The House of Representatives convened at 11:00 a.m. and was called to order by Steve Sviggum, Speaker of the House.

The colors were presented by officers from the Minnesota State Patrol in recognition of Police Week beginning on May 15, 2006 and Peace Officers Memorial Day on May 15, 2006.

Prayer was offered by Father Joe Richards, St. Elizabeth Catholic Church, Dilworth, Minnesota and St. Andrew's Catholic Church, Hawley, Minnesota.

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

The roll was called and the following members were present:

Abeler  Dittrich  Heidgerken  Lanning  Otremba  Simon
Abrams  Dorman  Hilstrom  Larson  Ozment  Simpson
Atkins  Dorn  Hilty  Latz  Paulsen  Slawik
Beard  Eastlund  Holberg  Lenczewski  Paymar  Smith
Bernardy  Eken  Hoppe  Lesch  Pelowski  Soderstrom
Blaine  Ellison  Hornstein  Liebling  Penas  Solberg
Bradley  Emmer  Hortman  Lieder  Peppin  Sykora
Brod  Enzena  Hosch  Lillie  Peterson, A.  Thao
Buesgens  Erhardt  Howes  Loeffler  Peterson, N.  Thissen
Carlson  Erickson  Huntley  Mahoney  Peterson, S.  Tingelstad
Charron  Finstad  Jaros  Mariani  Poppe  Udahl
Clark  Fritz  Johnson, J.  Marquart  Powell  VanDeveer
Cornish  Garofalo  Johnson, R.  McNamara  Rukavina  Wagenius
Cox  Gazelka  Johnson, S.  Meslow  Ruth  Walker
Cybart  Goodwin  Juhnke  Moe  Ruud  Wardlow
Davids  Greiling  Kahl  Mullery  Sailer  Welti
Davnie  Gunther  Kellher  Murphy  Samuelson  Westerberg
Dean  Hack Barth  Klinzinger  Nelson, M.  Scalze  Westrom
DeLaForest  Hamilton  Knoblauch  Nelson, P.  Seifert  Wilkin
Demmer  Hansen  Koenen  Newman  Sertich  Zellers
Dempsey  Hausman  Kohls  Nornes  Severson  Spk. Sviggum
Dill  Haws  Krinke  Olson  Sieben

A quorum was present.

Anderson, B., and Anderson, I., were excused.

Magnus was excused until 4:40 p.m.
The Chief Clerk proceeded to read the Journal of the preceding day. Brod moved that further reading of the Journal be suspended and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 9, 2006

The Honorable Steve Sviggum
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Sviggum:

Please be advised that I have received, approved, signed, and deposited in the Office of the Secretary of State the following House File:

H. F. No. 2985, relating to funerals; prohibiting the disruption of a funeral, burial service, or memorial service; creating penalties and providing civil remedy.

Sincerely,

TIM PAWLENTY
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

The Honorable Steve Sviggum
Speaker of the House of Representatives

The Honorable James P. Metzen
President of the Senate

I have the honor to inform you that the following enrolled Act of the 2006 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<table>
<thead>
<tr>
<th>S. F. No.</th>
<th>H. F. No.</th>
<th>Session Laws Chapter No.</th>
<th>Time and Date Approved 2006</th>
<th>Date Filed 2006</th>
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<td>2985</td>
<td>195</td>
<td></td>
<td>11:25 a.m. May 9</td>
<td>May 9</td>
</tr>
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</table>

Sincerely,

MARY KIFFMEYER
Secretary of State
The Honorable Steve Sviggum
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Sviggum:

Please be advised that I have received, approved, signed, and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 3111, relating to human services; providing for interstate contracts for chemical health services.

H. F. No. 3665, relating to the Minnesota Veterans Homes Board; authorizing the board to conduct certain meetings by telephone or other electronic means.

H. F. No. 3771, relating to health occupations; modifying Board of Medical Practice examination provision.

H. F. No. 3449, relating to manufactured homes; regulating manufactured home park conversions.

Sincerely,

TIM Pawlenty
Governor

The Honorable Steve Sviggum
Speaker of the House of Representatives
The State of Minnesota

May 10, 2006

The Honorable Steve Sviggum
Speaker of the House of Representatives
The State of Minnesota

I have the honor to inform you that the following enrolled Acts of the 2006 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

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<thead>
<tr>
<th>S. F. No.</th>
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<tbody>
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<td>3771</td>
<td>199</td>
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<td>9:56 a.m. May 10</td>
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</table>
The Honorable Steve Sviggum
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Sviggum:

I have vetoed and am returning Chapter No. 197, H. F. No. 3464, a bill relating to the Minnesota State Board of Barber and Cosmetology Examiners ("Board") and the Minnesota Racing Commission.

I am concerned that the bill goes too far in allowing felons, including those convicted of serious crimes, to work in the gaming industry. Current law requires the Racing Commission to issue an occupational license to persons who wish to be employed in horse racing where pari-mutuel betting is conducted and prohibits felons from obtaining an occupational license. The current license requirement is designed to ensure the integrity of horse racing in Minnesota. Indeed, the rigor of the license provisions was a key provision when the legislation authorizing pari-mutuel horse racing was passed by the legislature.

This bill raises a number of significant concerns. First, this bill would allow felons to work directly in gaming related jobs. For example, persons with significant criminal histories would be permitted to work as pari-mutuel employees, security guards and card club employees. The bill is not limited to job classifications that work directly with caring for the horses or other non-gaming positions.

Second, some of the specific language used in the bill is problematic. Where prior convictions are used in assessing fitness for an occupation, Minnesota law almost universally uses the date a person's sentence is discharged as the starting point to calculate an exclusion period. A person is discharged only after they have completed any sentence, supervised release or period of probation. This bill uses the date of conviction, rather than date of discharge of the sentence, to initiate the 10 year exclusion period. This would permit persons who have committed serious crimes to obtain a license within a very short time after serving time in prison. In addition, the language that prohibits licensure of someone "on parole resulting from a felony conviction" is confusing because it does not reflect Minnesota sentencing practices. Minnesota does not utilize a parole-based system for offenders.

It is my understanding that the intent of this portion of the bill was to allow persons with felony convictions to work in areas that currently require a Class C license, but that are not directly involved in gaming operations or security. While a limited exception to the current requirements may be more appropriate, the licensing standards for the racetrack must remain rigorous to ensure the integrity of horse racing and pari-mutuel gaming in Minnesota.

Sincerely,

TIM PAWLIENTY
Governor
REPORTS OF STANDING COMMITTEES

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

H. F. No. 333, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 4; providing staggered terms of office for senators.

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

The report was adopted.

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

H. F. No. 3664, A bill for an act relating to military affairs; authorizing National Guard employees to carry certain weapons; amending Minnesota Statutes 2004, sections 609.67, subdivisions 3, 5; 626.88, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2005 Supplement, section 43A.183, is amended to read:

43A.183 PAYMENT OF SALARY DIFFERENTIAL FOR REPORT FOR ACTIVE SERVICE.

Subdivision 1. Payment required. (a) Each agency head shall pay to each eligible member of the National Guard or other reserve component of the United States armed forces an amount equal to the person's salary differential for each month or portion of month that the person is ordered to serve in active military service. The person's salary differential is calculated as

This payment may be made only to a person for whom the amount in subdivision 2, paragraph (b), clause (1), is greater than the amount in subdivision 2, paragraph (b), clause (2). Payments must be made at the intervals at which the member received pay as a state employee, except that any back pay due under this section may be paid as a lump sum. Payment under this section must not extend beyond four years from the date the employee reported for active service, plus any additional time the employee may be legally required to serve. An eligible member may apply for the salary differential benefits authorized under this section prior to, during, or following the person's active service on or after May 29, 2003.

Subd. 2. Definitions. (a) The definitions in this subdivision apply to this section.

(b) "Salary differential" means the difference between:

(1) the person's monthly total gross earnings as an active state employee, excluding any overtime pay received but including all other earnings, averaged over the last three full months of the person's active state employment prior to reporting to active military service, and including any additional salary or earnings adjustments that the person would have received at any time during the person's military authorized leave from state employment had the person been serving as an active state employee during that time; and

(2) the person's monthly base pay in active military service."
This payment may be made only to a person for whom the amount in clause (1) is greater than the amount in clause (2). Payments must be made at the intervals at which the member received pay as a state employee, except that any back pay due under this section may be paid as a lump sum. Payment under this section must not extend beyond four years from the date the employee reported for active service, plus any additional time the employee may be legally required to serve. An eligible member of the National Guard or other reserve component of the United States armed forces may apply for the pay differential benefits authorized under this section prior to, during, or following the person's active military service on or after May 29, 2003.

(b) An eligible member of the reserve components (c) "Eligible member" means:

(1) any member of the National Guard or other reserve component of the United States armed forces is a reservist or National Guard member who was an employee of the state of Minnesota at the time the member took military leave under section 192.261 to report for active military service; and

(2) any member of any other nonmilitary reserve component of the uniformed services of the United States who was an employee of Minnesota at the time the member took properly authorized leave from state employment under substantially comparable federal or state authority ordering the person to report for federal or state active service.

(c) For purposes of this section, an employee of the state is (d) "State employee" means an employee of the executive, judicial, or legislative branch of state government or an employee of the Minnesota State Retirement System, the Public Employee Retirement Association, or the Teachers Retirement Association.

(d) For purposes of this section, the term (e) "Active service" has the meaning given in section 190.05, subdivision 5, for military members, and includes substantially comparable service for reserve members of other nonmilitary components of the uniformed services of the United States, but excludes service performed exclusively for purposes of:

(1) basic combat training, advanced individual training, annual training, and periodic inactive duty training;

(2) special training periodically made available to reserve members;

(3) service performed in accordance with section 190.08, subdivision 3; and

(4) service performed as part of the active guard/reserve program pursuant to United States Code, title 32, section 502(f), or other applicable authority, as well as substantially comparable service by members of other nonmilitary components of the uniformed services of the United States.

Subd. 3. Health and dental coverage. (e) The agency head must continue the employee's enrollment in health and dental coverage, and the employer contribution toward that coverage, until the employee reports for active military service. If the employee had elected dependent coverage for health or dental coverage as of the time that the employee reported for active service, the agency head must offer the employee the option to continue the dependent coverage at the employee's own expense. The agency head must permit the employee to continue participating in any pretax account in which the employee participated when the employee reported for active service, to the extent of employee pay available for that purpose. An employee who has opted to continue a permitted benefit may cancel that continuation at any time during the person's military authorized leave from state employment by written notification from the employee, or from the employee's designated attorney-in-fact under a power of attorney, to the agency head or the commissioner of employee relations.

Subd. 4. Notice. (f) The agency head must periodically inform in writing all agency personnel who are or may be members of the reserve component of the United States armed forces or any other nonmilitary reserve component of the uniformed services of the United States of the benefits provided under this section and of the procedures
relevant to securing those benefits, including, but not limited to, any procedures regarding the continuation and discontinuation of any optional deductions. It will suffice to meet this requirement if the agency head posts the information on the agency Web site in a highly recognizable manner that can be easily found and understood by the employees to whom it might apply.

Upon being ordered to active duty service, the employee must notify the agency head of that order in a timely manner and must provide to the agency head the name of and contact information for the employee’s designated attorney-in-fact under a power of attorney. Prior to the commencement of the employee’s military leave from state employment, the agency head must ensure the agency’s receipt of that information and immediately convey that information to the commissioners of finance and employee relations, including any subsequent change in that designation by the employee. When communicating with the employee during the person’s military leave, the agency head and the commissioners of finance and employee relations must immediately provide a copy of the communication to the employee’s designated attorney-in-fact. Those officials must also honor requests for information or other appropriate directives from that designee on behalf of the employee during the employee’s military leave.

Subd. 5. Procedures. (a) The commissioners of employee relations and finance shall adopt procedures required to implement this section. The procedures are exempt from chapter 14.

Subd. 6. Exclusion. (b) This section does not apply to a judge, legislator, or constitutional officer of the executive branch.

EFFECTIVE DATE. This section is effective for Minnesota state employees serving in active service on or after July 1, 2006.

Sec. 2. Minnesota Statutes 2004, section 85.053, is amended by adding a subdivision to read:

Subd. 8. Military personnel on leave; exemption. (a) The provisions of this section requiring a state park permit and regulating its display do not apply to a motor vehicle being used by a person who is serving in active military service in any branch or unit of the United States armed forces and who is stationed outside Minnesota, during the period of active service and for 90 days immediately thereafter, if the person notifies the park attendant on duty or other designee of the commissioner of the person’s military status at the time of usage. It is sufficient notice for the eligible person to temporarily affix to the inside of the windshield of the vehicle in a visible manner the person’s current military orders to carry in the person’s possession current military identification attesting to the person’s active or recent military status.

(b) For purposes of this section, "active service" has the meaning given under section 190.05, subdivision 5c, when performed outside Minnesota.

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

Sec. 3. [181.947] LEAVE FOR IMMEDIATE FAMILY MEMBERS OF MILITARY PERSONNEL INJURED OR KILLED IN ACTIVE SERVICE.

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

(b) "Active service" has the meaning given in section 190.05, subdivision 5.

(c) "Employee" means a person, independent contractor, or person working for an independent contractor who performs services for compensation, in whatever form, for an employer.
(d) "Employer" means a person or entity located or doing business in this state and having one or more
employees, and includes the state and all political or other governmental subdivisions of the state.

(e) "Immediate family member" means a person's parent, child, grandparents, siblings, or spouse.

Subd. 2. Unpaid leave required. An employer must grant up to ten working days of a leave of absence without
pay to an employee whose immediate family member, as a member of the United States armed forces, has been
injured or killed while engaged in active service.

Subd. 3. Notice. An employee must give as much notice to the employee's employer as practicable of the
employee's intent to exercise the leave guaranteed by this section.

Subd. 4. Relationship to other leave. The length of leave provided under this section may be reduced by any
period of paid leave provided by the employer. Nothing in this section prevents an employer from providing leave
benefits in addition to those provided in this section or otherwise affects an employee's rights with respect to other
employment benefits.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to the immediate
family members of military personnel injured or killed on or after that date, as well as to the immediate family
members of military personnel who, on the effective date, are recovering from injuries that occurred prior to that
date.

Sec. 4. [181.948] LEAVE TO ATTEND MILITARY CEREMONIES.

Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have the meaning given in
this subdivision.

(b) "Active service" has the meaning given in section 190.05, subdivision 5.

(c) "Employee" means a person who performs services for compensation, in whatever form, for an employer.
Employee does not include an independent contractor.

(d) "Employer" means a person or entity located or doing business in this state and having one or more
employees, and includes the state and all political or other governmental subdivisions of the state.

(e) "Immediate family member" means a person's grandparent, parent, legal guardian, sibling, child, grandchild,
spouse, fiance, or fiancee.

Subd. 2. Unpaid leave required. Unless the leave would unduly disrupt the operations of the employer, an
employer shall grant a leave of absence without pay to an employee whose immediate family member, as a member
of the United States armed forces, has been ordered into active service in support of a war or other national
emergency. The employer may limit the amount of leave provided under this subdivision to the actual time
necessary for the employee to attend a send-off or homecoming ceremony for the mobilized service member, not to
exceed one day's duration in any calendar year.

Sec. 5. [190.001] POLICY STATEMENT.

In recognition of the necessity of maintaining a strong military force for the protection and survival of this state
and nation and of free and democratic allied societies throughout the world, and of the numerous and varied
sacrifices required of military personnel and their families both in peacetime and war, and of the exemplary
character, courage, leadership, and training of United States armed forces personnel of all generations, it is the
policy of the state of Minnesota to promulgate, implement, and maintain laws, policies, rules, and procedures, insofar as is practicable and beneficial to the people of this state and within available resources as may exist at any time, that encourage, recognize, and reward honorable military service to this state and nation, whether in regular active service or in the National Guard or other reserve component service, during both peacetime and war. This includes, but is not limited to, policies supportive of the physical and mental health needs of returning veterans.

Sec. 6. Minnesota Statutes 2004, section 190.055, is amended to read:

**190.055 PROTECTIONS.**

(a) A person called or ordered to active service, as defined in section 190.05, subdivision 5a or 5b, has all the protections afforded to persons in the military service of the United States under:

(1) the Soldiers and Sailors Civil Relief Act of 1940 Service Members Civil Relief Act, United States Code, Appendix 50, sections 501 to 548, and 560 to 591, as amended, at any time; and

(2) the Uniformed Services Employment and Reemployment Rights Act, United States Code, title 38, sections 4301 to 4333, as amended at any time.

(b) The acts referenced in paragraph (a), clauses (1) and (2), may be cited as the "SCRA" and "USERRA," respectively.

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

Sec. 7. Minnesota Statutes 2005 Supplement, section 192.502, is amended by adding a subdivision to read:

Subd. 3. **Unpaid leave to attend military ceremonies.** Employees are entitled to unpaid leave, as required by section 181.948, to attend the send-off or homecoming ceremony of an immediate family member who, as a member of the United States armed forces, has been mobilized for active military service in support of a war or other national emergency.

Sec. 8. Minnesota Statutes 2005 Supplement, section 192.502, is amended by adding a subdivision to read:

Subd. 4. **Unpaid leave for families of injured or deceased military members.** Employees are entitled to unpaid leave, as required by section 181.947, when an immediate family member, as a member of the United States armed forces, has been injured or killed while engaged in active service.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to the immediate family members of military personnel injured or killed on or after that date, as well as to the immediate family members of military personnel who, on the effective date, are recovering from injuries that occurred prior to that date.

Sec. 9. **[197.775] HIGHER EDUCATION FAIRNESS.**

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

(b) "Commissioner" means the commissioner of veterans affairs.

(c) "State college or university" means a unit of the University of Minnesota or Minnesota State Colleges and Universities.
Subd. 2. **Recognition of courses.** (a) Minnesota State Colleges and Universities must recognize courses and award educational credits for courses that were part of a veteran’s military training or service if the courses meet the standards of the American Council on Education or equivalent standards for awarding academic credits.

(b) The University of Minnesota and private colleges and universities in Minnesota are encouraged to recognize courses and award educational credits for courses that were part of a veteran’s military training or service if the courses meet the standards of the American Council on Education or equivalent standards for awarding academic credits.

Subd. 3. **Tuition status.** A state college or university must treat a veteran as a Minnesota resident for purposes of determining the veteran’s undergraduate tuition rate. A state college or university must treat a veteran as a Minnesota resident for purposes of determining the veteran’s graduate school tuition rate if the veteran was a Minnesota resident on entering military service and starts attending the state college or university graduate program within two years of completing military service.

Subd. 4. **Delayed payment of tuition.** A state college or university may not assess late fees or other late charges for veterans who are eligible to receive federal educational assistance and who have applied for that assistance but not yet received it, nor may they prevent these students from registering for a subsequent term because of outstanding tuition charges that arise from delayed federal payments. The state college or university may request without delay the amount of tuition above expected federal educational assistance and may require payment of the full amount of tuition owed by the veteran within 30 days of receipt of the expected federal educational assistance.

Sec. 10. Minnesota Statutes 2004, section 326.56, is amended to read:

**326.56 LICENSES, CERTIFICATES OF REGISTRATION; RENEWALS.**

Subdivision 1. **Definitions.** For the purposes of this section the terms defined in this subdivision shall have the meanings ascribed to them.

(1) "Active military service" has the meaning given in section 190.05, subdivision 5.

(2) "Employment essential to the prosecution of any war and or to the national defense" means employment by the federal government of the United States of America, or any of its agencies, or any by a federal government contractor under the United States of America, or subcontractor under such contractor, in work connected with the prosecution of a war or for the defense of the United States or others of the United Nations during war or its allies.

(3) "Outside of the United States" means outside of the territorial limits of the 50 states of the United States and the District of Columbia.

Subd. 2. **Trade licenses or registrations, renewals; exemption of members of for armed forces and certain essential employees.** Notwithstanding any other provision of statutes, any person required by law to be licensed or registered by the state of Minnesota in order to carry on or practice a trade, employment, occupation or profession in the within this state of Minnesota who is also required by law to renew the license or certificate of registration at stated intervals and to pay a fee for such renewal on or before a specified date, or be subject to revocation of the license or certificate or other penalties, and who has since the enactment by the Congress of the United States of the Selective Service and Training Act of 1940 entered, or shall hereafter enter, the armed forces of the United States of America and be ordered into active military service, or who has since the enactment of said act been engaged, or shall hereafter be engaged, in employment, outside of the United States, essential to the prosecution of any war or to the
national defense, whose license or certificate of registration was effective at the time of the person's entry into the armed forces active military service or engagement in the employment aforesaid, is hereby exempted from the payment of all renewal fees and from the filing of any application for renewal, which but for this section would have been required as a condition of the renewal of the license or certificate, during the time the person has been in such armed forces active military service or is engaged in such the employment, and for a further period of six months from discharge from the armed forces, if a member thereof, or from the date of return within the boundaries of the United States if engaged in the employment hereinbefore referred to thereafter. The license or certificate in the meantime shall remain in full force and effect, and if it has been canceled or revoked since the date of the enactment of the Selective Service and Training Act of 1940 solely on the ground basis of nonpayment of renewal fees, or failure to apply for a renewal, it shall be reinstated upon the application of the licensee or registrant or any one on the licensee's or registrant's by anyone on the person's behalf without the payment of any penalties or costs. Any such person may within six months from the date of release from the armed forces of the United States, if the person has been a member of such armed forces active military service, or from the date of return within the boundaries of the United States if the person has been engaged in the essential employment hereinbefore referred to, make application for a renewal of the license or certificate without penalty and in the same manner as if the person had made application therefor at the time or time specified by existing laws, irrespective of whether the license or certificate has expired or is due to expire within that time period.

Sec. 11. Minnesota Statutes 2004, section 609.67, subdivision 3, is amended to read:

Subd. 3. Uses permitted. The following persons may own or possess a machine gun or short-barreled shotgun provided the provisions of subdivision 4 are complied with:

(1) law enforcement officers for use in the course of their duties;

(2) chief executive officers of correctional facilities and other personnel thereof authorized by them and persons in charge of other institutions for the retention of persons convicted or accused of crime, for use in the course of their duties;

(3) persons possessing machine guns or short-barreled shotguns which, although designed as weapons, have been determined by the superintendent of the Bureau of Criminal Apprehension or the superintendent's delegate by reason of the date of manufacture, value, design or other characteristics to be primarily collector's items, relics, museum pieces or objects of curiosity, ornaments or keepsakes, and are not likely to be used as weapons;

(4) manufacturers of ammunition who possess and use machine guns for the sole purpose of testing ammunition manufactured for sale to federal and state agencies or political subdivisions; and

(5) dealers and manufacturers who are federally licensed to buy and sell, or manufacture machine guns or short-barreled shotguns and who either use the machine guns or short-barreled shotguns in peace officer training under courses approved by the Board of Peace Officer Standards and Training, or are engaged in the sale of machine guns or short-barreled shotguns to federal and state agencies or political subdivisions; and

(6) persons employed by the Minnesota National Guard as security guards, for use in accordance with applicable federal military regulations.
Sec. 12. Minnesota Statutes 2004, section 609.67, subdivision 5, is amended to read:

Subd. 5. Exceptions. This section does not apply to members of the armed services of either the United States or the state of Minnesota for use in the course of their duties or to security guards employed by the Minnesota National Guard for use in accordance with applicable federal military regulations.

Sec. 13. Minnesota Statutes 2004, section 626.88, subdivision 1, is amended to read:

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

(b) "Peace officer" means an employee of a political subdivision or state law enforcement agency who is licensed pursuant to sections 626.84 to 626.863 charged with the prevention and detection of crime and the enforcement of the general criminal laws of the state and who has full power of arrest, and shall also include Minnesota state troopers, state conservation officers, park police, constables, and University of Minnesota police officers.

(c) "Security guard" means any person who is paid a fee, wage or salary to perform one or more of the following functions:

(1) prevention or detection of intrusion, unauthorized entry or activity, vandalism or trespass on private property;

(2) prevention or detection of theft, loss, embezzlement, misappropriation, or concealment of merchandise, money, bonds, stocks, notes, or other valuable documents or papers;

(3) control, regulation, or direction of the flow or movements of the public, whether by vehicle or otherwise, to assure protection of private property;

(4) protection of individuals from bodily harm;

(5) prevention or detection of intrusion, unauthorized entry or activity, vandalism, or trespass on Minnesota National Guard facilities, including, but not limited to, Camp Ripley and Air National Guard air bases;

(5) enforcement of policies and rules of the security guard's employer related to crime reduction insofar as such enforcement falls within the scope of security guard's duties.

The term "security guard" does not include: (i) auditors, accountants, and accounting personnel performing audits or accounting functions; (ii) employees of a firm licensed pursuant to section 326.3381 whose duties are primarily administrative or clerical in nature; (iii) unarmed security personnel; (iv) personnel temporarily employed pursuant to statute or ordinance by political subdivisions to provide protective services at social functions; (v) employees of air or rail carriers.

Sec. 14. MEMORIAL PLAQUES.

Subdivision 1. Memorial plaque honoring military war dogs and their handlers. A memorial plaque may be placed in the Court of Honor on the Capitol grounds to recognize the valiant service to our nation by the thousands of brave military war dogs and their handlers who served honorably as members of the United States armed forces during all of our nation's wars and during peacetime. The plaque must be furnished by a person or organization other than the Department of Veterans Affairs and must be approved by the commissioner of veterans affairs and the Capitol Area Architectural and Planning Board.
Subd. 2. Memorial plaque honoring Medal of Honor recipients. A memorial plaque may be placed in the Court of Honor on the Capitol grounds to recognize those Minnesotans who have received the highest award for valor in action against an enemy force which can be bestowed upon an individual serving in the armed services of the United States. The plaque must be furnished by a person or organization other than the Department of Veterans Affairs and must be approved by the commissioner of veterans affairs and the Capitol Area Architectural and Planning Board.

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

Sec. 15. REVISOR’S INSTRUCTION.

The revisor of statutes shall insert a first grade header after Minnesota Statutes, section 181.946, that reads "LEAVE FOR FAMILIES OF MOBILIZED MILITARY MEMBERS."

Delete the title and insert:

"A bill for an act relating to the military; expanding eligibility for the salary differential program for state employees ordered into active military service; permitting military personnel stationed outside Minnesota to use state parks without fee while home on leave; providing leave without pay to family members of soldiers wounded or killed while in active service, and for family members of deployed soldiers to attend send-off or homecoming ceremonies; establishing a policy statement supportive of military service; providing certain job protections for persons ordered into active military service; adding cross-references; directing institutions of higher education to provide credit for military training and experience for veterans; clarifying law governing renewal of occupational licenses and professional certifications during and following active military service; authorizing National Guard security guard employees to carry certain weapons; authorizing the placement of plaques honoring certain veterans in the Court of Honor; amending Minnesota Statutes 2004, sections 85.053, by adding a subdivision; 190.055; 326.56; 609.67, subdivisions 3, 5; 626.88, subdivision 1; Minnesota Statutes 2005 Supplement, sections 43A.183; 192.502, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 181; 190; 197.

With the recommendation that when so amended the bill pass.

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

The report was adopted.

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

H. F. No. 3761, A bill for an act relating to transportation; authorizing sale of trunk highway bonds for capital improvements related to transportation; establishing transit fund and accounts; providing for treatment and allocation of tax proceeds related to motor vehicles; modifying proposed amendment to Minnesota Constitution and its proposed ballot question; setting certain court deadlines and procedures; modifying provisions relating to the town bridge account, town road construction and maintenance, old automobile liens, tow truck operators, impounded vehicles, the rail service improvement account, the tax attributable to fuel used by all-terrain vehicles, and a connector highway agreement; requiring a study; appropriating money; amending Minnesota Statutes 2004, sections 16A.88; 161.082, subdivision 2a; 168B.06, subdivision 1; 168B.07, by adding a subdivision; 169.829, subdivision 2; 169.86, by adding a subdivision; 222.50, subdivisions 6, 7; 296A.18, subdivision 4; 297A.94;
297B.09, subdivision 1; 471.345, by adding a subdivision; Minnesota Statutes 2005 Supplement, sections 168A.20, subdivision 5; 297A.815, by adding a subdivision; Laws 2005, chapter 88, article 3, sections 9; 10; proposing coding for new law in Minnesota Statutes, chapter 167.

Reported the same back with the following amendments:

Page 7, delete section 10 and insert:

"Sec. 10.  Laws 2005, chapter 88, article 3, section 10, is amended to read:

Sec. 10.  SUBMISSION TO VOTERS.

The constitutional amendment proposed in section 42.9 must be presented to the people at the 2006 general election. The question submitted must be:

"Shall the Minnesota Constitution be amended to dedicate revenue from a tax on the sale of new and used motor vehicles over a five-year period, so that after June 30, 2011, all of the revenue is dedicated at least 40 percent for public transit assistance and not more than 60 percent for highway purposes? "Shall the Minnesota Constitution be amended so that after June 30, 2011, all of the revenues from the existing tax on the sale of new and used motor vehicles are dedicated to highways and public transit?"

Yes ........
No ........"

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

Page 14, after line 19, insert:

"Sec. 5.  Minnesota Statutes 2004, section 169.824, subdivision 1, is amended to read:

Subdivision 1.  Table of axle weight limits.  (a) No vehicle or combination of vehicles equipped with pneumatic tires shall be operated upon the highways of this state where the total gross weight on any group of two or more consecutive axles of any vehicle or combination of vehicles exceeds that given in the following table for the distance between the centers of the first and last axles of any group of two or more consecutive axles under consideration; unless otherwise noted, the distance between axles being measured longitudinally to the nearest even foot, and when the measurement is a fraction of exactly one-half foot the next largest whole number in feet shall be used, except that when the distance between axles is more than three feet four inches and less than three feet six inches the distance of four feet shall be used:

Maxium gross weight in pounds on a group of

<table>
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<tr>
<th>Distances in feet between centers of foremost and rearmost axles of a group</th>
<th>Maximum gross weight on a group of consecutive axles of a 2-axle vehicle or of any vehicle or combination of vehicles having a total of 2 or more axles</th>
<th>Maximum gross weight on a group of consecutive axles of a 3-axle vehicle or of any vehicle or combination of vehicles having a total of 3 or more axles</th>
<th>Maximum gross weight on a group of consecutive axles of a 4-axle vehicle or any combination of vehicles having a total of 4 or more axles</th>
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The maximum gross weight on a group of three consecutive axles where the distance between centers of foremost and rearmost axles is listed as seven feet or eight feet applies only to vehicles manufactured before August 1, 1991.

"8 plus" refers to any distance greater than eight feet but less than nine feet.

<table>
<thead>
<tr>
<th>Distances in feet between centers of foremost and rearmost axles of a group</th>
<th>5 consecutive axles of a 5-axle vehicle or any combination of vehicles having a total of 5 or more axles</th>
<th>6 consecutive axles of a combination of vehicles having a total of 6 or more axles</th>
<th>7 consecutive axles of a combination of vehicles having a total of 7 or more axles</th>
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The gross weights shown in parentheses in this table are permitted only on:

(1) state trunk highways and;

(2) routes designated under section 169.832, subdivision 11; and

(3) routes designated as having a maximum weight limit of nine tons per axle.

(b) Notwithstanding any lesser weight in pounds shown in this table but subject to the restrictions on gross vehicle weights in subdivision 2, paragraph (a), two consecutive sets of tandem axles may carry a gross load of 34,000 pounds each and a combined gross load of 68,000 pounds provided the overall distance between the first and last axles of the consecutive sets of tandem axles is 36 feet or more.

Sec. 6. Minnesota Statutes 2005 Supplement, section 169.824, subdivision 2, is amended to read:

Subd. 2. Gross vehicle weight of all axles. (a) Notwithstanding the provisions of section 169.85, the gross vehicle weight of all axles of a vehicle or combination of vehicles shall must not exceed:

(1) 80,000 pounds for any vehicle or combination of vehicles on all state trunk highways as defined in section 160.02, subdivision 29, and for all routes designated under section 169.832, subdivision 11, except that a vehicle needing reasonable access to a terminal or facilities for food, fuel, repairs, and rest, located within three miles of a ten-ton route, may not exceed 80,000 pounds. "Terminal" means any location where freight either originates, terminates, or is handled in the transportation process, or where commercial motor carriers maintain operating facilities; and

(2) 88,000 pounds for any vehicle or combination of vehicles with six or more axles while exclusively engaged in hauling livestock on all state trunk highways other than interstate highways, if the vehicle has a permit under section 169.86, subdivision 5, paragraph (k); and

(3) 73,280 pounds for any vehicle or combination of vehicles with five axles or less on all routes, other than (i) state trunk highways and, (ii) routes that are designated under section 169.832, subdivision 11, except that a vehicle needing reasonable access to a terminal or facilities for food, fuel, repairs, and rest, located within three miles of a ten-ton route, may not exceed 80,000 pounds, "Terminal" means any location where freight either originates, terminates, or is handled in the transportation process, or where commercial motor carriers maintain operating facilities; and (iii) routes that are designated as having a maximum weight limit of nine tons per axle.

(4) 80,000 pounds for any vehicle or combination of vehicles with six or more axles on all routes, other than state trunk highways and routes that are designated under section 169.832, subdivision 11.
(b) The maximum weights specified in this section for five consecutive axles shall not apply to a four-axle ready-mix concrete truck which was equipped with a fifth axle prior to June 1, 1981. The maximum gross weight on four or fewer consecutive axles of vehicles excepted by this clause shall not exceed any maximum weight specified for four or fewer consecutive axles in this section.

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, after "liens," insert "allowable vehicle weights on highways."

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 4183, A bill for an act relating to state government; appropriating money and supplementing appropriations for economic development and human services programs and activities; providing for regulation of certain activities and practices; amending Minnesota Statutes 2004, sections 43A.08, subdivision 1a; 116.07, subdivision 2a; 116J.421, by adding a subdivision; 116J.552, subdivision 7; 116L.04, subdivisions 1, 1a; 116L.12, subdivision 4; 119B.03, subdivision 4; 181.032; 216C.41, subdivision 4; 245A.023; 245A.14, by adding a subdivision; 259.87; 298.22, subdivisions 1, 8, by adding a subdivision; 298.2213, subdivision 4; 298.223, subdivisions 2, 3; 326.105; 446A.03, subdivision 5; 518.551, subdivision 7; Minnesota Statutes 2005 Supplement, sections 115C.09, subdivision 3j; 116J.551, subdivision 1; 116J.572, subdivision 3; 116J.575, subdivision 1; 298.296, subdivision 1; 298.298; 446A.073; Laws 2004, chapter 188, section 1, as amended; Laws 2005, First Special Session chapter 1, article 3, section 17; proposing coding for new law in Minnesota Statutes, chapters 116J; 216B; 256K; 259.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

SUPPLEMENTAL APPROPRIATIONS

Section 1. SUPPLEMENTAL APPROPRIATIONS.

The appropriations in this act are added to or, if shown in parentheses, subtracted from the appropriations enacted into law by the legislature in 2005, or other specified law, to the named agencies and for the specified programs or activities. The sums shown are appropriated from the funds named, to be available for the fiscal years indicated: 2006 is the fiscal year ending June 30, 2006; 2007 is the fiscal year ending June 30, 2007; and the biennium is fiscal years 2006 and 2007. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2006, are effective the day following final enactment.
ARTICLE 2

ECONOMIC DEVELOPMENT

Section 1. DEPARTMENT OF COMMERCE

Petroleum Tank Release  477,000  478,000
General Fund           -0-       600,000

Notwithstanding Minnesota Statutes, section 115C.09, subdivision 2a, $477,000 in fiscal year 2006 and $478,000 in fiscal year 2007 are appropriated from the petroleum tank release cleanup fund to the commissioner of transportation for reimbursable costs under Minnesota Statutes, section 115C.09, that were incurred before January 1, 2004. This is a onetime appropriation. This appropriation is in addition to any appropriations for petroleum tank release cleanup enacted into law by the legislature in 2005.

$600,000 in fiscal year 2007 is appropriated from the general fund for a new unit in the market assurance division specializing in serving and protecting seniors across all areas within the responsibility of the Department of Commerce. This amount shall be added to the agency's base.

Sec. 2. DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT

Workforce Development -0-  450,000

$450,000 in fiscal year 2007 is appropriated from the workforce development fund for a pilot project to encourage the licensure in Minnesota of foreign-trained health care professionals, including physicians, nurses, dentists, pharmacists, veterinarians, and other allied health care professionals. The commissioner must work with local workforce boards to award grants to foreign-trained health care professionals that are sufficient to cover the actual costs of taking a course intended to prepare health care professionals for required licensing examinations and the fee for taking required licensing examinations. When awarding grants, the commissioner must consider whether the recipient's training involves a medical specialty that is in demand in one or more Minnesota communities. The commissioner also must establish additional criteria for the award of grants. The program will begin on July 1, 2006, and end on June 30, 2007. The commissioner must submit a report evaluating the effectiveness of the pilot program to the legislative committees with jurisdiction over employment by October 1, 2007. This is a onetime appropriation.
Sec. 3. DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT

Summary by Fund

<table>
<thead>
<tr>
<th>Fund</th>
<th>2006</th>
<th>2007</th>
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<tbody>
<tr>
<td>General Fund</td>
<td>0</td>
<td>1,900,000</td>
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</table>

$120,000 in fiscal year 2007 is appropriated from the general fund for the Office of Entrepreneurship, created in section 20. This is a onetime appropriation. By December 15, 2006, the commissioner of employment and economic development must submit a report to the governor and the legislature setting forth a plan for funding the Office of Entrepreneurship with existing agency resources. In developing the plan, the commissioner must consider all existing resources available to the Department of Employment and Economic Development, including nongovernmental grants and any other appropriate funding resources.

$1,780,000 in fiscal year 2007 is appropriated from the general fund for the direct and indirect expenses of the collaborative research partnership between the University of Minnesota and the Mayo Foundation for research in biotechnology and medical genomics. This is a onetime appropriation.

An annual report on the expenditure of this appropriation must be submitted to the chairs of the senate Higher Education Budget Division, the house of representatives Higher Education Finance Committee, the senate Environment, Agriculture, and Economic Development Budget Division, and the house of representatives Jobs and Economic Opportunity Policy and Finance Committee by June 30 of each fiscal year until the appropriation is expended.

The appropriation is available until expended.

Sec. 4. TWENTY FIRST CENTURY MINERAL FUND.

$500,000 is transferred from the general fund in fiscal year 2008 only to the twenty first century mineral fund.

Sec. 5. [15.995] HISTORIC PUBLICLY OWNED BUILDINGS.

A city located within 150 miles of the Minnesota State Capitol that has a population, according to the 2000 census, of more than 7,000 and less than 8,000 and is located in a county that has a population according to that census of more than 31,000 and less than 32,000 must not sell property it owns that is listed on the National Register of Historic Places, unless the political subdivision first:
(1) notifies the Minnesota Historical Society and waits at least two years, during which the political subdivision
must request of and receive from the Historical Society a study of the best use of the property in order to ascertain
and preserve the historical value of the property and ensure public use; and

(2) requests of and receives from the Department of Administration an inventory and appraisal of the affected
real and personal property to determine its value.

The Department of Administration and the Minnesota Historical Society must jointly report their findings to the
chairs and ranking minority members of legislative committees with jurisdiction over state government finance. The
requesting political subdivision must pay the Minnesota Historical Society and the Department of Administration for
services provided under this section.

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

Sec. 6. Minnesota Statutes 2004, section 43A.08, subdivision 1a, is amended to read:

Subd. 1a. Additional unclassified positions. Appointing authorities for the following agencies may designate
additional unclassified positions according to this subdivision: the Departments of Administration; Agriculture;
Commerce; Corrections; Education; Employee Relations; Employment and Economic Development; Explore
Minnesota Tourism; Finance; Health; Human Rights; Labor and Industry; Natural Resources; Public Safety; Human
Services; Revenue; Transportation; and Veterans Affairs; the Housing Finance and Pollution Control Agencies; the
State Lottery; the state Board of Investment; the Office of Administrative Hearings; the Office of Enterprise
Technology; the Office of Environmental Assistance; the Offices of the Attorney General, Secretary of State, and
State Auditor; the Minnesota State Colleges and Universities; the Higher Education Services Office; the Perpich
Center for Arts Education; and the Minnesota Zoological Board.

A position designated by an appointing authority according to this subdivision must meet the following standards
and criteria:

(1) the designation of the position would not be contrary to other law relating specifically to that agency;

(2) the person occupying the position would report directly to the agency head or deputy agency head and would
be designated as part of the agency head's management team;

(3) the duties of the position would involve significant discretion and substantial involvement in the
development, interpretation, and implementation of agency policy;

(4) the duties of the position would not require primarily personnel, accounting, or other technical expertise
where continuity in the position would be important;

(5) there would be a need for the person occupying the position to be accountable to, loyal to, and compatible
with, the governor and the agency head, the employing statutory board or commission, or the employing
constitutional officer;

(6) the position would be at the level of division or bureau director or assistant to the agency head; and

(7) the commissioner has approved the designation as being consistent with the standards and criteria in this
subdivision.
Sec. 7. Minnesota Statutes 2004, section 80A.28, subdivision 1, is amended to read:

Subdivision 1. **Registration or notice filing fee.** (a) There shall be a filing fee of $100 for every application for registration or notice filing. There shall be an additional fee of one-tenth of one percent of the maximum aggregate offering price at which the securities are to be offered in this state, and the maximum combined fees shall not exceed $300.

(b) When an application for registration is withdrawn before the effective date or a preeffective stop order is entered under section 80A.13, subdivision 1, all but the $100 filing fee shall be returned. If an application to register securities is denied, the total of all fees received shall be retained.

(c) Where a filing is made in connection with a federal covered security under section 18(b)(2) of the Securities Act of 1933, there is a fee of $100 for every initial filing. If the filing is made in connection with redeemable securities issued by an open end management company or unit investment trust, as defined in the Investment Company Act of 1940, there is an additional annual fee of 1/20 of one percent of the maximum aggregate offering price at which the securities are to be offered in this state during the notice filing period. The fee must be paid at the time of the initial filing and thereafter in connection with each renewal no later than July 1 of each year and must be sufficient to cover the shares the issuer expects to sell in this state over the next 12 months. If during a current notice filing the issuer determines it is likely to sell shares in excess of the shares for which fees have been paid to the commissioner, the issuer shall submit an amended notice filing to the commissioner under section 80A.122, subdivision 1, clause (3), together with a fee of 1/20 of one percent of the maximum aggregate offering price of the additional shares. Shares for which a fee has been paid, but which have not been sold at the time of expiration of the notice filing, may not be sold unless an additional fee to cover the shares has been paid to the commissioner as provided in this section and section 80A.122, subdivision 4a. If the filing is made in connection with redeemable securities issued by such a company or trust, there is no maximum fee for securities filings made according to this paragraph. If the filing is made in connection with any other federal covered security under Section 18(b)(2) of the Securities Act of 1933, there is an additional fee of one-tenth of one percent of the maximum aggregate offering price at which the securities are to be offered in this state, and the combined fees shall not exceed $300. Beginning with fiscal year 2001 and continuing each fiscal year thereafter, as of the last day of each fiscal year, the commissioner shall determine the total amount of all fees that were collected under this paragraph in connection with any filings made for that fiscal year for securities of an open-end investment company on behalf of a security that is a federal covered security pursuant to section 18(b)(2) of the Securities Act of 1933. **Beginning in fiscal year 2001 and for each fiscal year prior to fiscal year 2007,** to the extent the total fees collected by the commissioner in connection with these filings exceed $25,000,000 in a fiscal year, the commissioner shall refund, on a pro rata basis, to all persons who paid any fees for that fiscal year, the amount of fees collected by the commissioner in excess of $25,000,000. The commissioner shall not refund any fees collected by the commissioner in connection with these filings in fiscal year 2007. **In fiscal year 2008,** to the extent the total fees collected by the commissioner in connection with these filings exceed $26,100,000 in a fiscal year, the commissioner shall refund, on a pro rata basis, to all persons who paid any fees for that fiscal year, the amount of fees collected by the commissioner in excess of $26,100,000. Beginning in fiscal year 2009, to the extent the total fees collected by the commissioner in connection with these filings exceed $25,600,000 in a fiscal year, the commissioner shall refund, on a pro rata basis, to all persons who paid any fees for that fiscal year, the amount of fees collected by the commissioner in excess of $25,600,000. No individual refund is required of amounts of $100 or less for a fiscal year.

Sec. 8. Minnesota Statutes 2005 Supplement, section 115C.09, subdivision 3j, is amended to read:

Subd. 3j. **Retail locations and transport vehicles.** (a) As used in this subdivision, "retail location" means a facility located in the metropolitan area as defined in section 473.121, subdivision 2, where gasoline is offered for sale to the general public for use in automobiles and trucks. "Transport vehicle" means a liquid fuel cargo tank used to deliver gasoline into underground storage tanks during 2002 and or 2003 at a retail location.
(b) Notwithstanding any other provision in this chapter, and any rules adopted under this chapter, the board shall reimburse 90 percent of an applicant's cost for retrofits of retail locations and transport vehicles completed between January 1, 2001, and January September 1, 2006, to comply with section 116.49, subdivisions 3 and 4, provided that the board determines the costs were incurred and reasonable. The reimbursement may not exceed $3,000 per retail location and $3,000 per transport vehicle.

**EFFECTIVE DATE.** This section is effective retroactively from August 1, 2003.

Sec. 9. Minnesota Statutes 2004, section 116.07, subdivision 2a, is amended to read:

Subd. 2a. **Exemptions from standards.** No standards adopted by any state agency for limiting levels of noise in terms of sound pressure which may occur in the outdoor atmosphere shall apply to (1) segments of trunk highways constructed with federal interstate substitution money, provided that all reasonably available noise mitigation measures are employed to abate noise, (2) an existing or newly constructed segment of a highway, provided that all reasonably available noise mitigation measures, as approved by the commissioners of the Department of Transportation and Pollution Control Agency, are employed to abate noise, (3) except for the cities of Minneapolis and St. Paul, an existing or newly constructed segment of a road, street, or highway under the jurisdiction of a road authority of a town, statutory or home rule charter city, or county, except for roadways for which full control of access has been acquired, (4) skeet, trap or shooting sports clubs, or (5) motor vehicle race events conducted at a facility specifically designed for that purpose that was in operation on or before July 1, 1983, 1996. Motor vehicle race events exempted from state standards under this subdivision are exempt from claims based on noise brought under section 561.01 and chapters 116B and 116D. Nothing herein shall prohibit a local unit of government or a public corporation with the power to make rules for the government of its real property from regulating the location and operation of skeet, trap or shooting sports clubs, or motor vehicle race events conducted at a facility specifically designed for that purpose that was in operation on or before July 1, 1983 1996.

Sec. 10. Minnesota Statutes 2004, section 116J.421, is amended by adding a subdivision to read:

Subd. 8. **Report on status of rural Minnesota.** The center must report to the chairs of the senate and house of representatives committees with primary jurisdiction over economic development and agriculture on the status of rural Minnesota by January 15 of each odd-numbered year.

Sec. 11. Minnesota Statutes 2004, section 116J.431, is amended by adding a subdivision to read:

Subd. 9. **Annual report.** The commissioner shall prepare and submit to the legislature an annual report on the Greater Minnesota Business Infrastructure Account. The report must include information on the amount of money in the account, the amount distributed, to whom the grants were distributed and for what purposes, and an evaluation of the effectiveness of the projects funded in meeting the policies and goals of the program, including jobs created and wages and benefits paid.

Sec. 12. Minnesota Statutes 2005 Supplement, section 116J.551, subdivision 1, is amended to read:

Subdivision 1. **Grant account.** A contaminated site cleanup and development grant account is created in the general fund. Money in the account may be used, as appropriated by law, to make grants as provided in section 116J.554 and to pay for the commissioner's costs in reviewing applications and making grants. Notwithstanding section 16A.28, grant money appropriated to the account for this program, from any source, is available for four years until spent.
Sec. 13. Minnesota Statutes 2004, section 116J.552, subdivision 7, is amended to read:

Subd. 7. Project costs. "Project costs" includes cleanup costs for the site and the cost of related site acquisition, demolition of existing improvements, and installation of public improvements necessary for the development authority to implement the response action plan.

Sec. 14. Minnesota Statutes 2005 Supplement, section 116J.572, subdivision 3, is amended to read:

Subd. 3. Redevelopment costs or costs. "Redevelopment costs" or "costs" means the costs of land acquisition, stabilizing unstable soils when infill is required, demolition, infrastructure improvements, and ponding or other environmental infrastructure and costs necessary for adaptive reuse of buildings, including remedial activities.

Sec. 15. Minnesota Statutes 2005 Supplement, section 116J.575, subdivision 1, is amended to read:

Subdivision 1. Commissioner discretion. The commissioner may make a grant for up to 50 percent of the eligible costs of a project. The commissioner shall, in each grant cycle, make grants so that 50 percent of the dollar value of grants for that cycle are for projects located outside of the metropolitan area and 50 percent are for projects located within the metropolitan area. This allocation of funds does not apply for any grant cycle in which the applications received by the application deadline are insufficient to permit the equal division of grants between metropolitan and nonmetropolitan projects. The determination of whether to make a grant for a site is within the discretion of the commissioner, subject to this section and sections 116J.571 to 116J.574 and available unencumbered money in the redevelopment account. Notwithstanding section 116J.573, if the commissioner determines that the applications for grants for projects in greater Minnesota are less than the amount of grant funds available, the commissioner may make grants for projects anywhere in Minnesota. The commissioner's decisions and application of the priorities under this section are not subject to judicial review, except for abuse of discretion.

Sec. 16. Minnesota Statutes 2005 Supplement, section 116J.575, is amended by adding a subdivision to read:

Subd. 4. Annual report. The commissioner shall prepare and submit to the legislature an annual report on the redevelopment account. The report must include information on the amount of money in the account, the amount distributed, to whom the grants were distributed and for what purposes, and an evaluation of the effectiveness of the projects funded in meeting the policies and goals of the program, including jobs created and wages and benefits paid.

Sec. 17. [116J.656] SMALL BUSINESS ACCESS TO FEDERAL RESEARCH FUNDS.

(a) The commissioner shall assist small businesses to access federal funds through the federal Small Business Innovation Research Program and the federal Small Business Technology Transfer Program. In providing this assistance, the commissioner shall maintain connections to eligible federal programs, access specific funding opportunities, review funding proposals, provide referrals to specific consulting services, and hold training workshops throughout the state.

(b) Unless prohibited by federal law, the commissioner must implement fees for services that help companies seek federal Phase II Small Business Innovation Research grants. The fees must be deposited in a special revenue account and are annually appropriated to the commissioner for the federal Small Business Innovation Research and federal Small Business Technology Transfer Programs.
Sec. 18. Minnesota Statutes 2004, section 116J.8731, subdivision 1, is amended to read:

Subdivision 1. **Purpose.** The Minnesota investment fund is created to provide financial assistance, through partnership with communities, for the creation of new employment or to maintain existing employment, and for business start-up, expansions, and retention. It shall accomplish these goals by the following means:

1. creation or retention of permanent private-sector jobs in order to create above-average economic growth consistent with environmental protection, which includes investments in technology and equipment that increase productivity and provide for a higher wage;
2. stimulation or leverage of private investment to ensure economic renewal and competitiveness;
3. increasing the local tax base, based on demonstrated measurable outcomes, to guarantee a diversified industry mix;
4. improving the quality of existing jobs, based on increases in wages or improvements in the job duties, training, or education associated with those jobs;
5. improvement of employment and economic opportunity for citizens in the region to create a reasonable standard of living, consistent with federal and state guidelines on low- to moderate-income persons; and
6. stimulation of productivity growth through improved manufacturing or new technologies, including cold weather testing; and
7. promoting businesses that convert to manufacturing environmentally safe products.

Sec. 19. Minnesota Statutes 2004, section 116J.8731, subdivision 4, is amended to read:

Subd. 4. **Eligible projects.** Assistance must be evaluated on the existence of the following conditions:

1. creation of new jobs, retention of existing jobs, or improvements in the quality of existing jobs as measured by the wages, skills, or education associated with those jobs;
2. increase in the tax base;
3. the project can demonstrate that investment of public dollars induces private funds;
4. the project can demonstrate an excessive public infrastructure or improvement cost beyond the means of the affected community and private participants in the project;
5. the project provides higher wage levels to the community or will add value to current workforce skills;
6. the project encourages environmentally safe production and products;
7. whether assistance is necessary to retain existing business; and
8. whether assistance is necessary to attract out-of-state business.

A grant or loan cannot be made based solely on a finding that the conditions in clause (6) or (7) or (8) exist. A finding must be made that a condition in clause (1), (2), (3), (4), or (5) also exists.

Applications recommended for funding shall be submitted to the commissioner.
Sec. 20. [116J.8743] OFFICE OF ENTREPRENEURSHIP.

The Office of Entrepreneurship is established in the Department of Employment and Economic Development. The objective of the Office of Entrepreneurship is to develop and implement strategies to foster entrepreneurial activity. In furtherance of this objective, the Office of Entrepreneurship shall do the following:

1. measure and report to the governor and the legislature, by no later than March 1 of each odd-numbered year, on the status of entrepreneurial activity in Minnesota, including small business formation, survival, and growth;

2. form an entrepreneurial advisory board with public and private representatives to make recommendations on strategies and programs and to develop specific goals for statewide entrepreneurial outcomes;

3. identify barriers to entrepreneurial development and conduct an inventory assessment of existing entrepreneurial resources in order to develop a one-stop information and referral service that is responsive to the needs of the entrepreneurial community;

4. advance alternatives for the promotion of private capital to provide better access to early stage funding for small businesses;

5. work with secondary and higher education institutions, businesses, nonprofit organizations, and state and federal agencies to provide education, training, and technical assistance which increase entrepreneurial literacy, skills, and experiences; and

6. coordinate the state's direct services of small business assistance and the small business development center network.

Members of the advisory board may include representatives from: higher education institutions, small business development centers, small business incubators, nonprofit organizations, economic development authorities, commercial banks and other lending institutions, and state and federal agencies.

Sec. 21. [116J.996] BIOSCIENCE AND BIOTECHNOLOGY SUBSIDIES.

Subdivision 1. Reporting by subsidy recipients. Each recipient of a state subsidy for bioscience or biotechnology must provide to the commissioner of employment and economic development a written report by January 15 of each year. The report must address (1) the projected and actual impact, if any, of the subsidy on reducing the unit cost to consumers of pharmaceuticals, medical devices, and other bioengineered products, including, but not limited to, agricultural products; and (2) the projected and actual jobs created, including information about wage levels and benefits of all employees and consultants, as a result of the subsidy.

Subd. 2. Compilation and summary report. By March 1 of each year, the commissioner of employment and economic development must provide to the legislature a compilation and summary report of the reports received from all recipients of state subsidies for bioscience and biotechnology in compliance with sections 3.195 and 3.197.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to all state subsidies awarded on or after January 1, 2006.

Sec. 22. Minnesota Statutes 2004, section 116L.04, subdivision 1, is amended to read:

Subdivision 1. Partnership program. (a) The partnership program may provide grants-in-aid to educational or other nonprofit educational institutions using the following guidelines:
(1) the educational or other nonprofit educational institution is a provider of training within the state in either the public or private sector;

(2) the program involves skills training that is an area of employment need; and

(3) preference will be given to educational or other nonprofit training institutions which serve economically disadvantaged people, minorities, or those who are victims of economic dislocation and to businesses located in rural areas.

(b) A single grant to any one institution shall not exceed $400,000. Up to 25 percent of a grant may be used for preemployment training.

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

Sec. 23. Minnesota Statutes 2004, section 116L.04, subdivision 1a, is amended to read:

Subd. 1a. **Pathways program.** The pathways program may provide grants-in-aid for developing programs which assist in the transition of persons from welfare to work and assist individuals at or below 200 percent of the federal poverty guidelines. The program is to be operated by the board. The board shall consult and coordinate with program administrators at the Department of Employment and Economic Development to design and provide services for temporary assistance for needy families recipients.

Pathways grants-in-aid may be awarded to educational or other nonprofit training institutions for education and training programs and services supporting education and training programs that serve eligible recipients.

Preference shall be given to projects that:

(1) provide employment with benefits paid to employees;

(2) provide employment where there are defined career paths for trainees;

(3) pilot the development of an educational pathway that can be used on a continuing basis for transitioning persons from welfare to work; and

(4) demonstrate the active participation of Department of Employment and Economic Development workforce centers, Minnesota State College and University institutions and other educational institutions, and local welfare agencies.

Pathways projects must demonstrate the active involvement and financial commitment of private business. Pathways projects must be matched with cash or in-kind contributions on at least a one-to-one ratio by participating private business.

A single grant to any one institution shall not exceed $400,000. Up to 25 percent of a grant may be used for preemployment training.

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

Sec. 24. Minnesota Statutes 2004, section 116L.12, subdivision 4, is amended to read:

Subd. 4. **Grants.** Within the limits of available appropriations, the board shall make grants not to exceed $400,000 each to qualifying consortia to operate local, regional, or statewide training and retention programs.
Grants may be made from TANF funds, general fund appropriations, and any other funding sources available to the board, provided the requirements of those funding sources are satisfied. A portion of a grant may be used for preemployment training. Grant awards must establish specific, measurable outcomes and timelines for achieving those outcomes.

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

Sec. 25. [138.98] HISTORIC DESIGNATIONS OF POSTSECONDARY STUDENT HOUSING.

A state or local government historic preservation designation of real property adopted on or after August 1, 2002, that affects property eligible for classification under section 273.13, subdivision 25, paragraph (d), clause (4), is not effective with respect to the property unless the property owner records in the office of the county recorder, or, if the property is registered, in the office of the registrar of titles, of the county where the property is located a duly executed and acknowledged written consent to the designation containing the legal description of the property designated.

Sec. 26. Minnesota Statutes 2004, section 181.032, is amended to read:

**181.032 REQUIRED STATEMENT OF EARNINGS BY EMPLOYER.**

At the end of each pay period, the employer shall provide each employee an earnings statement, either in writing or by electronic means, covering that pay period. An employer who chooses to provide an earnings statement by electronic means must provide employee access to an employer-owned computer during an employee's regular working hours to review and print earnings statements. The earnings statement may be in any form determined by the employer but must include:

(a) the name of the employee;

(b) the hourly rate of pay (if applicable);

(c) the total number of hours worked by the employee unless exempt from chapter 177;

(d) the total amount of gross pay earned by the employee during that period;

(e) a list of deductions made from the employee's pay;

(f) the net amount of pay after all deductions are made;

(g) the date on which the pay period ends; and

(h) the legal name of the employer and the operating name of the employer if different from the legal name.

An employer must provide earnings statements to an employee in writing, rather than by electronic means, if the employer has received at least 24 hours notice from an employee that the employee would like to receive earnings statements in written form. Once an employer has received notice from an employee that the employee would like to receive earnings statements in written form, the employer must comply with that request on an ongoing basis.
Sec. 27. [216B.0951] PREPURCHASE PROPANE FUEL PROGRAM.

Subdivision 1. Created. The commissioner shall operate, or contract to operate, a prepurchase propane fuel program.

Each July and August, the commissioner shall purchase the lesser of one-third of the liquid propane fuel consumed by low-income home energy assistance program recipients during the previous heating season or the amount that can be purchased with available funds. The prepurchase propane fuel program must be available statewide through each local agency that administers the energy assistance program. The commissioner may decide to limit or not engage in prepurchasing if the commissioner finds that there is a reasonable likelihood that prepurchasing will not provide fuel-cost savings.

Subd. 2. Hedge account. The commissioner may establish a hedge account with realized program savings due to prepurchasing. The account must be used to compensate program recipients an amount up to the difference in cost for fuel provided to the recipient if winter-delivered fuel prices are lower than the prepurchase or summer-fill price. No more than ten percent of the aggregate prepurchase program savings may be used to establish the hedge account.

Subd. 3. Report. The department shall issue an annual report, made available electronically on its Web site and in print upon request, which contains the following information:

(1) the cost per gallon of the prepurchased fuel;
(2) the total gallons of fuel prepurchased;
(3) the average cost of propane by month between October and the following April;
(4) the number of energy assistance program households receiving prepurchased fuel; and
(5) the average savings accruing or benefit increase provided to energy assistance households.

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

Sec. 28. Minnesota Statutes 2005 Supplement, section 216C.41, subdivision 3, is amended to read:

Subd. 3. Eligibility window. Payments may be made under this section only for electricity generated:

(1) from a qualified hydroelectric facility that is operational and generating electricity before December 31, 2007 2009;
(2) from a qualified wind energy conversion facility that is operational and generating electricity before January 1, 2007 2008; or
(3) from a qualified on-farm biogas recovery facility from July 1, 2001, through December 31, 2017.

Sec. 29. Minnesota Statutes 2004, section 216C.41, subdivision 4, is amended to read:

Subd. 4. Payment period. (a) A facility may receive payments under this section for a ten-year period. No payment under this section may be made for electricity generated:

(1) by a qualified hydroelectric facility after December 31, 2007 2019;
(2) by a qualified wind energy conversion facility after December 31, 2017; or

(3) by a qualified on-farm biogas recovery facility after December 31, 2015.

(b) The payment period begins and runs consecutively from the date the facility begins generating electricity or, in the case of refurbishment of a hydropower facility, after substantial repairs to the hydropower facility dam funded by the incentive payments are initiated.

Sec. 30.  Minnesota Statutes 2004, section 298.22, subdivision 1, is amended to read:

Subdivision 1.  The office of the commissioner of Iron Range resources and rehabilitation.  (1) The office of the commissioner of Iron Range resources and rehabilitation is created as an agency in the executive branch of state government.  The governor shall appoint the commissioner of Iron Range resources and rehabilitation under section 15.06.

(2) The commissioner may hold other positions or appointments that are not incompatible with duties as commissioner of Iron Range resources and rehabilitation.  The commissioner may appoint a deputy commissioner.  All expenses of the commissioner, including the payment of such staff and other assistance as may be necessary, must be paid out of the amounts appropriated by section 298.28 or otherwise made available by law to the commissioner.

(3) When the commissioner determines that distress and unemployment exists or may exist in the future in any county by reason of the removal of natural resources or a possibly limited use of natural resources in the future and any resulting decrease in employment, the commissioner may use whatever amounts of the appropriation made to the commissioner of revenue in section 298.28 that are determined to be necessary and proper in the development of the remaining resources of the county and in the vocational training and rehabilitation of its residents, except that the amount needed to cover cost overruns awarded to a contractor by an arbitrator in relation to a contract awarded by the commissioner or in effect after July 1, 1985, is appropriated from the general fund.  For the purposes of this section, "development of remaining resources" includes, but is not limited to, the promotion of tourism.

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

Sec. 31.  Minnesota Statutes 2004, section 298.22, subdivision 8, is amended to read:

Subd. 8.  Spending priority.  In making or approving any expenditures on programs or projects, the commissioner and the board shall give the highest priority to programs and projects that target relief to those areas of the taconite assistance area as defined in section 273.1341, that have the largest percentages of job losses and population losses directly attributable to the economic downturn in the taconite industry since the 1980s.  The commissioner and the board shall compare the 1980 population and employment figures with the 2000 population and employment figures, and shall specifically consider the job losses in 2000 and 2001 resulting from the closure of LTV Steel Mining Company, in making or approving expenditures consistent with this subdivision, as well as the areas of residence of persons who suffered job loss for which relief is to be targeted under this subdivision.  The commissioner may lease, for a term not exceeding 50 years and upon the terms determined by the commissioner and approved by the board, surface and mineral interests owned or acquired by the state of Minnesota acting by and through the office of the commissioner of Iron Range resources and rehabilitation within those portions of the taconite assistance area impacted by the closure of the LTV Steel Mining Company facility near Hoyt Lakes.  The payments and royalties from such leases must be deposited into the fund established in section 298.292.  This subdivision supersedes any other conflicting provisions of law and does not preclude the commissioner and the board from making expenditures for programs and projects in other areas.

EFFECTIVE DATE.  This section is effective the day following final enactment.
Sec. 32. Minnesota Statutes 2004, section 298.22, is amended by adding a subdivision to read:

**Subd. 11. Budgeting.** The commissioner of Iron Range resources and rehabilitation shall annually prepare a budget of operational expenditures, programs, and projects, and submit it to the Iron Range Resources and Rehabilitation Board and the governor for approval. The commissioner is authorized to expend available funds approved in the budget for operational expenditures, programs, and projects.

Sec. 33. Minnesota Statutes 2004, section 298.2213, subdivision 4, is amended to read:

**Subd. 4. Project approval.** The board and commissioner shall by August 1 each year prepare a list of projects to be funded from the money appropriated in this section with necessary supporting information including descriptions of the projects, plans, and cost estimates. A project must not be approved by the board unless it finds that:

1. the project will materially assist, directly or indirectly, the creation of additional long-term employment opportunities;

2. the prospective benefits of the expenditure exceed the anticipated costs; and

3. in the case of assistance to private enterprise, the project will serve a sound business purpose.

Each project must be approved by a majority of the Iron Range Resources and Rehabilitation Board members and the commissioner of Iron Range resources and rehabilitation. The list of projects must be submitted to the governor, who shall, by November 15 of each year, approve, disapprove, or return for further consideration, each project. The money for a project may be spent only upon approval of the project by the governor. The board may submit supplemental projects for approval at any time.

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

Sec. 34. Minnesota Statutes 2004, section 298.223, subdivision 2, is amended to read:

**Subd. 2. Administration.** The taconite area environmental protection fund shall be administered by the commissioner of the Iron Range Resources and Rehabilitation Board. The commissioner shall by September 1 of each year submit to the board a list of projects to be funded from the taconite area environmental protection fund, with such supporting information including description of the projects, plans, and cost estimates as may be necessary. Upon approval by a majority of the members of the Iron Range Resources and Rehabilitation Board, this list shall be submitted to the governor by November 1 of each year. By December 1 of each year, the governor shall approve or disapprove, or return for further consideration, each project. Funds for a project may be expended only upon approval of the project by the board and governor. The commissioner may submit supplemental projects to the board and governor for approval at any time.

Sec. 35. Minnesota Statutes 2004, section 298.223, subdivision 3, is amended to read:

**Subd. 3. Appropriation.** There is hereby annually appropriated to the commissioner of Iron Range resources and rehabilitation such taconite area environmental protection funds as are necessary to carry out the projects and programs approved and such funds as are necessary for administration of this section. Annual administrative costs, not including detailed engineering expenses for the projects, shall not exceed five percent of the amount annually expended from the fund.

Funds for the purposes of this section are provided by section 298.28, subdivision 11, relating to the taconite area environmental protection fund.
Sec. 36. Minnesota Statutes 2005 Supplement, section 298.296, subdivision 1, is amended to read:

Subdivision 1. **Project approval.** The board and commissioner shall by August 1 of each year prepare a list of projects to be funded from the Douglas J. Johnson economic protection trust with necessary supporting information including description of the projects, plans, and cost estimates. These projects shall be consistent with the priorities established in section 298.292 and shall not be approved by the board unless it finds that:

(a) the project will materially assist, directly or indirectly, the creation of additional long-term employment opportunities;

(b) the prospective benefits of the expenditure exceed the anticipated costs; and

(c) in the case of assistance to private enterprise, the project will serve a sound business purpose.

To be proposed by the board, each project must be approved by at least eight Iron Range Resources and Rehabilitation Board members and the commissioner of Iron Range resources and rehabilitation. The list of projects shall be submitted to the governor, who shall, by November 15 of each year, approve or disapprove, or return for further consideration, each project. The money for a project may be expended only upon approval of the project by the governor. The board may submit supplemental projects for approval at any time.

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

Sec. 37. Minnesota Statutes 2005 Supplement, section 298.298, is amended to read:

**298.298 LONG-RANGE PLAN.**

Consistent with the policy established in sections 298.291 to 298.298, the Iron Range Resources and Rehabilitation Board and commissioner shall prepare and present to the governor and the legislature by January 1, 1984 December 31, 2006, a long-range plan for the use of the Douglas J. Johnson economic protection trust fund for the economic development and diversification of the taconite assistance area defined in section 273.1341. The Iron Range Resources and Rehabilitation Board shall, before November 15 of each even numbered year, prepare a report to the governor and legislature updating and revising this long-range plan and reporting on the Iron Range Resources and Rehabilitation Board’s progress on those matters assigned to it by law. After January 1, 1984, No project shall be approved by the Iron Range Resources and Rehabilitation Board which is not consistent with the goals and objectives established in the long-range plan.

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

Sec. 38. Minnesota Statutes 2004, section 326.105, is amended to read:

**326.105 FEES.**

The fee for licensure or renewal of licensure as an architect, professional engineer, land surveyor, landscape architect, or geoscience professional is $120 per biennium. The fee for certification as a certified interior designer or for renewal of the certificate is $120 per biennium. The fee for an architect applying for original certification as a certified interior designer is $50 per biennium. The initial license or certification fee for all professions is $120. The renewal fee shall be paid biennially on or before June 30 of each even-numbered year. The renewal fee, when paid by mail, is not timely paid unless it is postmarked on or before June 30 of each even-numbered year. The application fee is $25 for in-training applicants and $75 for professional license applicants.

The fee for monitoring licensing examinations for applicants is $25, payable by the applicant.
Sec. 39. Minnesota Statutes 2004, section 446A.03, subdivision 5, is amended to read:

Subd. 5. **Executive director.** The commissioner shall employ, with the concurrence of the authority, an executive director in the unclassified service. The director shall perform duties that the authority may require in carrying out its responsibilities.

Sec. 40. Minnesota Statutes 2005 Supplement, section 446A.073, is amended to read:

**446A.073 TOTAL MAXIMUM DAILY LOAD GRANTS.**

Subdivision 1. **Program established.** When money is appropriated for grants under this program, the authority must make grants to municipalities to cover up to one half 50 percent of the cost of wastewater treatment or storm water projects made necessary by wasteload reductions under total maximum daily load plans required by section 303(d) of the federal Clean Water Act, United States Code, title 33, section 1313(d), or up to 50 percent of the additional project costs described in subdivision 3, paragraph (b).

Subd. 2. **Grant application.** Application for a grant must be made to the authority on forms prescribed by the authority for the total maximum daily load grant program, with additional information as required by the authority, including a project schedule and cost estimate for the work necessary to comply with the point source wasteload allocation. In accordance with section 116.182, the Pollution Control Agency shall:

1. calculate the essential project component percentage, which must be multiplied by the total project cost to determine the eligible project cost; and
2. review and certify approved projects to the authority.

Subd. 3. **Project priorities.** (a) When money is appropriated for grants under this program, the authority shall reserve money for projects expected to start construction in the next 12 months in the order that:

1. their total maximum daily load plan was approved by the United States Environmental Protection Agency and in an amount based on their most recent cost estimates submitted to the authority or the as-bid costs, whichever is less;
2. their grant application is received by the authority; and
3. have the greatest load reduction as determined by the Pollution Control Agency.

(b) Any balances remaining after money is reserved for projects in paragraph (a) may be reserved for projects on the Pollution Control Agency's project priority list to cover additional costs associated with wastewater disposal methods not requiring a National Pollutant Discharge Elimination System permit where a new discharge to an impaired water is prohibited due to the lack of total maximum daily load approval by the United States Environmental Protection Agency.

(c) The authority shall reserve money for projects in an amount based on the most recent cost estimates submitted to the authority or the as-bid costs, whichever is less.

Subd. 4. **Grant approval.** The authority must make a grant to a municipality, as defined in section 116.182, subdivision 1, only after:

1. the commissioner of the Minnesota Pollution Control Agency has certified to the United States Environmental Protection Agency a total maximum daily load plan for identified waters of this state that includes a point source wasteload allocation, except for projects described in subdivision 3, paragraph (b);
(2) the Environmental Protection Agency has approved the plan total maximum daily load, except for projects described in subdivision 3, paragraph (b);

(3) a municipality affected by the plan has estimated the cost to it of wastewater treatment projects necessary to comply with the point source wasteload allocation for which money is reserved has submitted the as-bid costs for its wastewater treatment or stormwater projects to the authority;

(4) the Pollution Control Agency has approved the cost estimate reviewed and certified the project to the authority; and

(5) the authority has determined that the additional financing necessary to complete the project has been committed from other sources.

Subd. 5. Grant disbursement. Disbursement of a grant must be made for eligible project costs as incurred by the municipality and in accordance with a project financing agreement and applicable state and federal laws and rules governing the payments.

Subd. 6. Fees. The authority may charge the grant recipient a fee for its administrative costs not to exceed one-half of one percent of the grant amount, to be paid upon execution of the grant agreement.

Sec. 41. Minnesota Statutes 2004, section 469.334, subdivision 1, is amended to read:

Subdivision 1. Commissioner to designate. (a) The commissioner, in consultation with the commissioner of revenue and the director of the Office of Strategic and Long-Range Planning, shall designate not more than one or more biotechnology and health sciences industry zone. Priority must be given to applicants with a development plan that links a higher education/research institution with a biotechnology and health sciences industry facility.

(b) The commissioner may consult with the applicant prior to the designation of the zone. The commissioner may modify the development plan, including the boundaries of the zone or subzones, if in the commissioner's opinion a modified plan would better meet the objectives of the biotechnology and health sciences industry zone program. The commissioner shall notify the applicant of the modifications and provide a statement of the reasons for the modifications.

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

Sec. 42. Minnesota Statutes 2004, section 469.334, subdivision 4, is amended to read:

Subd. 4. Designation schedule. (a) The schedule in paragraphs (b) to (e) applies to the designation of the first biotechnology and health sciences industry zone.

(b) The commissioner shall publish the form for applications and any procedural, form, or content requirements for applications by no later than August 1, 2003. The commissioner may publish these requirements on the Internet, in the State Register, or by any other means the commissioner determines appropriate to disseminate the information to potential applicants for designation.

(c) Applications must be submitted by October 15, 2003.

(d) The commissioner shall designate the zones by no later than December 31, 2003.

(e) The designation of the zones takes effect January 1, 2004.
(f) Additional zones may be designated in later years, following substantially the same application and designation process as provided in paragraphs (b) to (e).

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

Sec. 43. Laws 2004, chapter 188, section 1, as amended by Laws 2005, chapter 134, section 3, is amended to read:

Section 1. PILOT PROJECT.

The commissioner of employment and economic development shall conduct an extended employment pilot project to study an industrial model for employment for individuals with severe disabilities in Thief River Falls, Minnesota.

Employment is to be provided by Custom Products, a division of Occupational Development Center. During the pilot, employment outcomes for individuals with severe disabilities will be assumed to be community employment as defined under Minnesota Rules, part 3300.2005. The pilot project will begin July 1, 2004, and end June 30, 2007. Evaluation of the pilot project must be completed by October 1, 2007, by the commissioner.

The pilot project must maintain a minimum ratio of 60 percent of nondisabled persons, must pay minimum wages or better to all employees with severe disabilities, and must provide them a level of benefits equal to those provided to nondisabled employees. All work teams must be integrated.

The pilot project must provide the extended employment program with useful information to clarify the distinction between center-based and community employment subprograms. The commissioner shall consider the findings of the pilot project in adopting rules.

Sec. 44. Laws 2005, First Special Session chapter 1, article 3, section 17, is amended to read:

Sec. 17. FUND TRANSFER.

By June 30, 2007, the commissioner of the Pollution Control Agency shall transfer $4,000,000 from the metropolitan landfill contingency action trust account within the remediation fund to the commissioner of finance for transfer to the renewable development account, under Minnesota Statutes, section 116C.779. This is a one-time transfer from the metropolitan landfill contingency action trust account to the renewable development account. It is the intent of the legislature to restore these funds to the metropolitan landfill contingency action trust account as revenues become available in the future to ensure the state meets future financial obligations under Minnesota Statutes, section 473.845. The funds provided for in this transfer may only be used to make the incentive payments for wind energy conversion systems authorized under Minnesota Statutes, section 116C.779, subdivision 2.

Sec. 45. GRAND MOUND STATE HISTORIC SITE STUDY.

Subdivision 1. Study. The Minnesota Historical Society, in consultation with Koochiching County, the Minnesota Indian Affairs Council, interested Indian tribes, and other interested groups and individuals, shall study the future of the Grand Mound State Historic Site.

Sec. 46. **PLUG-IN HYBRID ELECTRIC VEHICLE TASK FORCE.**

Subdivision 1. **Establishment; membership.** The Plug-in Hybrid Electric Vehicle Task Force is established. The task force shall consist of 13 members as follows:

(1) one representative each from Xcel Energy and Great River Energy;

(2) one representative each from the Department of Commerce, the Department of Transportation, and the Pollution Control Agency;

(3) the director of the Travel Management Division of the Department of Administration, or the director's designee;

(4) a representative from the University of Minnesota Department of Electrical Engineering;

(5) one representative each from Minnesota-based manufacturers of electric batteries, automotive parts, and power electronics;

(6) a representative from an environmental advocacy organization active in electricity issues;

(7) a representative of United Auto Workers Local 879; and

(8) a representative of the Ford Motor Company.

Subd. 2. **Appointment.** The chairs of the senate and house of representatives committees with primary jurisdiction over energy policy shall jointly appoint the task force members.

Subd. 3. **Cochairs.** The task force shall have two cochairs, one appointed by each of the appointing authorities established in subdivision 2.

Subd. 4. **Charge.** (a) The Plug-in Hybrid Electric Vehicle Task Force shall identify barriers to the adoption of plug-in hybrid electric vehicles by state agencies, small and large private fleets, and Minnesota drivers at-large and develop strategies to be implemented over one-, three-, and five-year time frames to overcome those barriers. Included in the analysis should be possible financial incentives to encourage Ford Motor Company to produce plug-in hybrid, flexible-fueled vehicles at its St. Paul plant.

(b) The task force shall consider and evaluate the data and information presented to it under subdivision 5 in presenting its findings and recommendations.

Subd. 5. **Data and analysis.** The commissioner of the Pollution Control Agency shall analyze and report to the task force the environmental impacts of purchasing plug-in hybrid electric vehicles for the state-owned vehicle fleet and at penetration rates of ten percent, 25 percent, and 50 percent of all motor vehicles registered in this state. The analysis must compare, for plug-in hybrid electric vehicles and current fleet vehicles, air emissions of sulfur dioxide, nitrogen oxides, particulate matter less than 2.5 microns in width, volatile organic compounds, and carbon dioxide.

Subd. 6. **Expenses.** Members of the task force are entitled to reimbursement for expenses under Minnesota Statutes, section 15.059, subdivision 6. Member reimbursements shall be paid by the commissioner of commerce.

Subd. 7. **Staff.** The state agencies represented on the commission shall provide staff support.
Subd. 8. **Report.** The task force shall present its findings and recommendations in a report to the chairs of the senate and house of representatives committees with primary jurisdiction over energy policy and state government operations by April 1, 2007.

Subd. 9. **Definition.** As used in this section, "plug-in hybrid electric vehicles" means a vehicle containing an internal combustion engine that also allows power to be delivered to the drive wheels by a battery-powered electric motor, and that meets applicable federal motor vehicle safety standards. When connected to the electrical grid via an electric outlet, the vehicle must be able to recharge its battery. The vehicle must have the ability to travel at least 30 miles, powered substantially by electricity.

Subd. 10. **Expiration.** The task force expires on June 30, 2008.

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

Sec. 47. **IMPLEMENTATION AND STEERING TASK FORCE.**

Subdivision 1. **Task force established.** An implementation and steering task force is established to develop strategies around the master plan for restoration of Victory Memorial Drive Historic District, as designated in Minnesota Statutes, section 138.73, subdivision 26, including, but not limited to, efforts to secure National Register designation and other efforts to provide funding to preserve and restore the district’s significant historical components and natural features.

Subd. 2. **Membership.** The implementation and steering task force shall consist of 13 members including:

(1) the director of the Minnesota Historical Society or a designee;

(2) the Minneapolis City Council member representing the area;

(3) the Robbinsdale City Council member representing the area;

(4) the chair of the Hennepin County Board of Commissioners or the chair’s designee;

(5) the president of the Minneapolis Park and Recreation Board or the president’s designee;

(6) two members from the house of representatives representing the area;

(7) two members of the senate representing the area;

(8) two citizen representatives appointed by the chair; and

(9) two representatives from local veterans organizations appointed by the chair.

Subd. 3. **Report.** The implementation and steering task force shall report its actions to the appropriate policy committees of the legislature once each biennium.

Subd. 4. **Staff support.** The State Historic Preservation Office of the Minnesota Historical Society; the Minneapolis Heritage Preservation Commission; the Minneapolis Department of Public Works; the Minneapolis Department of Grants and Planning; the Minneapolis Park Board; and the city of Robbinsdale shall provide staff support to the Victory Memorial Drive Implementation and Steering Task Force.
Subd. 5. **Sunset.** The implementation and steering task force established in subdivision 1 expires on December 31, 2009.

**ARTICLE 3**

**CHILDREN AND FAMILIES**

Section 1. **COMMISSIONER OF HUMAN SERVICES**

**BASIC SLIDING FEE ALLOCATIONS; CONVERSION TO AUTOMATED SYSTEM.** As determined by the commissioner, counties may use up to six percent of either calendar year 2008 or 2009 allocations under Minnesota Statutes, section 119B.03, to fund accelerated payments that may occur during the preceding calendar year during conversion to the automated child care assistance program system. If conversion occurs over two calendar years, counties may use up to three percent of the combined calendar year allocations to fund accelerated payments. Funding advanced under this paragraph shall be considered part of the allocation from which it was originally advanced for purposes of setting future allocations under Minnesota Statutes, section 119B.03, subdivisions 6, 6a, 6b, and 8, and shall include funding for administrative costs under Minnesota Statutes, section 119B.15. Notwithstanding the provisions of any law to the contrary, this paragraph sunsets December 31, 2009.

**CHILD CARE AND DEVELOPMENT FUND; FEDERAL DEFICIT REDUCTION ACT OF 2005.** Increased child care funds from the federal Deficit Reduction Act of 2005 may be allocated by the commissioner for the basic sliding fee child care program.

**CHILDREN AND COMMUNITY SERVICES GRANTS.** Notwithstanding Minnesota Statutes, section 256M.50, supplemental social service block grant funds of $153,936 appropriated under the federal 2005 Department of Defense Appropriations Act, Public Law 109-148, shall be allocated proportionately to those counties that served hurricane evacuees and reported those services on the Social Service Information System (SSIS).

**COMMISSION SERVING DEAF AND HARD-OF-HEARING PEOPLE.** $175,000 is appropriated from the telecommunications access Minnesota fund under Minnesota Statutes, section 237.52, to the commissioner of human services for fiscal year 2007, to supplement the ongoing operational expenses of the Minnesota Commission Serving Deaf and Hard-of-Hearing People. This appropriation is in addition to any appropriations for the Minnesota Commission Serving Deaf and Hard-of-Hearing People enacted into law in 2005 and shall be added to the commission’s base.
Sec. 2. Minnesota Statutes 2004, section 119B.03, subdivision 4, is amended to read:

Subd. 4. **Funding priority.** (a) First priority for child care assistance under the basic sliding fee program must be given to eligible non-MFIP families who do not have a high school or general equivalency diploma or who need remedial and basic skill courses in order to pursue employment or to pursue education leading to employment and who need child care assistance to participate in the education program. Within this priority, the following subpriorities must be used:

(1) child care needs of minor parents;

(2) child care needs of parents under 21 years of age; and

(3) child care needs of other parents within the priority group described in this paragraph.

(b) Second priority must be given to parents who have completed their MFIP or DWP transition year, or parents who are no longer receiving or eligible for diversionary work program supports.

(c) Third priority must be given to families who are eligible for portable basic sliding fee assistance through the portability pool under subdivision 9.

(d) Fourth priority must be given to families in which at least one parent is a veteran as defined under section 197.447.

(e) Families under paragraph (b) must be added to the basic sliding fee waiting list on the date they begin the transition year under section 119B.011, subdivision 20, and must be moved into the basic sliding fee program as soon as possible after they complete their transition year.

Sec. 3. Minnesota Statutes 2004, section 245A.023, is amended to read:

**245A.023 IN-SERVICE TRAINING.**

(a) For purposes of child care centers, in-service training must be completed within the license period for which it is required. In-service training completed by staff persons as required must be transferable upon a staff person's change in employment to another child care program. License holders shall record all staff in-service training on forms prescribed by the commissioner of human services.

(b) For purposes of family and group family child care, the license holder and each primary caregiver must complete 12 hours of training each year. For purposes of this section, a primary caregiver is an adult caregiver who provides services in a licensed setting more than 30 days in any 12-month period.

Sec. 4. Minnesota Statutes 2004, section 245A.14, is amended by adding a subdivision to read:

Subd. 9a. **Early childhood development training.** (a) For purposes of child care centers, the director and all staff, after July 1, 2006, shall complete and document at least two hours of early childhood development training within the first year of employment. Training completed under this subdivision may be used to meet the requirements of Minnesota Rules, part 9503.0035, subparts 1 and 4.

(b) For purposes of family and group family child care, the license holder and each adult caregiver who provide care in a licensed setting more than 30 days in any 12-month period shall complete and document at least two hours of early childhood development training within the first year of licensure or employment. Training completed under this subdivision may be used to meet the requirements of Minnesota Rules, part 9502.0385, subparts 2 and 3.
(c) Notwithstanding paragraphs (a) and (b), individuals are exempt from this requirement if they:

(1) have taken a three-credit course on early childhood development within the past five years;

(2) have received a baccalaureate or masters degree in early childhood education or school age child care within the past five years;

(3) are licensed in Minnesota as a prekindergarten teacher, an early childhood educator, a kindergarten through grade 6 teacher with a prekindergarten specialty, an early childhood special education teacher, or an elementary teacher with a kindergarten endorsement; or

(4) have received a baccalaureate degree with a Montessori certificate within the past five years.

Sec. 5. Minnesota Statutes 2005 Supplement, section 245A.146, subdivision 3, is amended to read:

Subd. 3. License holder documentation of cribs. (a) Annually, from the date printed on the license, all license holders shall check all their cribs’ brand names and model numbers against the United States Consumer Product Safety Commission Web site listing of unsafe cribs.

(b) The license holder shall maintain written documentation to be reviewed on site for each crib showing that the review required in paragraph (a) has been completed, and which of the following conditions applies:

(1) the crib was not identified as unsafe on the United States Consumer Product Safety Commission Web site;

(2) the crib was identified as unsafe on the United States Consumer Product Safety Commission Web site, but the license holder has taken the action directed by the United States Consumer Product Safety Commission to make the crib safe; or

(3) the crib was identified as unsafe on the United States Consumer Product Safety Commission Web site, and the license holder has removed the crib so that it is no longer used by or accessible to children in care.

(c) Documentation of the review completed under this subdivision shall be maintained by the license holder on site and made available to parents of children in care and the commissioner.

(d) Notwithstanding Minnesota Rules, part 9502.0425, a family child care provider that complies with this section may use a mesh sided playpen or crib that has not been identified as unsafe on the United States Consumer Product Safety Commission Web site for the care or sleeping of infants.

Sec. 6. [256K.60] RUNAWAY AND HOMELESS YOUTH ACT.

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

(b) "Commissioner" means the commissioner of human services.

(c) "Homeless youth" means a person 21 years of age or younger who is unaccompanied by a parent or guardian and is without shelter where appropriate care and supervision are available, whose parent or legal guardian is unable or unwilling to provide shelter and care, or who lacks a fixed, regular, and adequate nighttime residence. The following are not fixed, regular, or adequate nighttime residences:

(1) a supervised publicly or privately operated shelter designed to provide temporary living accommodations;
(2) an institution or a publicly or privately operated shelter designed to provide temporary living accommodations;

(3) transitional housing;

(4) a temporary placement with a peer, friend, or family member that has not offered permanent residence, a residential lease, or temporary lodging for more than 30 days; or

(5) a public or private place not designed for, nor ordinarily used as, a regular sleeping accommodation for human beings.

Homeless youth does not include persons incarcerated or otherwise detained under federal or state law.

(d) "Youth at risk of homelessness" means a person 21 years of age or younger whose status or circumstances indicate a significant danger of experiencing homelessness in the near future. Status or circumstances that indicate a significant danger may include: (1) youth exiting out-of-home placements; (2) youth who previously were homeless; (3) youth whose parents or primary caregivers are or were previously homeless; (4) youth who are exposed to abuse and neglect in their homes; (5) youth who experience conflict with parents due to chemical or alcohol dependency, mental health disabilities, or other disabilities; and (6) runaways.

(e) "Runaway" means an unmarried child under the age of 18 years who is absent from the home of a parent or guardian or other lawful placement without the consent of the parent, guardian, or lawful custodian.

Subd. 2. Homeless and runaway youth report. The commissioner shall develop a report for homeless youth, youth at risk of homelessness, and runaways. The report shall include coordination of services as defined under subdivisions 3 to 5.

Subd. 3. Street and community outreach and drop-in program. Youth drop-in centers must provide walk-in access to crisis intervention and ongoing supportive services including one-to-one case management services on a self-referral basis. Street and community outreach programs must locate, contact, and provide information, referrals, and services to homeless youth, youth at risk of homelessness, and runaways. Information, referrals, and services provided may include, but are not limited to:

(1) family reunification services;

(2) conflict resolution or mediation counseling;

(3) assistance in obtaining temporary emergency shelter;

(4) assistance in obtaining food, clothing, medical care, or mental health counseling;

(5) counseling regarding violence, prostitution, substance abuse, sexually transmitted diseases, and pregnancy;

(6) referrals to other agencies that provide support services to homeless youth, youth at risk of homelessness, and runaways;

(7) assistance with education, employment, and independent living skills;

(8) aftercare services;
(9) specialized services for highly vulnerable runaways and homeless youth, including teen parents, emotionally disturbed and mentally ill youth, and sexually exploited youth; and

(10) homelessness prevention.

Subd. 4. Emergency shelter program. (a) Emergency shelter programs must provide homeless youth and runaways with referral and walk-in access to emergency, short-term residential care. The program shall provide homeless youth and runaways with safe, dignified shelter, including private shower facilities, beds, and at least one meal each day; and shall assist a runaway with reunification with the family or legal guardian when required or appropriate.

(b) The services provided at emergency shelters may include, but are not limited to:

(1) family reunification services;

(2) individual, family, and group counseling;

(3) assistance obtaining clothing;

(4) access to medical and dental care and mental health counseling;

(5) education and employment services;

(6) recreational activities;

(7) advocacy and referral services;

(8) independent living skills training;

(9) aftercare and follow-up services;

(10) transportation; and

(11) homelessness prevention.

Subd. 5. Supportive housing and transitional living programs. Transitional living programs must help homeless youth and youth at risk of homelessness to find and maintain safe, dignified housing. The program may also provide rental assistance and related supportive services, or refer youth to other organizations or agencies that provide such services. Services provided may include, but are not limited to:

(1) educational assessment and referrals to educational programs;

(2) career planning, employment, work skill training, and independent living skills training;

(3) job placement;

(4) budgeting and money management;

(5) assistance in securing housing appropriate to needs and income;

(6) counseling regarding violence, prostitution, substance abuse, sexually transmitted diseases, and pregnancy;
(7) referral for medical services or chemical dependency treatment;

(8) parenting skills;

(9) self-sufficiency support services or life skill training;

(10) aftercare and follow-up services; and

(11) homelessness prevention.

Sec. 7. [259.86] POSTADOPTION SEARCH SERVICES.

(a) The commissioner of human services shall apply for and accept grant funds and donations to offset the costs for developing and implementing a specialized curriculum to train department, county agency, and social service agency staff in performing and complying with the postadoption search services developed in the best practices guidelines reported to the legislature in 2006. The commissioner shall develop the curriculum and provide the training if sufficient funds are obtained to offset the costs.

(b) All department and county social service agency staff providing postadoption search services shall complete six hours of postadoption search services training as a component of the child welfare training.

(c) All private agency staff providing postadoption search services shall complete at least six hours of postadoption search services training.

Sec. 8. Minnesota Statutes 2004, section 259.87, is amended to read:

259.87 RULES.

The commissioner of human services shall make rules as necessary to administer sections 259.79 and 259.83, and 259.86.

Sec. 9. Minnesota Statutes 2004, section 518.551, subdivision 7, is amended to read:

Subd. 7. Fees and cost recovery fees for IV-D services. (a) When a recipient of IV-D services is no longer receiving assistance under the state's title IV-A, IV-E foster care, medical assistance, or MinnesotaCare programs, the public authority responsible for child support enforcement must notify the recipient, within five working days of the notification of ineligibility, that IV-D services will be continued unless the public authority is notified to the contrary by the recipient. The notice must include the implications of continuing to receive IV-D services, including the available services and fees, cost recovery fees, and distribution policies relating to fees.

(b) An application fee of $25 shall be paid by the person who applies for child support and maintenance collection services, except persons who are receiving public assistance as defined in section 256.741 and, if enacted, the diversionary work program under section 256J.95, persons who transfer from public assistance to nonpublic assistance status, and minor parents and parents enrolled in a public secondary school, area learning center, or alternative learning program approved by the commissioner of education.

(c) In the case of an individual who has never received assistance under a state program funded under Title IV-A of the Social Security Act and for whom the public authority has collected at least $500 of support, the public authority must impose an annual federal collections fee of $25 for each case in which services are furnished. This fee must be retained by the public authority from support collected on behalf of the individual, but not from the first $500 collected.
(d) When the public authority provides full IV-D services to an obligee who has applied for those services, upon written notice to the obligee, the public authority must charge a cost recovery fee of one percent of the amount collected. This fee must be deducted from the amount of the child support and maintenance collected and not assigned under section 256.741 before disbursement to the obligee. This fee does not apply to an obligee who:

(1) is currently receiving assistance under the state's title IV-A, IV-E foster care, medical assistance, or MinnesotaCare programs; or

(2) has received assistance under the state's title IV-A or IV-E foster care programs, until the person has not received this assistance for 24 consecutive months.

(e) When the public authority provides full IV-D services to an obligor who has applied for such services, upon written notice to the obligor, the public authority must charge a cost recovery fee of one percent of the monthly court-ordered child support and maintenance obligation. The fee may be collected through income withholding, as well as by any other enforcement remedy available to the public authority responsible for child support enforcement.

(f) Fees assessed by state and federal tax agencies for collection of overdue support owed to or on behalf of a person not receiving public assistance must be imposed on the person for whom these services are provided. The public authority upon written notice to the obligee shall assess a fee of $25 to the person not receiving public assistance for each successful federal tax interception. The fee must be withheld prior to the release of the funds received from each interception and deposited in the general fund.

(g) Federal collections fees collected under paragraph (c) and cost recovery fees collected under paragraphs (d) and (e) shall be considered child support program income according to Code of Federal Regulations, title 45, section 304.50, and shall be deposited in the cost recovery fee special revenue fund account established under paragraph (h). The commissioner of human services must elect to recover costs based on either actual or standardized costs.

(h) The limitations of this subdivision on the assessment of fees shall not apply to the extent inconsistent with the requirements of federal law for receiving funds for the programs under Title IV-A and Title IV-D of the Social Security Act, United States Code, title 42, sections 601 to 613 and United States Code, title 42, sections 651 to 662.

(i) The commissioner of human services is authorized to establish a special revenue fund account to receive child support the federal collections fees collected under paragraph (c) and cost recovery fees collected under paragraphs (d) and (e). A portion of the nonfederal share of these fees may be retained for expenditures necessary to administer the fee and must be transferred to the child support system special revenue account. The remaining nonfederal share of the federal collections fees and cost recovery fee fees must be retained by the commissioner and dedicated to the child support general fund county performance-based grant account authorized under sections 256.979 and 256.9791.

EFFECTIVE DATE. This section is effective October 1, 2006, or later, if the commissioner determines that a later implementation will not result in federal financial penalties.

Sec. 10. Minnesota Statutes 2004, section 518.6111, subdivision 4, is amended to read:

Subd. 4. Collection services. (a) The commissioner of human services shall prepare and make available to the courts a notice of services that explains child support and maintenance collection services available through the public authority, including income withholding, and the fees for such services. Upon receiving a petition for dissolution of marriage or legal separation, or other legal action in which income withholding or other child support collection services may be ordered, the court administrator shall promptly send the notice of services to the petitioner and respondent at the addresses stated in the petition. The commissioner of human services shall periodically monitor compliance with this notice requirement by court administrators.
(b) Either the obligee or obligor may at any time apply to the public authority for either full IV-D services or for income withholding only services.

(c) For those persons applying for income withholding only services, a monthly service fee of $15 must be charged to the obligor. This fee is in addition to the amount of the support order and shall be withheld through income withholding. The public authority shall explain the service options in this section to the affected parties and encourage the application for full child support collection services.

(d) If the obligee is not a current recipient of public assistance as defined in section 256.741, the person who applied for services may at any time choose to terminate either full IV-D services or income withholding only services regardless of whether income withholding is currently in place. The obligee or obligor may reapply for either full IV-D services or income withholding only services at any time. Unless the applicant is a recipient of public assistance as defined in section 256.741, a $25 application fee shall be charged at the time of each application.

(e) When a person terminates IV-D services, if an arrearage for public assistance as defined in section 256.741 exists, the public authority may continue income withholding, as well as use any other enforcement remedy for the collection of child support, until all public assistance arrears are paid in full. Income withholding shall be in an amount equal to 20 percent of the support order in effect at the time the services terminated.

Sec. 11. RAMSEY COUNTY CHILD CARE PILOT PROJECT.

Subdivision 1. Authorization for pilot project. The commissioner of human services shall approve a pilot project in Ramsey County that will help teen parents remain in school and complete the student's education while providing child care assistance for the student's child. The pilot project shall increase coordination between services from the Minnesota family investment program, the child care assistance program, and area public schools with the goal of removing barriers that prevent teen parents from pursuing educational goals.

Subd. 2. Program design and implementation. The Ramsey County child care pilot project shall be established to improve the coordination of services to teen parents. The pilot project shall:

1. provide a streamlined process for sharing information between the Minnesota family investment program under Minnesota Statutes, chapter 256J, the child care assistance program under Minnesota Statutes, chapter 119B, and public schools in Ramsey County;

2. determine eligibility for child care assistance using the teen parent's eligibility for reduced-cost or free school lunches in place of income verification; and

3. waive the child care parent fee under Minnesota Statutes, section 119B.12, subdivision 2, for teen parents whose income is below poverty level and whose children attend school-based child care centers.

Subd. 3. Costs. Increased costs incurred under this section shall not increase the basic sliding fee appropriation and shall not affect funds available for distribution under Minnesota Statutes, section 119B.03, subdivisions 6 and 8."

Delete the title and insert:

"A bill for an act relating to state government; appropriating money and supplementing appropriations for economic development and human services programs and activities; providing for regulation of certain activities and practices; regulating certain historically designated property; modifying and authorizing fees; requiring reports; establishing task forces; amending Minnesota Statutes 2004, sections 43A.08, subdivision 1a; 116.07, subdivision 2a; 116J.421, by adding a subdivision; 116J.552, subdivision 7; 116L.04, subdivisions 1, 1a; 116L.12, subdivision 4;
With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 4185, A bill for an act relating to human services; appropriating money for the Commission Serving Deaf and Hard-of-Hearing People.

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

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

The report was adopted.

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

S. F. No. 2302, A bill for an act relating to state government; designating the state fruit; proposing coding for new law in Minnesota Statutes, chapter 1.

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

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 333, 3664, 3761 and 4183 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. No. 2302 was read for the second time.
INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Sailer and Eken introduced:

H. F. No. 4200, A bill for an act relating to health; directing the Department of Human Services to file release of liens; amending Minnesota Statutes 2005 Supplement, section 256B.15, subdivision 7.

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

Westerberg introduced:


The bill was read for the first time and referred to the Committee on Governmental Operations and Veterans Affairs.

Seifert introduced:

H. F. No. 4202, A bill for an act relating to education; requiring the Pledge of Allegiance to be recited in English; amending Minnesota Statutes 2004, section 121A.11, subdivision 3.

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

Olson, by request, introduced:

H. F. No. 4203, A bill for an act relating to professional sports facilities; providing for a study of a dual purpose professional sports complex.

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

Otremba, Juhnke, Marquart, Koenen, Solberg, Murphy, Eken, Dill, Haws, Hosch, Lieder, Pelowski and Fritz introduced:

H. F. No. 4204, A bill for an act relating to health; prohibiting policy waiting periods for prenatal and maternity health insurance benefits; establishing a parenting support grant program; modifying parental notification requirements concerning abortion; establishing an ultrasound equipment grant program; establishing an informational hotline on available pregnancy, adoption, and parental support agencies; requiring information on alpha-fetoprotein testing be provided; requiring adoption referral information be provided; requiring adoption and
parenting counseling be provided; establishing an adoption tax credit; establishing civil penalties; appropriating money; amending Minnesota Statutes 2004, sections 62A.011, by adding a subdivision; 62A.041, subdivision 2; 62A.0411; 62A.047; 144.343, subdivisions 2, 5; 145.4243; proposing coding for new law in Minnesota Statutes, chapters 136A; 144; 145; 290.

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 3488, A bill for an act relating to legislation; correcting erroneous, ambiguous, and omitted text and obsolete references; eliminating certain redundant, conflicting, and superseded provisions; making miscellaneous technical corrections to statutes and other laws; amending Minnesota Statutes 2004, sections 3.736, subdivision 8; 13.322, subdivision 3, by adding a subdivision; 13.6905, by adding a subdivision; 16B.85, subdivision 5; 45.011, subdivision 1; 62D.03, subdivision 4; 62D.30, subdivision 8; 62Q.19, subdivision 2; 82.50, subdivision 7; 97A.445, subdivision 3; 103F.205, subdivision 1; 103G.293; 115A.0716, subdivision 3; 145A.09, subdivision 4; 168.187, subdivision 12; 169.781, subdivision 1; 253B.045, subdivision 2; 256.9831, subdivision 1; 256B.0917, subdivision 13; 256B.093, subdivision 3a; 256J.88; 260C.007, subdivision 6; 273.03, subdivision 3; 273.111, subdivision 3; 290.48, subdivision 10; 295.50, subdivision 10b; 297E.01, subdivision 8; 299A.292, subdivision 2; 299A.80, subdivision 1; 299C.091, subdivision 2; 349.12, subdivision 21; 353.27, subdivision 9; 353.33, subdivision 1; 353.656, subdivision 8; 354.05, subdivision 13; 466.06; 581.02; 609.652, subdivision 2; 609.671, subdivision 1; 626.5572, subdivision 2; Minnesota Statutes 2005 Supplement, sections 16C.33, subdivision 3; 116J.575, subdivision 1; 138.17, subdivision 10; 144.225, subdivision 7; 144.335, subdivision 1; 144.602, subdivision 1; 148B.60, subdivision 3; 148D.240, subdivision 5; 168.128, subdivision 2; 168.33, subdivision 2; 169.18, subdivision 11; 216B.1612, subdivision 2; 237.763; 245C.15, subdivision 3; 256B.441, subdivision 13; 270C.96; 289A.42, subdivision 1; 296A.22, subdivision 9; 325E.61, subdivision 5; 349.153; 357.021, subdivision 1a; 604A.33, subdivision 1; Laws 2005, chapter 20, article 2, section 1; Laws 2005, chapter 88, article 3, section 10; Laws 2005, First Special Session chapter 6, article 3, section 95; repealing Minnesota Statutes 2004, sections 155A.03, subdivision 11; 299J.061; 309.50, subdivision 8; 326.991, subdivision 2; Laws 2001, First Special Session chapter 5, article 12, sections 31; 32; Laws 2005, chapter 156, article 5, section 20; Laws 2005, First Special Session chapter 4, article 5, section 14.

P ATRICK E. F LAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File:

H. F. No. 2480, A bill for an act relating to a ballpark for major league baseball; providing for the financing, construction, operation, and maintenance of the ballpark and related facilities; establishing the Minnesota Ballpark Authority; providing powers and duties of the authority; providing a community ownership option; authorizing
Hennepin County to issue bonds and to contribute to ballpark costs and to engage in ballpark and related activities; authorizing local sales and use taxes and revenues; exempting Minnesota State High School League events from sales taxes; requiring the Minnesota State High School League to transfer tax savings to a foundation to promote extracurricular activities; exempting building materials used for certain local government projects from certain taxes; amending Minnesota Statutes 2004, sections 297A.70, subdivision 11; 297A.71, by adding subdivisions; Minnesota Statutes 2005 Supplement, section 10A.01, subdivision 35; repealing Minnesota Statutes 2004, sections 473I.01; 473I.02; 473I.03; 473I.04; 473I.05; 473I.06; 473I.07; 473I.08; 473I.09; 473I.10; 473I.11; 473I.12; 473I.13.

The Senate has appointed as such committee:

Senators Kelley, Betzold, Higgins, Marko and Rosen.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 4162, A bill for an act relating to the financing of state government; making supplemental appropriations; regulating government operations; providing for and modifying certain programs; regulating abortion funding and notification; providing for a Rochester campus of the University of Minnesota; creating the Boxing Commission and regulating boxing; ratifying certain labor agreements and compensation plans; providing criminal penalties; appropriating money; amending Minnesota Statutes 2004, sections 3.737, subdivision 1; 3.7371, subdivision 3; 13.3806, by adding a subdivision; 16A.152, subdivision 1b; 137.022, subdivision 4; 137.17, subdivisions 1, 3; 256.01, subdivision 18, by adding a subdivision; 256B.431, by adding a subdivision; 256J.021; 256J.626, subdivision 2; Minnesota Statutes 2005 Supplement, sections 16A.152, subdivision 2; 35.05; 119B.13, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 4; 144; 197; 256; 256D; 341; repealing Minnesota Statutes 2004, sections 62J.694; 144.395.

The Senate has appointed as such committee:

Senators Cohen, Berglin, Hottinger, Stumpf and Frederickson.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. Nos. 2743, 3236, 2722 and 2798.

PATRICK E. FLAHAVEN, Secretary of the Senate
Paulsen moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

FIRST READING OF SENATE BILLS

S. F. No. 2743, A bill for an act relating to elections; setting the criteria for voting systems to be used in elections; establishing a voting machines options working group; providing appointments; amending Minnesota Statutes 2005 Supplement, sections 206.56, subdivisions 1b, 3, 7a, 7b, 8; 206.61, subdivision 5; 206.80; 206.805, subdivision 1; 206.83; 206.90, subdivision 8.

The bill was read for the first time.

Westrom moved that S. F. No. 2743 and H. F. No. 3110, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 3236, A bill for an act relating to agriculture; modifying financial statement requirements for grain buyers; amending Minnesota Statutes 2005 Supplement, section 223.17, subdivision 6.

The bill was read for the first time.

Magnus moved that S. F. No. 3236 and H. F. No. 3376, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2722, A bill for an act relating to finance; providing an appropriation for emergencies; requiring reports and recommendations to bring the state budget into compliance with generally accepted governmental accounting principles; requiring disclosure of the impact of inflation on state expenditures; requiring consultation on expenditure data; requiring a report of cash flow for the general fund; providing continuing appropriations for the operation of state government under certain conditions; giving legislators standing to sue to enjoin expenditure of money out of the state treasury under certain circumstances; appropriating money; amending Minnesota Statutes 2004, sections 9.061, subdivision 5; 16A.055, subdivision 1; 16A.103, subdivisions 1b, 1c, 1e; 16A.11, subdivision 2, by adding a subdivision; 16A.138; proposing coding for new law in Minnesota Statutes, chapter 16A.

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

S. F. No. 2798, A bill for an act relating to energy; modifying sustainable building guidelines relating to greenhouse gases and extending assessments of energy utilities; requiring reports on utility customers; authorizing prepurchase propane fuel program; providing for residential heat reconnection arrangements; modifying provisions for assisting low-income residential heating customers; modifying renewable energy standards and objectives; defining "gross operating revenue" for energy conservation investment; providing for statewide energy-saving objectives; modifying renewable wind energy production incentive payment periods; establishing Minnesota Renewable Hydrogen Initiative and requiring development of standards; defining "energy conservation investments"
to include renewable energy measures; clarifying status of biomass generation facility; authorizing petroleum violation escrow funds to be used for energy grants; establishing plug-in hybrid electric vehicle project and task force; requiring a study; amending Minnesota Statutes 2004, sections 16B.325; 216B.16, subdivision 15; 216B.1691; 216B.241, subdivisions 1a, 1c, 6; 216C.37, subdivision 1; 216C.41, subdivision 4; Minnesota Statutes 2005 Supplement, sections 216B.241, subdivisions 1b, 2; 216C.052, subdivisions 3, 4; 216C.41, subdivision 3; Laws 2005, chapter 97, article 13, section 4; proposing coding for new law in Minnesota Statutes, chapters 216B; 325E.

The bill was read for the first time.

Westrom moved that S. F. No. 2798 and H. F. No. 3542, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Paulsen from the Committee on Rules and Legislative Administration, pursuant to rule 1.21, designated the following bills to be placed on the Calendar for the Day for Monday, May 15, 2006:

H. F. No. 2972; S. F. No. 762; H. F. No. 3116; S. F. No. 3551; and H. F. No. 3538.

CALENDAR FOR THE DAY

S. F. No. 762 was reported to the House.

The Speaker called Emmer to the Chair.

Knoblach moved to amend S. F. No. 762, the fourth unofficial engrossment, as follows:

Page 12, after line 6, insert:

"Sec. 10.  Minnesota Statutes 2004, section 115.03, is amended by adding a subdivision to read:

Subd. 10.  Nutrient loading offset.  (a) Prior to the completion of a total maximum daily load for an impaired water, the Pollution Control Agency may issue a permit for a new discharger or an expanding discharger if it results in decreased loading to an impaired water. Where a new discharger or an expanding existing discharger cannot effectively implement zero discharge options, the agency may issue a permit if the increased loading is offset by reductions from other sources of loading to the impaired water, so that there is a net decrease in the pollutant loading of concern. The term "new discharger" is as defined in Code of Federal Regulations, title 40, section 122.2.

(b) The legislature intends this subdivision to confirm and clarify the authority of the pollution control agency to issue the authorized permits under prior law. The subdivision must not be construed as a legislative interpretation within the meaning of Minnesota Statutes, section 645.16, clause (8), or otherwise as the legislature's intent that the agency did not have authority to issue such a permit under prior law."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.
The question was taken on the Knoblach amendment and the roll was called. There were 68 yeas and 63 nays as follows:

Those who voted in the affirmative were:

<table>
<thead>
<tr>
<th>Beard</th>
<th>Dempsey</th>
<th>Hackbarth</th>
<th>Krinkie</th>
<th>Peppin</th>
<th>Urdahl</th>
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<tbody>
<tr>
<td>Blaine</td>
<td>Dill</td>
<td>Hamilton</td>
<td>Lanning</td>
<td>Peterson, N.</td>
<td>Vandeveer</td>
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<tr>
<td>Bradley</td>
<td>Dorman</td>
<td>Heidgerken</td>
<td>Marquart</td>
<td>Poppe</td>
<td>Wardlow</td>
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<tr>
<td>Brod</td>
<td>Dorn</td>
<td>Holberg</td>
<td>McNamara</td>
<td>Rukavina</td>
<td>Westerberg</td>
</tr>
<tr>
<td>Buesgens</td>
<td>Eastlund</td>
<td>Hosch</td>
<td>Nelson, P.</td>
<td>Ruth</td>
<td>Westrom</td>
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<tr>
<td>Charron</td>
<td>Eken</td>
<td>Howes</td>
<td>Newman</td>
<td>Seifert</td>
<td>Wilkin</td>
</tr>
<tr>
<td>Cornish</td>
<td>Emmer</td>
<td>Johnson, J.</td>
<td>Nornes</td>
<td>Sertich</td>
<td>Zellers</td>
</tr>
<tr>
<td>Cybart</td>
<td>Erickson</td>
<td>Juhnke</td>
<td>Olson</td>
<td>Severson</td>
<td>Spk. Sviggum</td>
</tr>
<tr>
<td>Davids</td>
<td>Finstad</td>
<td>Klinzing</td>
<td>Oremba</td>
<td>Simpson</td>
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<tr>
<td>Dean</td>
<td>Garofalo</td>
<td>Knoblach</td>
<td>Ozment</td>
<td>Smith</td>
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<tr>
<td>DeLaForest</td>
<td>Gazelka</td>
<td>Koenen</td>
<td>Pelowski</td>
<td>Soderstrom</td>
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<tr>
<td>Demmer</td>
<td>Gunther</td>
<td>Kohls</td>
<td>Penas</td>
<td>Solberg</td>
<td></td>
</tr>
</tbody>
</table>

Those who voted in the negative were:

<table>
<thead>
<tr>
<th>Abeler</th>
<th>Erhardt</th>
<th>Hortman</th>
<th>Liebling</th>
<th>Paulsen</th>
<th>Slawik</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abrams</td>
<td>Fritz</td>
<td>Huntley</td>
<td>Lieder</td>
<td>Paymar</td>
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<tr>
<td>Atkins</td>
<td>Goodwin</td>
<td>Jaros</td>
<td>Lillie</td>
<td>Peterson, A.</td>
<td>Thao</td>
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<tr>
<td>Bernardy</td>
<td>Greiling</td>
<td>Johnson, R.</td>
<td>Loefller</td>
<td>Peterson, S.</td>
<td>Thissen</td>
</tr>
<tr>
<td>Carlson</td>
<td>Hansen</td>
<td>Johnson, S.</td>
<td>Mahoney</td>
<td>Powell</td>
<td>Tingelstad</td>
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<td>Clark</td>
<td>Hausman</td>
<td>Kahn</td>
<td>Mariani</td>
<td>Ruud</td>
<td>Wagenius</td>
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<tr>
<td>Cox</td>
<td>Haws</td>
<td>Kelliher</td>
<td>Meslow</td>
<td>Sailer</td>
<td>Walker</td>
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<tr>
<td>Davnie</td>
<td>Hilstrom</td>
<td>Larson</td>
<td>Moe</td>
<td>Samuelson</td>
<td>Welti</td>
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<tr>
<td>Dittrich</td>
<td>Hilty</td>
<td>Latz</td>
<td>Mullery</td>
<td>Scalze</td>
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<tr>
<td>Ellison</td>
<td>Hoppe</td>
<td>Lenczewski</td>
<td>Murphy</td>
<td>Sieben</td>
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<tr>
<td>Entenza</td>
<td>Hornstein</td>
<td>Lesch</td>
<td>Nelson, M.</td>
<td>Simon</td>
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</tr>
</tbody>
</table>

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

Hansen, Kelliher, Solberg and Juhnke moved to amend S. F. No. 762, the fourth unofficial engrossment, as amended, as follows:

Page 9, line 13, after the period, insert "Agency members serve as nonvoting members of the council."

Page 9, line 29, before "In" insert "Members appointed under clauses (1) to (12) must not be registered lobbyists."

A roll call was requested and properly seconded.
The question was taken on the Hansen et al amendment and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler  Dittrich  Heidgerken  Lanning  Otremba  Simon
Abrams  Dorman  Hilstrom  Larson  Ozment  Simpson
Atkins  Dorn  Hilty  Latz  Paulsen  Slawik
Beard  Eastlund  Halberg  Lenczowski  Paymar  Smith
Bernardy  Eken  Hoppe  Lesch  Pelowski  Soderstrom
Blaine  Ellison  Hornstein  Liebling  Penas  Solberg
Bradley  Emmer  Horman  Lieder  Peppin  Sykora
Brod  Entenza  Hosch  Lillie  Peterson, A.  Thao
Buesgens  Erhardt  Howes  Loeffler  Peterson, N.  Thissen
Carlson  Erickson  Huntley  Mahoney  Peterson, S.  Tingelstad
Charron  Finstad  Jaros  Mariani  Poppe  Urdahl
Clark  Fritz  Johnson, J.  Marquart  Powell  Vandevere
Cornish  Garofalo  Johnson, R.  McNamara  Rukavina  Wagenius
Cox  Gazelka  Johnson, S.  Meslow  Ruth  Wardlow
Cybart  Goodwin  Juhnke  Moe  Ruud  Welti
Davids  Greiling  Kahn  Mullery  Sailer  Westerberg
Davnie  Gunther  Kellihier  Murphy  Samuelson  Westrom
Dean  Hackbarth  Klinzing  Nelson, M.  Scalze  Wilkin
DeLaForest  Hamilton  Knoblach  Nelson, P.  Seifert  Zellers
Demmer  Hansen  Koenen  Newman  Sertich  Spk. Sviggum
Dempsey  Hausman  Kohls  Nornes  Seifert  Spk. Sviggum
Dill  Haws  Krinkie  Olson  Sieben

The motion prevailed and the amendment was adopted.

Olson, Marquart and Emmer moved to amend S. F. No. 762, the fourth unofficial engrossment, as amended, as follows:

Page 8, after line 36, insert:

"Subd. 6. Variances and rehearings. (a) If a person believes that implementation of a TMDL would violate their legal rights or it creates an unreasonable and undue burden, the person may petition the Pollution Control Agency for a rehearing on the TMDL, or for a variance from a TMDL. The Pollution Control Agency must grant a request for a rehearing if the agency determines that the petition for rehearing addresses circumstances that were not known or considered, or that have changed since the adoption of the TMDL. The Pollution Control Agency may grant a variance if the agency determines that the application of the TMDL would result in hardship or injustice, and that granting the variance would be consistent with legal requirements and with public interest. A person challenging application of a TMDL must exhaust remedies under this section before filing a court action challenging the TMDL.

(b) As soon as possible after receiving a request for a rehearing or a variance under this section, the Pollution Control Agency must report for legislative consideration the request to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over environmental policy issues."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.
The question was taken on the Olson et al amendment and the roll was called. There were 10 yeas and 120 nays as follows:

Those who voted in the affirmative were:

- Buesgens
- Emmer
- Erickson
- Heidgerken
- Holberg
- Hoppe
- Klinzing
- Marquart
- Olson
- Soderstrom

Those who voted in the negative were:

- Abeler
- Abrams
- Atkins
- Beard
- Bernardy
- Blaine
- Bradley
- Brod
- Carlson
- Charbon
- Clark
- Cornish
- Cox
- Cybart
- Davids
- Davnie
- Dean
- DeLaForest
- Demmer
- Dempsey
- Dill
- Dittrich
- Dorman
- Eastlund
- Eken
- Ellison
- Entenza
- Erhardt
- Finkad
- Fritz
- Garofolo
- Gazelka
- Goodwin
- Greiling
- Gunther
- Hackbarth
- Hamilton
- Hansen
- Hausman

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

The Speaker called Abrams to the Chair.

Lanning moved to amend S. F. No. 762, the fourth unofficial engrossment, as amended, as follows:

Page 12, after line 17, insert:

"Sec. 11. PHOSPHORUS RULE; REPORT.

(a) Notwithstanding any law to the contrary, a provision of a Minnesota Pollution Control Agency rule establishing new or changed limits on phosphorus discharges from a new or existing wastewater facility must not take effect until July 1, 2007.

(b) The Minnesota Pollution Control Agency must report to the legislature by February 1, 2007, on a proposed or adopted rule changing limits on phosphorus discharges. The report must address scientific justification for the new rule and the impact the proposed or adopted rule will have on needed funding to implement the Clean Water Legacy Act."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.
The question was taken on the Lanning amendment and the roll was called. There were 78 yeas and 53 nays as follows:

Those who voted in the affirmative were:

<table>
<thead>
<tr>
<th>Beard</th>
<th>Dill</th>
<th>Hamilton</th>
<th>Lieder</th>
<th>Penas</th>
<th>Smith</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blaine</td>
<td>Dorn</td>
<td>Heidgerken</td>
<td>Marquart</td>
<td>Peppin</td>
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<tr>
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<td>McNamara</td>
<td>Peterson, N.</td>
<td>Solberg</td>
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<td>Brod</td>
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<tr>
<td>Buesgens</td>
<td>Eken</td>
<td>Howes</td>
<td>Murphy</td>
<td>Powell</td>
<td>Urdahl</td>
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<tr>
<td>Charron</td>
<td>Emmer</td>
<td>Johnson, J.</td>
<td>Nelson, P.</td>
<td>Rukavina</td>
<td>Vandeveer</td>
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<td>Sailer</td>
<td>Welti</td>
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<tr>
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<td>Finstad</td>
<td>Knoblaeh</td>
<td>Olson</td>
<td>Samuelson</td>
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<td>Dean</td>
<td>Garofalo</td>
<td>Koenen</td>
<td>Otrema</td>
<td>Seifert</td>
<td>Westrom</td>
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<tr>
<td>DeLaForest</td>
<td>Gazelka</td>
<td>Kohls</td>
<td>Ozment</td>
<td>Sertich</td>
<td>Wilkin</td>
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<tr>
<td>Demmer</td>
<td>Gunther</td>
<td>Krinkie</td>
<td>Paulsen</td>
<td>Severson</td>
<td>Zellers</td>
</tr>
<tr>
<td>Dempsey</td>
<td>Hackbarth</td>
<td>Lanning</td>
<td>Pelowski</td>
<td>Simpson</td>
<td>Spk. Sviggum</td>
</tr>
</tbody>
</table>

Those who voted in the negative were:

<table>
<thead>
<tr>
<th>Abeler</th>
<th>Ellison</th>
<th>Hilty</th>
<th>Kelliher</th>
<th>Mariani</th>
<th>Sieben</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abrams</td>
<td>Entenza</td>
<td>Hornstein</td>
<td>Larson</td>
<td>Moe</td>
<td>Simon</td>
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<td>Atkins</td>
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<td>Hortman</td>
<td>Latz</td>
<td>Mullery</td>
<td>Slawik</td>
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<tr>
<td>Bernardy</td>
<td>Goodwin</td>
<td>Hosch</td>
<td>Lenczewski</td>
<td>Nelson, M.</td>
<td>Thao</td>
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<tr>
<td>Carlson</td>
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<td>Huntley</td>
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<td>Paymar</td>
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<td>Clark</td>
<td>Hansen</td>
<td>Jaros</td>
<td>Liebling</td>
<td>Peterson, A.</td>
<td>Tingelstad</td>
</tr>
<tr>
<td>Cox</td>
<td>Hausman</td>
<td>Johnson, R.</td>
<td>Lillie</td>
<td>Peterson, S.</td>
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<td>Davnie</td>
<td>Haws</td>
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<td>Ruud</td>
<td>Walker</td>
</tr>
<tr>
<td>Dittrich</td>
<td>Hilstrom</td>
<td>Kahn</td>
<td>Mahoney</td>
<td>Scalze</td>
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</tr>
</tbody>
</table>

The motion prevailed and the amendment was adopted.

Dill moved to amend S. F. No. 762, the fourth unofficial engrossment, as amended, as follows:

Page 3, line 20, delete "entity" and insert "agency"

Page 8, line 26, delete "entity" and insert "agency"

The motion prevailed and the amendment was adopted.

Olson moved to amend S. F. No. 762, the fourth unofficial engrossment, as amended, as follows:

Page 5, line 1, after "time" insert "agreed to by all participants"

The motion did not prevail and the amendment was not adopted.
Olson moved to amend S. F. No. 762, the fourth unofficial engrossment, as amended, as follows:

Page 8, line 1, delete "30" and insert "90"

Page 8, line 15, delete "30" and insert "90"

Page 8, line 23, delete "30-day" and insert "90-day"

A roll call was requested and properly seconded.

The question was taken on the Olson amendment and the roll was called. There were 13 yeas and 118 nays as follows:

Those who voted in the affirmative were:

Buesgens  Erickson  Knoblach  Soderstrom  Wilkin
Charron    Heidgerken  Krinkie  Vandeveer  Westrom
Emmer     Klinzing    Olson

Those who voted in the negative were:

Abeler  Dittrich  Hilstrom  Latz  Ozment  Sieben
Abrams  Dorman  Hilty  Lenczewski  Paulsen  Simon
Atkins  Dorn  Holberg  Lesch  Paymar  Simpson
Beard   Eastlund  Hoppe  Liebling  Pelowski  Slawik
Bernardy Eken  Hornstein  Lieder  Penas  Smith
Blaine  Ellison  Hortman  Lillie  Peppin  Solberg
Bradley Entenza  Hosch  Loeffler  Peterson, A.  Sykora
Brold   Erhardt  Howes  Mahoney  Peterson, N.  Thao
Carlson Finstad  Huntley  Mariam  Peterson, S.  Thissen
Clark   Fritz  Jaros  Marquart  Poppe  Tingelstad
Cornish Garofalo  Johnson, J.  McNamara  Powell  Udahl
Cox     Gazelka  Johnson, R.  Meslow  Rukavina  Wagenius
Cybart  Goodwin  Johnson, S.  Moe  Ruth  Walker
Davids  Greiling  Juhnke  Mullery  Ruud  Wardlow
Davnie  Gunther  Kahn  Murphey  Sailer  Welti
Dean    Hackbart  Kelliker  Nelson, M.  Samuelson  Westerberg
DeLaForest Hamilton  Koenen  Nelson, P.  Scalze  Zellers
Demmer  Hansen  Kohls  Newman  Seifert  Spk. Sviggum
Dempsey Hausman  Lanning  Nornes  Sertich
Dill    Haws  Larson  Otremba  Severson

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

Olson moved to amend S. F. No. 762, the fourth unofficial engrossment, as amended, as follows:

Page 8, line 22, delete "views submitted" and insert "facts"

A roll call was requested and properly seconded.
The question was taken on the Olson amendment and the roll was called. There were 95 yeas and 36 nays as follows:

Those who voted in the affirmative were:

Abeler  Dill  Hamilton  Lanning  Peppin  Smith
Atkins  Dittrich  Hansen  Liebling  Peterson, N.  Soderstrom
Beard  Dorman  Haws  Lillie  Peterson, S.  Solberg
Bernardy  Dorn  Heidgerken  Marquart  Poppe  Sykora
Blaine  Eastlund  Holberg  McNamara  Powell  Thissen
Bradley  Ellison  Hornstein  Meslow  Rukavina  Tingelstad
Brod  Emmer  Husch  Moe  Ruth  Urdahl
Buesgens  Erhardt  Johnson, J.  Murphy  Sailer  Vanderveer
Charron  Erickson  Johnson, R.  Nelson, P.  Samuelson  Wardlow
Cornish  Finstad  Juhnke  Newman  Scalze  Welti
Cox  Fritz  Kahn  Nornes  Seifert  Westerberg
Cybart  Garofalo  Klinzing  Olson  Sertich  Westrom
Davids  Gazelka  Knoblach  Otremba  Severson  Wilkin
Dean  Goodwin  Koenen  Ozment  Simon  Zellers
DeLaForest  Gunther  Kohls  Paulsen  Simpson  Spk. Sviggum
Demmer  Hackbarth  Krinke  Pelowski  Slawik

Those who voted in the negative were:

Abrams  Entenza  Hortman  Larson  Mahoney  Peterson, A.
Carlson  Greiling  Howes  Latz  Mariani  Ruud
Clark  Hausman  Huntley  Lenczowski  Mullery  Sieben
Davnie  Hilstrom  Jaros  Lesch  Nelson, M.  Thao
Dempsey  Hilty  Johnson, S.  Lieder  Paymar  Wagenius
Eken  Hoppe  Kelliher  Loeffler  Penas  Walker

The motion prevailed and the amendment was adopted.

Olson, Dill and Rukavina moved to amend S. F. No. 762, the fourth unofficial engrossment, as amended, as follows:

Page 4, line 24, delete everything after the period and insert “Silviculture is excluded from TMDL mitigation programs.”

Page 4, delete lines 25 to 28

A roll call was requested and properly seconded.

The question was taken on the Olson et al amendment and the roll was called. There were 14 yeas and 115 nays as follows:

Those who voted in the affirmative were:

Buesgens  Erickson  Klinzing  Olson  Soderstrom
Dill  Hackbarth  Knoblach  Rukavina  Westrom
Emmer  Heidgerken  Krinke  Sertich
Those who voted in the negative were:

<table>
<thead>
<tr>
<th>Abeler</th>
<th>Dorman</th>
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<td>Hamilton</td>
<td>Koenen</td>
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<tr>
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<td>Hausman</td>
<td>Lanning</td>
<td>Nornes</td>
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<td>Hilstrom</td>
<td>Latz</td>
<td>Ozment</td>
<td>Simpson</td>
<td>Severson</td>
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<tr>
<td>Dittrich</td>
<td>Hilty</td>
<td>Lenczewski</td>
<td>Paulsen</td>
<td>Slawik</td>
<td>Severson</td>
</tr>
</tbody>
</table>

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

The Speaker resumed the Chair.

Olson moved to amend S. F. No. 762, the fourth unofficial engrossment, as amended, as follows:

Page 9, line 15, delete "two" and insert "three"

Page 9, line 17, delete "two" and insert "one"

A roll call was requested and properly seconded.

The question was taken on the Olson amendment and the roll was called. There were 21 yeas and 108 nays as follows:

Those who voted in the affirmative were:

<table>
<thead>
<tr>
<th>Buesgens</th>
<th>Heidgerken</th>
<th>Krinkie</th>
<th>Rukavina</th>
<th>Soderstrom</th>
<th>Spk. Sviggum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emmer</td>
<td>Juhnke</td>
<td>Lanning</td>
<td>Ruth</td>
<td>Urdahl</td>
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<tr>
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<td>Klinzing</td>
<td>Marquart</td>
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<tr>
<td>Hamilton</td>
<td>Knoblach</td>
<td>Olson</td>
<td>Severson</td>
<td>Westrom</td>
<td></td>
</tr>
</tbody>
</table>

Those who voted in the negative were:

<table>
<thead>
<tr>
<th>Abeler</th>
<th>Beard</th>
<th>Bradley</th>
<th>Charron</th>
<th>Cox</th>
<th>Davnie</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abrams</td>
<td>Bernardy</td>
<td>Brod</td>
<td>Clark</td>
<td>Cybart</td>
<td>Dean</td>
</tr>
<tr>
<td>Atkins</td>
<td>Blaine</td>
<td>Carlson</td>
<td>Cornish</td>
<td>Davids</td>
<td>DeLaForest</td>
</tr>
</tbody>
</table>
The motion did not prevail and the amendment was not adopted.

Buesgens moved to amend S. F. No. 762, the fourth unofficial engrossment, as amended, as follows:

Page 2, delete lines 31 and 32

Page 6, line 10, delete "The Clean Water Council shall"

Page 6, line 11, delete "recommend priorities for" and insert "When"

Page 6, line 12, after the first comma, delete "taking into account" and insert "the Pollution Control Agency must consider"

Page 6, line 13, delete "In recommending priorities, the" and insert a comma

Page 6, line 14, delete "council shall also give consideration to" and insert "and consider"

Page 6, line 29, delete "Clean Water Council" and insert "Pollution Control Agency" and delete "in its recommendations"

Page 7, line 5, delete "Clean Water Council" and insert "Pollution Control Agency"

Page 7, line 7, delete "recommending" and insert "considering"

Page 11, line 5, delete "Clean Water Council" and insert "Pollution Control Agency"

Page 11, line 11, delete "Clean Water Council" and insert "Pollution Control Agency"

Page 9, delete section 7

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.
The question was taken on the Buesgens amendment and the roll was called. There were 40 yeas and 91 nays as follows:

Those who voted in the affirmative were:

- Beard
- Blaine
- Bradley
- Buesgens
- Charron
- Cybart
- Dean
- DeLaForest
- Demmer
- Eastlund
- Emmer
- Erickson
- Finkad
- Gazelka
- Hackbarth
- Heidgerken
- Holberg
- Krinke
- Nornes
- Howes
- Johnson, J.
- Knoblach
- Kohls
- Klinzing
- Lieder
- Lillie
- Lieder
- Magnus
- Mariani
- Marquart
- Mcnamara
- Meslow
- Koenen
- Lanning
- Larson
- Latz
- Lenczewski
- Lesch
- Liebling
- Ruth
- Seifert
- Severson
- Soderstrom
- Olson
- Solberg
- Peppin
- Rukavina
- Vandeveer
- Westerberg
- Westrom
- Wilkin
- Zellers
- Spk. Sviggum

Those who voted in the negative were:

- Abeler
- Abrams
- Atkins
- Bernardy
- Brod
- Carlson
- Clark
- Cornish
- Cox
- Davids
- Davnie
- Dempsey
- Dittrich
- Dorman
- Dorn
- Eken
- Ellison
- Entenza
- Erhardt
- Fritz
- Garofalo
- Goodwin
- Greiling
- Gunther
- Hamilton
- Hansen
- Hausman
- Haws
- Hilstrom
- Hilty
- Hornstein
- Eken
- Hosch
- Huntley
- Jaros
- Johnson, R.
- Johnson, S.
- Juhnke
- Kah
- Kelliher
- Koenen
- Lanning
- Larson
- Latz
- Lenczewski
- Lesch
- Liebling
- Lieder
- Lillie
- Lieder
- Magnus
- Mariani
- Marquart
- Mcnamara
- Meslow
- Koenen
- Lanning
- Larson
- Latz
- Lenczewski
- Lesch
- Liebling
- Ruth
- Seifert
- Severson
- Soderstrom
- Olson
- Solberg
- Peppin
- Rukavina
- Vandeveer
- Westerberg
- Westrom
- Wilkin
- Zellers
- Spk. Sviggum

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

The Speaker called Davids to the Chair.

Olson moved to amend S. F. No. 762, the fourth unofficial engrossment, as amended, as follows:

Page 5, line 9, before "The" insert "(a)"

Page 6, after line 2, insert:

"(b) While conducting water quality measurements under paragraph (a), clause (2), a citizen monitor must:

(1) before July 1, 2008, carry, and if requested provide, information to a member of the public that is consistent with section 115.06, subdivision 4, and Pollution Control Agency guidance on monitoring procedures, quality assurance protocols, and data managements; and

(2) on July 1, 2008, and later, carry certification that the monitor has passed a course in water quality monitoring at an accredited educational facility."

The motion did not prevail and the amendment was not adopted.
The Speaker resumed the Chair.

S. F. No. 762, A bill for an act relating to the environment; creating the Clean Water Legacy Act; providing authority, direction, and funding to achieve and maintain water quality standards for Minnesota's surface waters in accordance with section 303(d) of the federal Clean Water Act; appropriating money; amending Laws 2005, chapter 20, article 1, section 39; proposing coding for new law in Minnesota Statutes, chapter 446A; proposing coding for new law as Minnesota Statutes, chapter 114D.

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 127 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Abeler
Abrams
Atkins
Beard
Bernardy
Blaine
Bradley
Brod
Carlson
Charron
Clark
Cornish
Cox
Cybart
Davids
Davnie
Dean
DeLaForest
Demmer
Dempsey
Dill
Dittrich

Dorman
Dorn
Eastlund
Eken
Ellison
Entenza
Erhardt
Erickson
Finstad
Fritz
Garofalo
Gazelka
Goodwin
Greiling
Gunther
Hackath
Hamilton
Hansen
Hausman
Haws
Heiderken
Hilstrom

Hilty
Hoppe
Hornstein
Hortman
Hosch
Howes
Huntley
Jaros
Johnson, J.
Johnson, R.
Johnson, S.
Juhnke

Lesch
Liebling
Lieder
Lillie
Loeffler
Magnus
Mahoney
Mariani
Marquart
McNamara
Meslow

Lenczowski
Liesch
Lien
Lind
Lindgren
Lindstrom
Lindvall
Lipp
Lohman
Lomnitz
Lommen

Moe
Mullery
Murphy
Nelson, M.
Nelson, P.
Newman

Paymar
Pelowski
Penas
Pepin
Peterson, A.
Peterson, N.
Peterson, S.
Peterson
Peters
Pichl
Pizzuti
Plewa

Peterson
Phelps
Piehl
Pioneer
Podolski
Pohjavuori
Pohjavuori

Poppe
Powell
Prairie
Prairie
Price
Price

Pruitt
Puhr
Pugh
Quandt
Quinn
Quintana

Rukavina
Rukavina
Ruth
Rudd

Rudahl
Ruckert
Rukavina
Rumfelt
Ryan
Rybak

Sailer
Samuelson
Seifert
Sertich
Spk. Sviggum

Soderstrom
Solberg
Sykora
Thao
Thissen
Tingelstad

Wagenius
Walker
Warren
Weaver
Weber
Welti

Westerberg
Wilkin
Wilk
Wilt
Wolter
Wong

Wondra
Wooldridge
Worcester
Worley
Wraalseth
Wright

Xiong
Yamasaki
Young
Zellers
Zerwas
Zief

Zellers
Zellers
Zellers
Zellers
Zellers
Zellers

Those who voted in the negative were:

Buesgens
Emmer
Krinkie
Olson
Vandeveer

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

There being no objection, the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following message was received from the Senate:
Mr. Speaker:

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

S. F. No. 2460.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 2460. A bill for an act relating to higher education; providing a process for state support of a football stadium at the University of Minnesota; requiring a report; appropriating money; amending Minnesota Statutes 2004, sections 297A.71, by adding a subdivision; 340A.404, subdivision 4a; proposing coding for new law in Minnesota Statutes, chapter 473.

The bill was read for the first time.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Abrams moved that the rule therein be suspended and an urgency be declared so that S. F. No. 2460 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Abrams moved that the rules of the House be so far suspended that S. F. No. 2460 be given its second and third readings and be placed upon its final passage.

A roll call was requested and properly seconded.

The question was taken on the Abrams motion and the roll was called. There were 111 yeas and 20 nays as follows:

Those who voted in the affirmative were:

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Those who voted in the negative were:

Buesgens  Emmer  Knoblach  Mahoney  Vandeveer
Clark  Hausman  Krinkie  Olson  Walker
Dean  Holberg  Lenczewski  Peppin  Wilkin
Eken  Hosch  Liebling  Severson  Zellers

The motion prevailed.

S. F. No. 2460 was read for the second time.

Abrams, Solberg, Kelliher, Sviggum, Paulsen and Entenza moved to amend S. F. No. 2460 as follows:

Delete everything after the enacting clause and insert:

"Section 1. DEFINITIONS.

Subd. 1. Applicability. The definitions in this section apply to sections 2 to 7.

Subd. 2. Commissioner. "Commissioner" means the commissioner of finance.

Subd. 3. Stadium. "Stadium" means an athletic stadium suitable for intercollegiate National Collegiate Athletic Association (NCAA) Division I football games and related infrastructure improvements constructed on the University of Minnesota's east bank campus in the city of Minneapolis.

Subd. 4. Board. "Board" means the Regents of the University of Minnesota.


Subd. 6. University land. "University land" means approximately 2,840 acres owned by the University of Minnesota and lying within the area legally described as approximately the Southerly 3/4 of the Southwest 1/4 of Section 1 (comprising 120 acres), approximately the Southeast 1/4 of Section 2 (comprising 160 acres), the East 1/2 of Section 10, Section 11, the West 1/2 of Section 12, Section 13 and Section 14, all in Twp. 114 North, Range 19 West, Dakota County, Minnesota.

Subd. 7. Permitted University uses. "Permitted University uses" means University educational, research, outreach, scientific and agricultural uses including, undiminished, all of the present uses of the University land, all of the present uses of University real property that adjoins the University land, all similar uses made of comparable property by other land grant universities, any uses related to the foregoing uses, and the making of improvements incidental to any such uses.
Subd. 8. **Other permitted uses.** "Other permitted uses" means agricultural, outdoor recreation uses including those named in Minnesota Statutes 2004, section 86A.03, subdivision 3, open space management uses, and the making of improvements incidental to any such uses, provided such improvements have been agreed to in writing by the University and the commissioner of natural resources.

Subd. 9. **Prohibited uses.** "Prohibited uses" means use of the University land for residential, commercial, or industrial uses, unless those uses are permitted by this act, or are presently being conducted under existing University leases, easements or use agreements or are utility uses within defined corridors.

Sec. 2. **ACTIVITIES; CONTRACTS.**

The legislature recognizes that the board has all powers necessary or convenient for designing, constructing, equipping, improving, controlling, operating, and maintaining the stadium and may enter into contracts that are in its judgment in the best interests of the public for those purposes. Notwithstanding contrary law, the board may adopt the fair and competitive design and construction procurement procedures in connection with the stadium that it considers to be in the public interest.

Sec. 3. **PUBLIC USE OF STADIUM.**

The Board of Regents is requested, in furtherance of its outreach mission and subject to its policies regarding the use of University facilities, to provide ample opportunities for use of the stadium for events sponsored by public bodies including public schools.

Sec. 4. **CONDITIONS FOR PAYMENT TO UNIVERSITY.**

(a) Before the commissioner may make the first payment to the board authorized in this section the commissioner must certify that the board has received at least $124,000,000 in pledges, gifts, sponsorships, and other nonstate general fund revenue support for the construction of the stadium. On July 1 of each year after certification by the commissioner, but no earlier than July 1, 2007, and for so long thereafter as any bonds issued by the board for the construction of the stadium are outstanding, the state must transfer to the board up to $9,400,000 to reimburse the board for its stadium costs, provided that bonds issued to pay the state's share of such costs shall not exceed $124,000,000. Up to $9,400,000 is appropriated annually from the general fund for the purpose of this section. The appropriation of up to $9,400,000 per year may be made for no more than 25 years. The board must certify to the commissioner the amount of the annual payments of principal and interest required to service each series of bonds issued by the University for the construction of the stadium, and the actual amount of the state's annual payment to the University shall equal the amount required to service the bonds representing the state's share of such costs. Except to the extent of the annual appropriation described in this section, the state is not required to pay any part of the cost of designing or constructing the stadium.

(b) The board must certify to the commissioner that the per semester student fee contribution to the stadium will be at a fixed level coterminous with bonds issued by the board to meet the student share of the design construction of the stadium and that the student fee will not be increased to meet construction cost overruns.

Sec. 5. **NO FULL FAITH AND CREDIT.**

Any bonds or other obligations issued by the board under this act are not public debt of the state, and the full faith and credit and taxing powers of the state are not pledged for their payment, or of any payments that the state agrees to make under this act.
Sec. 6. **LAND PROTECTION AND TRANSFER.**

**Subdivision 1. Land protection.** The obligation of the state of Minnesota to make the payments required under section 4 herein is expressly conditioned upon the University's covenant in perpetuity, subject to subdivision 3, limiting the use of the University land to the permitted University uses and the other permitted uses and proscribing the use of the University land for any of the prohibited uses. A declaration imposing such restrictions and granting to the Minnesota Department of Natural Resources the right to enforce the same which has been executed by the University and filed in the Office of the Dakota County Recorder shall satisfy this condition. In furtherance of the purposes of this subdivision, the University and Department of Natural Resources shall promptly endeavor to enter into a joint powers agreement pursuant to Minnesota Statutes, section 471.59, or a conservation easement held by a qualified conservation organization or by a conservation easement holder as described in applicable Minnesota law embodying such restrictions, which agreement or easement shall provide for cooperative oversight of the use of the University land. Nothing herein or in any declaration, agreement, or easement made or entered into heretofore shall impair the rights of third parties under presently existing leases, easements, or use agreements. Except as limited in any declaration, agreement, or conservation easement made, entered into, or granted as provided above, the rights of University with respect to the University land are not to be affected by this section.

**Subd. 2. Land transfer.** Not later than the date on which the state of Minnesota makes the last of the payments required under section 4, the Regents of the University of Minnesota shall offer to convey the University land to the Minnesota Department of Natural Resources in its "as is" condition by quit claim deed, without warranties, for the sum of $1. Upon agreement of the University and the state, all or part of the University land may be transferred to another governmental unit of the state. Any conveyance shall be subject to the perpetual right of the University to use the University land for the permitted University uses. Such conveyance shall also be subject to the rights of third parties under presently existing leases, easements, and use agreements. The instruments of transfer shall otherwise limit the use of the University land to the other permitted uses and subject such uses to such restrictions as may be provided in any agreement between the University and state or any conservation easement granted pursuant to subdivision 1, as applicable and proscribe its use for the prohibited purposes. The University of Minnesota shall have the right to enforce such limitations and restrictions. The state shall make no claim or demand or institute any suit or proceeding against the University with respect to environmental contamination of pollution on the University land resulting from hazardous substances, pollutants, or contaminants that were released, or that otherwise came to be located on the University land prior to the time the University took title thereto, unless the University took action that significantly contributed to the release after the University knew or reasonably should have known that a hazardous substance or pollutant or contaminant was located in or on the land. The University shall promptly endeavor and use due diligence to resolve its claims against the federal government with respect to environmental contamination that occurred prior to the time the University took title to the university land. The University shall seal any abandoned wells on the land pursuant to state law.

Subd. 3. **Termination of use restrictions.** In the event the state of Minnesota fails to make any payment required by section 4, the foregoing restrictions on University's use of the University land, any declaration, agreement, or conservation easement containing such restrictions and the University's obligation to offer the University land to the state of Minnesota shall be null and void.

Sec. 7. **[473.5955] TERMINATION OF LEASE.**

The lease between the Regents of the University of Minnesota and the commission dated May 19, 1982, that requires the University of Minnesota football team to play its home football games at the Hubert H. Humphrey Metrodome until July 1, 2012, may be terminated by the board effective on or after the date designated by the board as the date of completion of the stadium on the University of Minnesota's east bank campus in the city of Minneapolis.
Sec. 8. **RECREATIONAL PROGRAM ASSESSMENT.**

The commissioner of natural resources, in cooperation with the Board of Regents of the University, shall submit to the governor and the legislature by January 15, 2007, an assessment of the short-term and long-term programmatic plans for the development of the land identified in section 1, subdivision 8. The assessment shall include, but is not limited to, a timeline for providing the recreational opportunities, and the needed restoration including native species of local ecotype, measurable outcomes, and anticipated costs. The commissioner of natural resources shall consult with interested stakeholders to assist in the development of the plan.

Sec. 9. **REVISOR'S INSTRUCTION.**

The revisor of statutes shall codify sections 1 to 6 in chapter 137 in the next edition of Minnesota Statutes.

Sec. 10. **EFFECTIVE DATE.**

Sections 1 to 9 are effective the day following final enactment.

Delete the title and insert:

"A bill for an act relating to a University of Minnesota football stadium; providing a process for state support of a football stadium at the University of Minnesota; transferring land in Dakota County from the University to the Department of Natural Resources; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 473."

The motion prevailed and the amendment was adopted.

S. F. No. 2460. A bill for an act relating to higher education; providing a process for state support of a football stadium at the University of Minnesota; requiring a report; appropriating money; amending Minnesota Statutes 2004, sections 297A.71, by adding a subdivision; 340A.404, subdivision 4a; proposing coding for new law in Minnesota Statutes, chapter 473.

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 101 yeas and 31 nays as follows:

Those who voted in the affirmative were:

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Those who voted in the negative were:

Buesgens  Gazelka  Jaros  Liebling  Peppin  Wilkin
Dean  Goodwin  Johnson, S.  Loeffler  Sailer
Eken  Greiling  Klinzing  Mahoney  Severson
Ellison  Hausman  Knoblach  Olson  Soderstrom
Emmer  Haws  Krinkie  Otremba  Vandeveer
Erickson  Hilty  Lesch  Paymar  Walker

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

The Speaker called Abrams to the Chair.

There being no objection, the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

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

S. F. No. 2750.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 2750

A bill for an act relating to eminent domain; defining public use or purpose; prohibiting the use of eminent domain for economic development; requiring clear and convincing evidence for certain takings; providing for attorney fees and other additional elements of compensation; making other changes in the exercise of eminent
domain; amending Minnesota Statutes 2004, sections 117.025; 117.036; 117.055; 117.075, subdivision 1, by adding a subdivision; 117.085; 117.51; 117.52, subdivision 1, by adding a subdivision; 163.12, subdivisions 1a, 1b; proposing coding for new law in Minnesota Statutes, chapter 117.

May 12, 2006

The Honorable James P. Metzen
President of the Senate

The Honorable Steve Sviggum
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 2750, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 2750 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [117.012] PREEMPTION; PUBLIC USE OR PURPOSE.

Subd. 1. Preemption. Notwithstanding any other provision of law, including any charter provision, ordinance, statute, or special law, all condemning authorities, including home rule charter cities and all other political subdivisions of the state, must exercise the power of eminent domain in accordance with the provisions of this chapter, including all procedures, definitions, remedies, and limitations. Additional procedures, remedies, or limitations that do not deny or diminish the substantive and procedural rights and protections of owners under this chapter may be provided by other law, ordinance, or charter.

Subd. 2. Requirement of public use or public purpose. Eminent domain may only be used for a public use or public purpose.

Subd. 3. Exceptions. This chapter does not apply to the taking of property under laws relating to drainage or to town roads when those laws themselves expressly provide for the taking and specifically prescribe the procedure. The taking of property for a project undertaken by a watershed district under chapter 103D or for a project undertaken by a drainage authority under chapter 103E may be carried out under the procedure provided by those chapters.

Sec. 2. Minnesota Statutes 2004, section 117.025, is amended to read:

117.025 DEFINITIONS.

Subd. 1. Words, terms, and phrases. Unless the language or context clearly indicates that a different meaning is intended. For the purposes of this chapter and any other general or special law authorizing the exercise of the power of eminent domain, the words, terms, and phrases defined in this section have the meanings given them.

Subd. 2. Taking. "Taking" and all words and phrases of like import include every interference, under the right of eminent domain, with the possession, enjoyment, or value of private property.
Subd. 3. Owner. "Owner" includes all persons interested in such with any interest in the property subject to a taking, whether as proprietors, tenants, life estate holders, encumbrancers, beneficial interest holders, or otherwise.

Subd. 4. Condemning authority. "Condemning authority" means a person or entity with the power of eminent domain.

Subd. 5. Abandoned property. "Abandoned property" means property that: (1) has been substantially unoccupied or unused for any commercial or residential purpose for at least one year by a person with a legal or equitable right to occupy the property; (2) has not been maintained; and (3) for which taxes have not been paid for at least two previous years.

Subd. 6. Blighted area. "Blighted area" means an area:

(1) that is in urban use; and

(2) where more than 50 percent of the buildings are structurally substandard.

Subd. 7. Structurally substandard. "Structurally substandard" means a building:

(1) that was inspected by the appropriate local government and cited for one or more enforceable housing, maintenance, or building code violations;

(2) in which the cited building code violations involve one or more of the following:

(i) a roof and roof framing element;

(ii) support walls, beams, and headers;

(iii) foundation, footings, and subgrade conditions;

(iv) light and ventilation;

(v) fire protection, including egress;

(vi) internal utilities, including electricity, gas, and water;

(vii) flooring and flooring elements; or

(viii) walls, insulation, and exterior envelope;

(3) in which the cited housing, maintenance, or building code violations have not been remedied after two notices to cure the noncompliance; and

(4) has uncured housing, maintenance, and building code violations, satisfaction of which would cost more than 50 percent of the assessor's taxable market value for the building, excluding land value, as determined under section 273.11 for property taxes payable in the year in which the condemnation is commenced.

A local government is authorized to seek from a judge or magistrate an administrative warrant to gain access to inspect a specific building in a proposed development or redevelopment area upon showing of probable cause that a specific code violation has occurred and that the violation has not been cured, and that the owner has denied the
local government access to the property. Items of evidence that may support a conclusion of probable cause may include recent fire or police inspections, housing inspection, exterior evidence of deterioration, or other similar reliable evidence of deterioration in the specific building.

Subd. 8. **Environmentally contaminated area.** "Environmentally contaminated area" means an area:

(1) in which more than 50 percent of the parcels contain any substance defined, regulated, or listed as a hazardous substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant, or toxic substance, or identified as hazardous to human health or the environment under state or federal law or regulation; and

(2) for which the estimated costs of investigation, monitoring and testing, and remedial action or removal, as defined in section 115B.02, subdivisions 16 and 17, respectively, including any state costs of remedial actions, exceed 100 percent of the assessor's estimated market value for the contaminated parcel, as determined under section 273.11, for property taxes payable in the year in which the condemnation commenced, or for which a court of competent jurisdiction has issued an order under law or regulations adopted by Minnesota or the United States, that clean up or remediation of a contaminated site occur and the property owner has failed to comply with the court's order within a reasonable time.

Subd. 9. **Public nuisance.** "Public nuisance" means a public nuisance under section 609.74.

Subd. 10. **Public service corporation.** "Public service corporation" means a utility, as defined by section 116C.52, subdivision 10; gas, electric, telephone, or cable communications company; cooperative association; natural gas pipeline company; crude oil, or petroleum products pipeline company; municipal utility; municipality when operating its municipally owned utilities; joint venture created pursuant to section 452.25 or 452.26; or municipal power or gas agency. Public service corporation also means a municipality or public corporation when operating an airport under chapter 360 or 473, a common carrier, a watershed district, or a drainage authority. Public service corporation also means an entity operating a regional distribution center within an international economic development zone designated under section 469.322.

Subd. 11. **Public use; public purpose.** (a) "Public use" or "public purpose" means, exclusively:

(1) the possession, occupation, ownership, and enjoyment of the land by the general public, or by public agencies;

(2) the creation or functioning of a public service corporation; or

(3) mitigation of a blighted area, remediation of an environmentally contaminated area, reduction of abandoned property, or removal of a public nuisance.

(b) The public benefits of economic development, including an increase in tax base, tax revenues, employment, or general economic health, do not by themselves constitute a public use or public purpose.

Sec. 3. [117.027] **CONDEMNATION FOR BLIGHT MITIGATION AND CONTAMINATION REMEDIATION.**

Subdivision 1. **Buildings that are not structurally substandard in areas of blight mitigation; feasible alternatives.** In taking property to mitigate blight, a condemning authority must not take buildings that are not structurally substandard unless there is no feasible alternative to the taking of the parcels on which the buildings are located in order to remediate the blight and all possible steps are taken to minimize the taking of buildings that are not structurally substandard.
Subd. 2. **Uncontaminated property in environmental contamination remediation areas; feasible alternatives.** In taking property to remediate environmental contamination, a condemning authority must not take uncontaminated parcels in the area unless there is no feasible alternative to the taking of the uncontaminated parcels in order to complete remediation of the contaminated parcels and all possible steps are taken to minimize the taking of the uncontaminated parcels.

Subd. 3. **Contribution to condition by developer disallowed.** If a developer involved in the redevelopment of the project area contributed to the blight or environmental contamination within the project area, the condition contributed to by the developer must not be used in the determination of blight or environmental contamination.

Sec. 4. **[117.031] ATTORNEY FEES.**

(a) If the final judgment or award for damages, as determined at any level in the eminent domain process, is more than 40 percent greater than the last written offer of compensation made by the condemning authority prior to the filing of the petition, the court shall award the owner reasonable attorney fees, litigation expenses, appraisal fees, other experts fees, and other related costs in addition to other compensation and fees authorized by this chapter. If the final judgment or award is at least 20 percent, but not more than 40 percent, greater than the last written offer, the court may award reasonable attorney fees, expenses, and other costs and fees as provided in this paragraph. The final judgment or award of damages shall be determined as of the date of taking. No attorney fees shall be awarded under this paragraph if the final judgment or award of damages does not exceed $25,000. For the purposes of this section, the "final judgment or award for damages" does not include any amount for loss of a going concern unless that was included in the last written offer by the condemning authority.

(b) In any case where the court determines that a taking is not for a public use or is unlawful, the court shall award the owner reasonable attorney fees and other related expenses, fees, and costs in addition to other compensation and fees authorized by this chapter.

Sec. 5. Minnesota Statutes 2004, section 117.036, is amended to read:

**117.036 APPRAISAL AND NEGOTIATION REQUIREMENTS APPLICABLE TO ACQUISITION OF PROPERTY FOR TRANSPORTATION PURPOSES.**

Subdivision 1. **Application.** This section applies to the acquisition of property for public highways, streets, roads, alleys, airports, mass transit facilities, or for other transportation facilities or purposes under this chapter.

Subd. 1a. **Definition of owner.** For the purposes of this section, "owner" means fee owner, contract purchaser, or business lessee who is entitled to condemnation compensation under a lease.

Subd. 2. **Appraisal.** (a) Before commencing an eminent domain proceeding under this chapter, the acquiring authority must obtain at least one appraisal for the property proposed to be acquired. In making the appraisal, the appraiser must confer with one or more of the owners of the property, if reasonably possible. At least 20 Notwithstanding section 13.44, the acquiring authority must provide the owner with a copy of each appraisal the acquiring authority has obtained for the property at the time an offer is made, but no later than 60 days before presenting a petition under section 117.055, the acquiring authority must provide the owner with a copy of the appraisal and inform the owner of the owner's right to obtain an appraisal under this section. Upon request, the acquiring authority must make available to the owner all appraisals of the property. If the acquiring authority is considering both a full and partial taking of the property, the acquiring authority shall obtain and provide the owner with appraisals for both types of takings.

(b) The owner may obtain an appraisal by a qualified appraiser of the property proposed to be acquired. The owner is entitled to reimbursement for the reasonable costs of the appraisal from the acquiring authority up to a maximum of $1,500 within 30 days after the for single family and two-family residential property and minimum
damage acquisitions and $5,000 for other types of property, provided that the owner submits to the acquiring authority the information necessary for reimbursement, provided that the owner does so within 60 days after the owner receives the appraisal from the authority under paragraph (a) including a copy of the owner's appraisal, at least five days before a condemnation commissioners' hearing. For purposes of this paragraph, a "minimum damage acquisition" means an interest in property that a qualified person with appraisal knowledge indicates can be acquired for a cost of $10,000 or less.

(c) The acquiring authority must pay the reimbursement to the owner within 30 days after receiving a copy of the appraisal and the reimbursement information. Upon agreement between the acquiring authority and the owner, the acquiring authority may pay the reimbursement directly to the appraiser.

Subd. 3. Negotiation. In addition to the appraisal requirements under subdivision 2, before commencing an eminent domain proceeding, the acquiring authority must make a good faith attempt to negotiate personally with the owner of the property in order to acquire the property by direct purchase instead of the use of eminent domain proceedings. In making this negotiation, the acquiring authority must consider the appraisals in its possession, including any appraisal obtained and furnished by the owner if available, and other information that may be relevant to a determination of damages under this chapter. If the acquiring authority is considering both a full and partial taking of the property, the acquiring authority must make a good-faith attempt to negotiate with respect to both types of takings.

Subd. 4. Use of appraisal at commissioners' hearing. An appraisal must not be used or considered in a condemnation commissioners' hearing, nor may the appraiser who prepared the appraisal testify, unless a copy of the appraiser's written report is provided to the opposing party at least five days before the hearing.

Subd. 5. Documentation of business loss. Documentation related to a loss of going concern claim made under section 117.186, must not be used or considered in a condemnation commissioners' hearing unless the documentation is provided to the opposing party at least 14 days before the hearing.

Sec. 6. [117.0412] LOCAL GOVERNMENT PUBLIC HEARING REQUIREMENTS.

Subdivision 1. Definitions. For the purposes of this section:

(1) "local government" means the elected governing body of a statutory or home rule charter city, county, or township; and

(2) "local government agency" means a subdivision, agency, authority, or other entity created by or whose members are appointed by the local government, including a port authority, economic development authority, housing and redevelopment authority, or other similar entity established under law.

Subd. 2. Public hearing; vote by local government governing body. (a) If the taking is for the mitigation of a blighted area, remediation of an environmentally contaminated area, reducing abandoned property, or removing a public nuisance, a public hearing must be held before a local government or local government agency commences an eminent domain proceeding under section 117.055. The local government must notify each owner of property that may be acquired in writing by certified mail of the public hearing on the proposed taking, post the public hearing information on the local government's Web site, if any, and publish notice of the public hearing in a newspaper of general circulation in the local government's jurisdiction. Notice must be provided at least 30 days but not more than 60 days before the hearing.

(b) Any interested person must be allowed reasonable time to present relevant testimony at the public hearing. The proceedings of the hearing must be recorded and available to the public for review and comment at reasonable times and a reasonable place. At the next regular meeting of the local government that is at least 30 days after the public hearing, the local government must vote on the question of whether to authorize the local government or local government agency to use eminent domain to acquire the property.
Subd. 3. **Resolution.** If the taking is for the mitigation of a blighted area, remediation of an environmentally contaminated area, reducing abandoned property, or removing a public nuisance, then the resolution of a local government or local government agency authorizing the use of eminent domain must:

(1) identify and describe the public costs and benefits that are known or expected to result from the program or project for which the property interest is proposed to be acquired; and

(2) address how the acquisition of the property interest serves one or more identified public uses or public purposes and why the acquisition of the property is needed to accomplish those public uses or public purposes.

Sec. 7. Minnesota Statutes 2004, section 117.055, is amended to read:

**117.055 PETITION AND NOTICE.**

**Subdivision 1. Petition.** In all cases a petition, describing the desired land, stating by whom and for what purposes it is proposed to be taken, and giving the names of all persons appearing of record or known to the petitioner to be the owners thereof shall be presented to the district court of the county in which the land is situated praying for the appointment of commissioners to appraise the damages which may be occasioned by such taking.

**Subd. 2. Notice.** (a) Notice of the objects of the petition and of the time and place of presenting the same shall be served at least 20 days before such time of presentation upon all persons named in the petition as owners as defined in section 117.025, subdivision 3, and upon all occupants of such land in the same manner as a summons in a civil action.

(b) The notice must state that:

(1) a party wishing to challenge the public use or public purpose, necessity, or authority for a taking must appear at the court hearing and state the objection or must appeal within 60 days of a court order; and

(2) a court order approving the public use or public purpose, necessity, and authority for the taking is final unless an appeal is brought within 60 days after service of the order on the party.

(c) If any such owner be not a resident of the state, or the owner's place of residence be unknown to the petitioner, upon the filing of an affidavit of the petitioner or the petitioner's agent or attorney, stating that the petitioner believes that such owner is not a resident of the state, and that the petitioner has mailed a copy of the notice to the owner at the owner's place of residence, or that after diligent inquiry the owner's place of residence cannot be ascertained by the affiant, then service may be made upon such owner by three weeks' published notice. If the state be an owner, the notice shall be served upon the attorney general. Any owner not served as herein provided shall not be bound by such proceeding except upon voluntarily appearing therein. Any owner shall be furnished a right-of-way map or plat of all that part of land to be taken upon written demand, provided that the petitioner shall have ten days from the receipt of the demand within which to furnish the same. Any plans or profiles which the petitioner has shall be made available to the owner for inspection.

Sec. 8. Minnesota Statutes 2004, section 117.075, subdivision 1, is amended to read:

**Subdivision 1. Hearing on taking; evidentiary standard.** (a) Upon proof being filed of the service of such notice, the court, at the time and place therein fixed or to which the hearing may be adjourned, shall hear all competent evidence offered for or against the granting of the petition, regulating the order of proof as it may deem best.
(b) If the taking is for the mitigation of a blighted area, remediation of an environmentally contaminated area, reducing abandoned property, or removing a public nuisance, then, notwithstanding any other provision of general or special law, a condemning authority must show the district court by preponderance of the evidence that the taking is necessary and for the designated public use.

(c) A court order approving the public use or public purpose, necessity, and authority for the taking is final unless an appeal is brought within 60 days after service of the order on the party.

Sec. 9. Minnesota Statutes 2004, section 117.085, is amended to read:

117.085 COMMISSIONERS, POWERS, DUTIES.

The commissioners, having been duly sworn and qualified according to law, shall meet as directed by the order of appointment and hear the allegations and proofs of all persons interested touching the matters to them committed. They may adjourn from time to time and from place to place within the county, giving oral notice to those present of the time and place of their next meeting. All testimony taken by them shall be given publicly, under oath, and in their presence. They shall view the premises, and any of them may subpoena witnesses, which shall be served as subpoenas in civil actions are served, and at the cost of the parties applying therefor. If deemed necessary, they may require the petitioner or owner to furnish for their use maps, plats, and other information which the petitioner or owner may have showing the nature, character, and extent of the proposed undertaking and the situation of lands desired therefor. In proper cases they may reserve to the owner a right-of-way or other privilege in or over the land taken, or attach reasonable conditions to such taking in addition to the damages given or they may make an alternative award, conditioned upon the granting or withholding of the right specified. Without unreasonable delay they shall make a separate assessment and award of the damages which in their judgment will result to each of the owners of the land by reason of such taking and report the same to the court. The commissioners shall not reduce the amount of the damages awarded because the land being taken is, at the time of the taking, valued under section 273.111, designated as an agricultural preserve under chapter 473H. The commissioners, in all such proceedings, may in their discretion allow and show separately in addition to the award of damages, reasonable appraisal fees not to exceed a total of $500-$1,500 for single family and two-family residential property and minimum damage acquisitions and $5,000 for other types of property, unless the appraised fee was reimbursed under section 117.036.

Upon request of an owner the commissioners shall show in their report the amount of the award of damages which is to reimburse the owner and tenant or lessee for the value of the land taken, and the amount of the award of damages, if any, which is to reimburse the owner and tenant or lessee for damages to the remainder involved, whether or not described in the petition. The amounts awarded to each person shall also be shown separately. The commissioners shall, if requested by any party, make an express finding of the estimated cost of removal and remedial actions that will be necessary on the taken property because of existing environmental contamination.

Sec. 10. [117.184] COMPENSATION FOR REMOVAL OF LEGAL NONCONFORMING USE.

(a) Notwithstanding any law to the contrary, an ordinance or regulation of a political subdivision of the state or local zoning authority that requires the removal of a legal nonconforming use as a condition or prerequisite for the issuance of a permit, license, or other approval for any use, structure, development, or activity constitutes a taking and is prohibited without the payment of just compensation. This section does not apply if the permit, license, or other approval is requested for the construction of a building or structure that cannot be built without physically moving the nonconforming use.

(b) This section applies to an action of a political subdivision of the state or a local zoning authority occurring on or after the effective date of this act that requires removal of a legal nonconforming use as a condition or prerequisite for the issuance of a permit, license, or other approval.
Sec. 11. [117.186] COMPENSATION FOR LOSS OF GOING CONCERN.

Subdivision 1. Definitions. For purposes of this section:

(1) "going concern" means the benefits that accrue to a business or trade as a result of its location, reputation for dependability, skill or quality, customer base, good will, or any other circumstances resulting in the probable retention of old or acquisition of new patronage; and

(2) "owner" has the meaning given in section 117.025 and includes a lessee who operates a business on real property that is the subject of an eminent domain proceeding.

Subd. 2. Compensation for loss of going concern. If a business or trade is destroyed by a taking, the owner shall be compensated for loss of going concern, unless the condemning authority establishes any of the following by a preponderance of the evidence:

(1) the loss is not caused by the taking of the property or the injury to the remainder;

(2) the loss can be reasonably prevented by relocating the business or trade in the same or a similar and reasonably suitable location as the property that was taken, or by taking steps and adopting procedures that a reasonably prudent person of a similar age and under similar conditions as the owner, would take and adopt in preserving the going concern of the business or trade; or

(3) compensation for the loss of going concern will be duplicated in the compensation otherwise awarded to the owner.

Subd. 3. Procedure. In all cases where an owner will seek compensation for loss of a going concern, the damages, if any, shall in the first instance be determined by the commissioners under section 117.105 as part of the compensation due to the owner. The owner shall notify the condemning authority of the owner's intent to claim compensation for loss of going concern within 60 days of the first hearing before the court, as provided in section 117.075. The commissioner's decision regarding any award for loss of going concern may be appealed by any party, in accordance with section 117.145.

Subd. 4. Driveway access. A business owner is entitled to reasonable compensation, not to exceed the three previous years’ revenues minus the cost of goods sold, if the owner establishes that the actions of a government entity permanently eliminated 51 percent or greater of the driveway access into and out of a business and as a result of the loss of driveway access, revenue at the business was reduced by 51 percent or greater. Determination of whether the revenue at the business was reduced by 51 percent or greater must be based on a comparison of the average revenues minus the average costs of goods sold for the three years prior to commencement of the project, with the revenues minus the costs of goods sold for the year following completion of the project. A claim for compensation under this section must be made no later than one year after completion of the project which eliminated the driveway access. The installation of a median does not constitute elimination of driveway access.

Sec. 12. [117.187] MINIMUM COMPENSATION.

When an owner must relocate, the amount of damages payable, at a minimum, must be sufficient for an owner to purchase a comparable property in the community and not less than the condemning authority's payment or deposit under section 117.042, to the extent that the damages will not be duplicated in the compensation otherwise awarded to the owner of the property. For the purposes of this section, "owner" is defined as the person or entity that holds fee title to the property.
Sec. 13. **[117.188] LIMITATIONS.**

The condemning authority must not require the owner to accept as part of the compensation due any substitute or replacement property. The condemning authority must not require the owner to accept the return of property acquired or any portion of the property.

Sec. 14. **[117.189] PUBLIC SERVICE CORPORATION EXCEPTIONS.**

Sections 117.031; 117.036; 117.055, subdivision 2, paragraph (b); 117.186; 117.187; 117.188; and 117.52, subdivisions 1a and 4, do not apply to public service corporations. For purposes of an award of appraisal fees under section 117.085, the fees awarded may not exceed $500 for all types of property.

Sec. 15. **[117.226] RIGHT OF FIRST REFUSAL.**

(a) Except as provided in sections 15.16, 160.85, 161.16, 161.20, 161.202, 161.23, 161.24, 161.241, 161.43, 161.46, and 222.63, if the governing body of the condemning authority determines that publicly owned property acquired under this chapter has not been used and is no longer needed for a public use, the authority must offer to sell the property to the owner from whom it was acquired, if the former owner can be located. The offer must be at the original price determined by the condemnation process or the current fair market value of the property, whichever is lower, except to the extent that a different value is required for a property interest obtained with federal highway funding under United States Code, title 23. Before offering surplus property to local governments or for public sale under section 16B.282 or 94.10, the commissioner of administration or natural resources must offer to sell the property to the former owner as provided in this section.

(b) If the former owner cannot be located after a due and diligent search or declines to repurchase the property, the attorney for the condemning authority shall prepare a certificate attesting to the same and record the certificate in the office of the county recorder or county registrar of titles, as appropriate, to evidence the termination of the right of first refusal. A recorded certificate to that effect is prima facie evidence that the right of first refusal has terminated.

Sec. 16. Minnesota Statutes 2004, section 117.51, is amended to read:

**117.51 COOPERATION WITH FEDERAL AUTHORITIES.**

In all acquisitions undertaken by any acquiring authority and in all voluntary rehabilitation carried out by a person pursuant to acquisition or as a consequence thereof, the acquiring authority shall cooperate to the fullest extent with federal departments and agencies, and it shall take all necessary action in order to insure, to the maximum extent possible, federal financial participation in any and all phases of acquisition, including the provision of relocation assistance, services, payments and benefits to displaced persons. An acquiring authority may consider reimbursing up to $50,000 in reestablishment expenses of a displaced business.

Sec. 17. Minnesota Statutes 2004, section 117.52, subdivision 1, is amended to read:

Subdivision 1. **Lack of federal funding.** In all acquisitions undertaken by any acquiring authority and in all voluntary rehabilitation carried out by a person pursuant to acquisition or as a consequence thereof, in which, due to the lack of federal financial participation, relocation assistance, services, payments and benefits under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, United States Code, title 42, sections 4601 to 4655, as amended by the Surface Transportation and Uniform Relocation Assistance Act of 1987, Statutes at Large, volume 101, pages 246 to 256 (1987), are not available, the acquiring authority, as a cost of acquisition, shall provide all relocation assistance, services, payments and benefits required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended by the Surface Transportation and Uniform Relocation Assistance Act of 1987, and those regulations adopted pursuant thereto, and either (1) in effect as of July 1, 1988.
January 1, 2006, or (2) becoming effective after July 1, 1988 January 1, 2006, following a public hearing and comment. Comments received by an acquiring authority within 30 days after the public hearing must be reviewed and a written response provided to the individual or organization who initiated the comment. The response and comments may be addressed in another public hearing by the acquiring authority before approval.

Sec. 18. Minnesota Statutes 2004, section 117.52, is amended by adding a subdivision to read:

Subd. 1a. **Reestablishment costs limit.** For purposes of relocation benefits paid by the acquiring authority in accordance with this section, the provisions of Code of Federal Regulations, title 49, section 24.304, with respect to reimbursement of reestablishment expenses for nonresidential moves are applicable, except that the acquiring authority shall reimburse the displaced business for expenses actually incurred up to a maximum of $50,000.

Sec. 19. Minnesota Statutes 2004, section 117.52, is amended by adding a subdivision to read:

Subd. 4. **Relocation assistance amount determined by administrative law judge.** Notwithstanding any law or rule to the contrary, if a person entitled to relocation assistance under this section does not accept the acquiring authority's offer, the acquiring authority must initiate contested case proceedings under sections 14.57 to 14.66 for a determination of the relocation assistance that must be provided by the acquiring authority. The administrative law judge's determination of relocation assistance that the acquiring authority must provide constitutes a final decision in the case, as provided in section 14.62, subdivision 4. The acquiring authority must pay all costs of the proceedings. "Costs" is defined in section 15.471, subdivision 4, and also includes charges billed by the Office of Administrative Hearings for the proceedings.

Sec. 20. **REVISOR'S INSTRUCTION.**

The revisor shall change the phrase "right of eminent domain" where found in Minnesota Statutes and Minnesota Rules to "power of eminent domain."

Sec. 21. **REPEALER.**

Minnesota Statutes 2004, section 117.011, is repealed.

Sec. 22. **EFFECTIVE DATE.**

(a) This act is effective the day following final enactment and applies to actions commenced on or after that date. Section 15 applies to the disposition of property acquired by actions commenced on or after that date.

(b) Notwithstanding paragraph (a), the provisions of this act do not apply to actions commenced on or before February 1, 2008, for a project that satisfies one of the following conditions:

(1) with respect to property identified as intended to be acquired in a tax increment financing plan, as approved by the municipality by February 1, 2006, if the condemning authority has satisfied one or more of the following conditions in connection with the tax increment financing plan:

(i) the developer has acquired property by May 1, 2006, in reliance on the condemning authority's contractual obligation to condemn property; or

(ii) by May 1, 2006, the condemning authority has issued, sold, or entered into a binding agreement to issue or sell bonds or other obligations to finance the costs of the tax increment financing plan and has commenced the action within two years after the bonds were issued;
(2) the tax increment financing district was certified before February 1, 2006; a tax increment financing plan, adopted before February 1, 2006, identified the property as intended to be acquired; and the condemning authority has commenced the action within five years after certification of the district;

(3) creation of the tax increment financing district was authorized under a special law that received local approval or became effective without local approval before February 1, 2006, and the condemning authority commences the action within the time period permitted under the applicable general or special law for making expenditures to comply with Minnesota Statutes, section 469.1763, subdivision 3, but not to exceed a ten-year period; or

(4) the condemning authority commences the action before February 1, 2011, to complete land assembly for a project, financed in whole or in part with abatement under Minnesota Statutes, sections 469.1813 to 469.1815, and the abatement resolution was adopted by one of the participating political subdivisions before February 1, 2006.

(c) Notwithstanding paragraphs (a) and (b), actions commenced after February 1, 2008, that satisfy the requirements of paragraph (b), clauses (1) to (4), are not subject to the definition of “public use” and “public purpose” under Minnesota Statutes, section 117.025, as amended by this act. The rest of the act applies to the actions.

(d) The definitions under Minnesota Statutes, section 469.174, apply for purposes of paragraphs (b) and (c).

(e) The provisions of this act do not apply to:

(1) property acquired for a highway project that, by the effective date, has been selected to receive federal funding by the area transportation partnership or metropolitan planning organization as part of the state transportation improvement program, if the action is commenced on or before January 15, 2007; or

(2) property acquired for the purpose of providing physical or financial assistance for emergency shelter and services for homeless persons in a first class city by a governmental unit or nonprofit organization, if the action is commenced on or before two years after the effective date.

(f) For purposes of this section, the following terms have the meanings given:

(1) "action" means a condemnation or eminent domain proceeding or action; and

(2) "commence" means when service of notice of the petition under Minnesota Statutes, section 117.055, is made.

Delete the title and insert:

"A bill for an act relating to eminent domain; making changes to and regulating the exercise of eminent domain; providing for public use or purpose and providing other definitions; providing for notice, hearing, and other procedural requirements; providing for attorney fees and additional forms of compensation; amending Minnesota Statutes 2004, sections 117.025; 117.036; 117.055; 117.075, subdivision 1; 117.085; 117.51; 117.52, subdivision 1, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 117; repealing Minnesota Statutes 2004, section 117.011."

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

Senate Conferees: THOMAS M. BAKK, STEVE MURPHY, DON BETZOLD, LINDA HIGGINS AND JULIANNE E. ORTMAN.

House Conferees: JEFF JOHNSON, RON ABRAMS, GREGORY M. DAVIDS, BRUCE ANDERSON AND PAUL THISSEN.
Johnson, J., moved that the report of the Conference Committee on S. F. No. 2750 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

The Speaker resumed the Chair.

S. F. No. 2750, A bill for an act relating to eminent domain; defining public use or purpose; prohibiting the use of eminent domain for economic development; requiring clear and convincing evidence for certain takings; providing for attorney fees and other additional elements of compensation; making other changes in the exercise of eminent domain; amending Minnesota Statutes 2004, sections 117.025; 117.036; 117.055; 117.075, subdivision 1, by adding a subdivision; 117.085; 117.51; 117.52, subdivision 1, by adding a subdivision; 163.12, subdivisions 1a, 1b; proposing coding for new law in Minnesota Statutes, chapter 117.

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

The question was taken on the repassage of the bill and the roll was called. There were 115 yeas and 17 nays as follows:

Those who voted in the affirmative were:

Abeler
Abrams
Atkins
Beard
Bernardy
Blaine
Bradley
Brod
Buesgens
Carlson
Charron
Clark
Cornish
Cox
Cybart
Davids
Dean
DeLaForest
Demmer
Dempsey

Those who voted in the negative were:

Davies
Ellison
Goodwin

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

Davids and Powell were excused for the remainder of today’s session.
CALENDAR FOR THE DAY

H. F. No. 3458, A bill for an act relating to health; requiring the delay of annual mass flu vaccination clinics in the event of a flu vaccine shortage; proposing coding for new law in Minnesota Statutes, chapter 144.

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

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Abeler
Abrams
Atkins
Beard
Bernardy
Blaine
Bradley
Brod
Buesgens
Carlson
Charron
Clark
Cornish
Cox
Cybart
Davnie
Dorn
Dittrich
Dorn
Dor
Eastlund
Eken
Ellison
Emmer
Entenza
Erhardt
Erickson
Finstad
Fitz
Garofalo
Gazelka
Goodwin
Greiling
Gunther
Hacket
Hansen
Hausman

Haws
Heidgerken
Hilstrom
Hilty
Holberg
Hornstein
Hortman
Hosch
Howes
Huntley
Jaros
Johnson, J.
Johnson, R.
Johnson, S.
Juhnke
Kahn
Kellher
Klinzing
Knoblach
Koenen
Kohls
Lanning
Larson
Latz
Lenczewski
Lesch
Liebling
Lieder
Lillie
Loeffler
Magnus
Mahoney
Mariani
Marquart
McNamara
Meslow
Moe
Mullery
Murphy
Mull
Nelson, M.
Nelson, P.
Newman
Nornes
Olson
Otrema
Ozment
Paulsen
Paymar
Pelowski
Penas
Peterson, A.
Peterson, N.
Peterson, S.
Poppe
Rukavina
Ruth
Sailor
Samuelson
Scalze
Seifert
Sertich
Severson
Sieben
Simon
Simpson
Slawik
Smith
Soderstrom
Solberg
Sykora
Thao
Thissen
Tingelstad
Urdahl
Wagenius
Walker
Welti
Westerberg

Those who voted in the negative were:

Hoppe
Krinkie
Peppin
Vandeveer

The bill was passed and its title agreed to.

H. F. No. 3915, A bill for an act relating to agriculture; providing for a wild rice study.

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

The question was taken on the passage of the bill and the roll was called. There were 100 yeas and 30 nays as follows:

Those who voted in the affirmative were:

Abeler
Bernardy
Carlson
Cornish
Dempsey
Dorn
Atkins
Bradley
Charron
Cox
Dill
Eken
Beard
Brod
Clark
Davnie
Dittrich
Ellison

Spk. Sviggum
Those who voted in the negative were:

<table>
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<th>Abrams</th>
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<th>Erickson</th>
<th>Huntley</th>
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<td>Nelson, P.</td>
<td>Soderstrom</td>
<td>Spk. Sviggum</td>
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The bill was passed and its title agreed to.

Paulsen moved that the remaining bills on the Calendar for the Day be continued. The motion prevailed.

**MOTIONS AND RESOLUTIONS**

Kohls moved that the name of Poppe be added as an author on H. F. No. 2843. The motion prevailed.

Smith moved that the name of Murphy be added as an author on H. F. No. 2916. The motion prevailed.

Bradley moved that the name of Loeffler be added as an author on H. F. No. 3144. The motion prevailed.

Heidgerken moved that the names of Fritz, Eken and Peterson, A., be added as authors on H. F. No. 3458. The motion prevailed.

Hornstein moved that the name of Liebling be added as an author on H. F. No. 3516. The motion prevailed.

Hornstein moved that the names of Blaine and Wilkin be added as authors on H. F. No. 3718. The motion prevailed.

Lenczewski moved that the name of Larson be added as an author on H. F. No. 4127. The motion prevailed.

Dittrich moved that her name be stricken as an author on H. F. No. 4139. The motion prevailed.

Krinkie moved that the name of Sykora be added as an author on H. F. No. 4142. The motion prevailed.
Abeler moved that the names of Kahn and Simon be added as authors on H. F. No. 4152. The motion prevailed.

Larson moved that the name of Clark be added as an author on H. F. No. 4195. The motion prevailed.

Abeler moved that S. F. No. 367 be recalled from the Committee on Education Policy and Reform and be re-referred to the Committee on Health Policy and Finance/Health Care Cost Containment Division. The motion prevailed.

**MOTION TO RECALL BILL AFTER DEADLINE**

Solberg moved that the rules of the House be so far suspended that S. F. No. 2722 be recalled from the Committee on Ways and Means, be given its second and third readings, and be placed upon its final passage.

A roll call was requested and properly seconded.

The question was taken on the Solberg motion and the roll was called. There were 74 yeas and 56 nays as follows:

Those who voted in the affirmative were:

Abeler  Fritz  Huntley  Lieder  Pelowski  Smith  Solberg  Thao  Thissen  Tingelstad  VanDeveer  Wagenius  Walker  Welti
Atkins  Goodwin  Jaros  Lillie  Penas  Peterson, A.  Peterson, S.  Poppe  Rukavina  Ruud  Sailer  Scalze  Sertich
Bernardy  Greiling  Johnson, R.  Loeffler  Mahoney  Mariani  Marquart  Moe  Moe  Mullery  Nolte  Nolte  Oremba  Sieben  Simon  Smolik
Carlson  Hansen  Johnson, S.  Hansen  Juhnke  Mariani  Marquart  Moe  Moe  Mullery  Nolte  Nolte  Oremba  Sieben  Simon  Smolik
Clark  Hausman  Kahm  Kelliher  Kelliher  Kelliher  Kelliher  Kelliher  Kelliher  Kelliher  Kelliher  Kelliher  Kelliher  Kelliher  Kelliher  Kelliher
Cox  Haws  Juhlke  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski
Davnie  Heiderken  Kelliher  Kelliher  Kelliher  Kelliher  Kelliher  Kelliher  Kelliher  Kelliher  Kelliher  Kelliher  Kelliher  Kelliher  Kelliher  Kelliher  Kelliher
Dill  Hilstrom  Koenen  Koenen  Koenen  Koenen  Koenen  Koenen  Koenen  Koenen  Koenen  Koenen  Koenen  Koenen  Koenen  Koenen  Koenen
Dittrich  Hilty  Larson  Murphy  Nelson, M.  Nolte  Nelson, M.  Nolte  Nolte  Nolte  Nolte  Nolte  Nolte  Nolte  Nolte  Nolte  Nolte
Eken  Hortman  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski  Lenzewski
Ellison  Hosch  Lesch  Ozment  Olson  Olson  Olson  Olson  Olson  Olson  Olson  Olson  Olson  Olson  Olson  Olson  Olson  Olson
Entenza  Howes  Liebling  Paymar  Paymar  Paymar  Paymar  Paymar  Paymar  Paymar  Paymar  Paymar  Paymar  Paymar  Paymar  Paymar  Paymar  Paymar

Those who voted in the negative were:

Abrams  DeLaForest  Gazelka  Krinke  Peppin  Wardlow  Westerberg  Westrom  Wilkin  Zellers  Spk. Sviggum
Beard  Demmer  Gunther  Lanning  Peterson, N.  Peterson, N.  Peterson, N.  Peterson, N.  Peterson, N.  Peterson, N.  Peterson, N.  Peterson, N.  Peterson, N.  Peterson, N.  Peterson, N.  Peterson, N.  Peterson, N.  Peterson, N.  Peterson, N.
Bradley  Dornan  Hamilton  McNamara  Samuelson  Samuelson  Samuelson  Samuelson  Samuelson  Samuelson  Samuelson  Samuelson  Samuelson  Samuelson  Samuelson  Samuelson  Samuelson  Samuelson
Buesgens  Emmer  Klinzing  Nornes  Soderstrom  Soderstrom  Soderstrom  Soderstrom  Soderstrom  Soderstrom  Soderstrom  Soderstrom  Soderstrom  Soderstrom  Soderstrom  Soderstrom  Soderstrom  Soderstrom
Cornish  Erickson  Knoblach  Olson  Sykora  Sykora  Sykora  Sykora  Sykora  Sykora  Sykora  Sykora  Sykora  Sykora  Sykora  Sykora  Sykora  Sykora
Cybart  Finstad  Kohls  Paulsen  Udahl  Udahl  Udahl  Udahl  Udahl  Udahl  Udahl  Udahl  Udahl  Udahl  Udahl  Udahl  Udahl  Udahl
Dean  Garofalo  Knoblach  Olson  Sykora  Sykora  Sykora  Sykora  Sykora  Sykora  Sykora  Sykora  Sykora  Sykora  Sykora  Sykora  Sykora  Sykora

Not having received the required two-thirds vote, the motion did not prevail.
ADJOURNMENT

Paulsen moved that when the House adjourns today it adjourn until 10:00 a.m., Tuesday, May 16, 2006. The motion prevailed.

Paulsen moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 10:00 a.m., Tuesday, May 16, 2006.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives