LIVESTOCK PRODUCERS.] Only a farmer who operates a livestock production facility on 160 acres or less is eligible for the agricultural property tax refund under subdivisions 4 to 8. The refund is in lieu of the per acre payment under subdivision 2. To qualify, the farmer must apply for the refund as provided in subdivisions 4 to 8.

Subd. 4. [REFUND.] The refund equals the full amount of the property tax payment due and payable on May 15, 1999, on class 1b agricultural homestead property or class 2a agricultural homestead property as defined in Minnesota Statutes, section 273.13, excluding that portion of the tax attributable to the house, garage, and surrounding acre of land. If a portion of the property was leased for the 1998 agricultural production year, the refund amount shall be prorated so that only the portion of the property which was not leased for the 1998 agricultural production year qualifies for the refund.

Subd. 5. [CERTIFICATION.] The commissioner shall develop a form by February 15, 1999, for use by the county auditors to ascertain qualification for the refund under subdivisions 4 to 8. The form shall require the property owner to certify that (i) the owner operates a livestock production facility on 160 acres or less, and (ii) the percentage of that property, if any, that was leased to anyone for the 1998 agricultural production year. Any person qualifying under subdivision 3 shall contact the county auditor in the county where the livestock production facility is located and shall file the required form with the county auditor by April 1, 1999.

Subd. 6. [VERIFICATION.] The county auditor shall determine the amount of the refund for all qualifying properties in the county for which the owner has applied under subdivision 5. By April 10, 1999, the county auditor shall notify all applicants of the amount of the refund.

Subd. 7. [CERTIFICATION AND PAYMENT.] By April 20, 1999, any person eligible for the refund under subdivisions 4 to 8 shall send the commissioner a copy of the certification that the taxpayer received from the county auditor. The commissioner shall issue a refund to each qualifying taxpayer by May 10, 1999.

Subd. 8. [PROPERTY TAX REFUND.] Taxpayers benefiting from the refund under subdivisions 4 to 8 must deduct the amount of the refund from the net property taxes payable when applying for a property tax refund under Minnesota Statutes 1998, section 290A.04, subdivision 2.

Subd. 9. [LIMIT.] No person may receive a payment under subdivision 2 or a property tax refund under subdivisions 4 to 8 that exceeds $10,000.

Sec. 3. [APPROPRIATION.]

(a) The amount necessary to pay the rebate under section 1 is appropriated from the general fund to the commissioner of revenue. The first $200,000,000 of this appropriation is from the tax reform and reduction account.
(b) The amount of the appropriation for the cost of administration under paragraph (a) may not exceed 0.1 percent of the total amount of the rebates paid under section 1.

(c) The amount necessary to make the payments required under section 2, subdivisions 2 and 7, is appropriated from the general fund to the commissioner of revenue for fiscal year 1999.

(d) An amount not to exceed one percent of the total amount under section 2, subdivisions 4 to 8, for fiscal year 1999 is appropriated to the commissioner of revenue for distribution to counties for the costs of administering section 2, subdivisions 4 to 8.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective the day following final enactment.

Amend the title as follows:

Page 1, line 2, after the second semicolon, insert "providing for agricultural assistance;"

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

The report was adopted.

Smith from the Committee on Civil Law to which was referred:

H. F. No. 56, A bill for an act relating to civil actions; modifying the limitations provision governing health provider actions; amending Minnesota Statutes 1998, section 541.07; proposing coding for new law in Minnesota Statutes, chapter 541.

Reported the same back with the following amendments:

Page 3, delete lines 1 to 7 and insert "within four years from the date the cause of action accrued."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 151, A resolution memorializing the Clinton Administration and the United States Congress to cooperate in forming a federal effort to alleviate the crisis confronting livestock farmers and commodity grain farmers arising from a bottleneck between hog and cattle producers and their consumers, from imbalances in the grain market, and from concentrations of economic resources in the food marketing and distribution system.

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

The report was adopted.
Rhodes from the Committee on Governmental Operations and Veterans Affairs Policy to which was referred:

H. F. No. 344, A bill for an act relating to young people; appropriating money for youth outreach services.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Family and Early Childhood Education Finance without further recommendation.

The report was adopted.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 56 and 151 were read for the second time.

**INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

Winter, Otremba, Peterson, Kubly and Wenzel introduced:

H. F. No. 447, A bill for an act relating to agriculture; prohibiting discrimination in prices in certain livestock transactions; imposing civil penalties; proposing coding for new law in Minnesota Statutes, chapter 31B.

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

Seifert, J.; Smith; Leighton; Carruthers and Stanek introduced:

H. F. No. 448, A bill for an act relating to civil actions; establishing a two-year statute of limitations applicable to actions for intrusion upon seclusion, appropriation, and publication of private facts; amending Minnesota Statutes 1998, section 541.07.

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

Broecker, Paymar, McGuire, Stanek and Mahoney introduced:

H. F. No. 449, A bill for an act relating to Ramsey county; appropriating money for the All Children Excel (ACE) Project.

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

Jaros, Huntley and Munger introduced:

H. F. No. 450, A bill for an act relating to tax increment financing; permitting pooling of increments by certain districts in the city of Duluth.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.
Broecker, Murphy and Bishop introduced:

H. F. No. 451, A bill for an act relating to appropriations; appropriating money to the commissioner of corrections to expand the productive day initiative programs of the Dodge-Fillmore-Olmsted community corrections agency, the Arrowhead regional community corrections agency, and the Ramsey county community corrections agency.

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

Koskinen, Greiling, Biernat, Otremba, Huntley, McCollum, Dorn and Greenfield introduced:

H. F. No. 452, A bill for an act relating to health; modifying MinnesotaCare eligibility requirements for persons with continuation coverage; amending Minnesota Statutes 1998, section 256L.07, by adding a subdivision.

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

Koskinen, Biernat, Orfield, Skoglund and Clark, K., introduced:

H. F. No. 453, A bill for an act relating to local government; directing the city of Minneapolis to authorize participation by certain workers and apprentices in deferred compensation plan; amending Laws 1988, chapter 471, section 1, subdivision 1, as amended.

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

Seifert, M., and Mulder introduced:

H. F. No. 454, A bill for an act relating to health; modifying requirements for nursing home administrators; amending Minnesota Statutes 1998, section 144A.04, subdivision 5.

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

Biernat, Wagenius and Rhodes introduced:

H. F. No. 455, A bill for an act relating to education; providing for transportation grants; appropriating money.

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

Juhnke and Peterson introduced:

H. F. No. 456, A bill for an act relating to highways; requiring inclusion in statewide transportation plan and state transportation improvement program of improvements to trunk highway 12.

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

Solberg; Rukavina; Anderson, I.; Hilty and Osskopp introduced:

H. F. No. 457, A bill for an act relating to health; appropriating money.

The bill was read for the first time and referred to the Committee on Health and Human Services Finance.
Skoe; Schumacher; Tomassoni; Ness; Seifert, M.; Storm; Clark, J.; Tunheim and Dorn introduced:

H. F. No. 458, A bill for an act relating to education; establishing a rural teacher loan forgiveness program; providing for rulemaking; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 122A.

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

Carlson, Rest, Smith, Rhodes and Stanek introduced:

H. F. No. 459, A bill for an act relating to highways; prohibiting restriction of lanes on interstate highway 394 for exclusive use of high-occupancy vehicles; requiring certain traffic restrictions on those lanes.

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

Smith introduced:

H. F. No. 460, A bill for an act relating to marriage dissolution; requiring accounting for child support or assistance; amending Minnesota Statutes 1998, section 518.57, by adding a subdivision.

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

Smith, Pawlenty, Pugh, Dawkins and Sviggum introduced:

H. F. No. 461, A bill for an act relating to family law; child support, custody, and visitation; requiring a six-month review of decrees and orders concerning child support, custody, and visitation; proposing coding for new law in Minnesota Statutes, chapter 518.

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

McGuire introduced:


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

Davids, Jennings, Lieder and Dorn introduced:

H. F. No. 463, A bill for an act relating to health; providing for review of ambulance services and first responders; proposing coding for new law in Minnesota Statutes, chapter 144E.

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

Jaros, Huntley and Munger introduced:

H. F. No. 464, A bill for an act relating to the city of Duluth; authorizing the refunding of convention center bonds.

The bill was read for the first time and referred to the Committee on Jobs and Economic Development Policy.
Ozment; Winter; Murphy; Broecker; Rhodes; Johnson; Larson, D.; Hackbarth; Fuller; Westerberg; Swenson; Smith; Larsen, P.; Rostberg; Stanek and Mares introduced:

H. F. No. 465. A bill for an act relating to public safety; establishing the board of firefighter training and education; establishing a firefighter training reimbursement program; authorizing rulemaking; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 299N.

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

Schumacher introduced:

H. F. No. 466. A bill for an act relating to appropriations; appropriating money to the city of Zimmerman for wastewater treatment facility repair.

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

Goodno, Bradley and Mulder introduced:


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

Dorn, Huntley, Davids, Juhnke and Greenfield introduced:

H. F. No. 468. A bill for an act relating to health; providing for an automatic inflation adjustment to the appropriation for the emergency medical services fund; amending Minnesota Statutes 1998, section 144E.50, by adding a subdivision.

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

McGuire introduced:

H. F. No. 469. A bill for an act relating to crimes; lowering per se level for alcohol impairment offenses from 0.10 to 0.08 for hunting, for handling explosives, and for operating a motor vehicle, recreational vehicle, or aircraft; amending Minnesota Statutes 1998, sections 97B.065, subdivision 1; 97B.066, subdivision 1; 169.121, subdivision 1; 169.123, subdivisions 2, 4, 5a, and 6; 192A.555; and 609.21, subdivision 1.

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

MOTION FOR RECONSIDERATION

Bishop moved that the vote whereby H. F. No. 209, as amended, was not passed on Thursday, January 28, 1999, be now reconsidered. The motion prevailed.

H. F. No. 209, as amended, was reported to the House.
LAY ON THE TABLE

Bishop moved to lay H. F. No. 209, as amended, on the table. The motion prevailed and H. F. No. 209, as amended, was laid on the table.

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Pawlenty from the Committee on Rules and Legislative Administration, pursuant to rule 1.21, designated the following bill to be placed on the Calendar for the Day for Tuesday, February 2, 1999:

H. F. No. 77.

CALENDAR FOR THE DAY

H. F. No. 77 was reported to the House.

Stang moved to amend H. F. No. 77, the first engrossment, as follows:

Page 2, line 4, before "Upon" insert "(a)"

Page 2, after line 11, insert:

"(b) A surviving spouse who marries a person who is not eligible for the special license plates under subdivision 1 must inform the registrar of the marriage not later than the last day of the registration period of the vehicle for which the plates were issued during which the marriage occurred. After the expiration of that registration period the special license plates may no longer be displayed. Upon receiving such a notice and the license plate fee authorized under section 168.12, subdivision 5, the registrar shall issue regular license plates for the vehicle for which the special license plates were originally issued."

Page 2, line 14, before "Upon" insert "(a)"

Page 2, after line 21, insert:

"(b) A surviving spouse who marries a person who is not eligible for the special license plates under subdivision 1 must inform the registrar of the marriage not later than the last day of the registration period of the vehicle for which the plates were issued during which the marriage occurred. After the expiration of that registration period the special license plates may no longer be displayed. Upon receiving such a notice and the license plate fee authorized under section 168.12, subdivision 5, the registrar shall issue regular license plates for the vehicle for which the special license plates were originally issued."

The motion prevailed and the amendment was adopted.

H. F. No. 77, A bill for an act relating to motor vehicles; providing for temporary registration permits; allowing surviving spouses to continue to purchase special license plates issued to veterans; amending Minnesota Statutes 1998, sections 168.09, subdivision 7; 168.123, by adding a subdivision; and 168.124, by adding a subdivision.

The bill was read for the third time, as amended, and placed upon its final passage.
The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abeler  Dempsey  Hilty  Luther  Paulsen  Stang
Abrams  Dorman  Holberg  Mahoney  Pawlenty  Storm
Anderson, B.  Dorn  Holsten  Mares  Paymar  Swenson
Anderson, I.  Entenza  Howes  Mariani  Pelowski  Sykora
Bakk  Erickson  Jaros  McElroy  Pugh  Tomassoni
Biernat  Erhardt  Huntley  Marko  Peterson  Trimble
Bishop  Finseth  Jennings  McGuire  Rest  Tuma
Boudreau  Foliard  Johnson  Milbert  Reuter  Van De Veer
Bradley  Fuller  Juhnke  Molnau  Rhodes  Vande Veer
Broecker  Gerlach  Kalis  Mulder  Rifenberg  Wagenius
Buesgens  Gleason  Kielkucki  Mullery  Rostberg  Wejcman
Carlson  Goodno  Knoblach  Munger  Rukavina  Wenzel
Carruthers  Greenfield  Koskinen  Murphy  Schumacher  Westerberg
Cassell  Greiling  Kubly  Ness  Seifert, J.  Westrom
Chaudhary  Gunther  Kuise  Nones  Seifert, M.  Wilkin
Clark, J.  Haake  Larson, D.  Olson  Skoe  Winter
Clark, K.  Haas  Leighton  Opatz  Skoglund  Wolf
Daggett  Hackbarth  Lenczewski  Osskopp  Smith  Workman
Davids  Harder  Leppik  Osthoff  Solberg  Spk. Sviggum
Dawkins  Hasskamp  Lieder  Otrema  Stanek
Dehler  Hausman  Lindner  Ozment  Wenzel

Those who voted in the negative were:

McCollum

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

**MOTIONS AND RESOLUTIONS**

Greenfield moved that his name be stricken as an author on H. F. No. 246. The motion prevailed.

Huntley moved that his name be stricken as an author on H. F. No. 246. The motion prevailed.

Clark, K., moved that her name be stricken as an author on H. F. No. 246. The motion prevailed.

Gray moved that his name be stricken as an author on H. F. No. 246. The motion prevailed.

Knoblach moved that the name of Sykora be added as an author on H. F. No. 301. The motion prevailed.

Tomassoni moved that the name of Dorman be added as an author on H. F. No. 315. The motion prevailed.

Dempsey moved that the name of Wilkin be added as an author on H. F. No. 335. The motion prevailed.

Skoglund moved that the name of Westerberg be added as an author on H. F. No. 357. The motion prevailed.

Solberg moved that the names of Hasskamp and Anderson, I., be added as authors on H. F. No. 392. The motion prevailed.
Knoblach moved that the name of Erhardt be added as an author on H. F. No. 397. The motion prevailed.

Gunther moved that the name of Clark, J., be added as an author on H. F. No. 414. The motion prevailed.

Rukavina moved that the name of Anderson, I., be added as an author on H. F. No. 426. The motion prevailed.

ADJOURNMENT

Pawlenty moved that when the House adjourns today it adjourn until 12:00 noon, Wednesday, February 3, 1999. The motion prevailed.

Pawlenty moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Wednesday, February 3, 1999.

EDWARD A. BURDICK, Chief Clerk, House of Representatives