

STATE OF MINNESOTA

EIGHTY-SECOND SESSION — 2001

 FORTY-FIFTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MAY 2, 2001

The House of Representatives convened at 9:30 a.m. and was called to order by Steve Sviggum, Speaker of the House.

Prayer was offered by the Reverend Lonnie E. Titus, House Chaplain.

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	Dorn	Holsten	Lieder	Ozment	Swapinski
Abrams	Eastlund	Howes	Lindner	Paulsen	Swenson
Anderson, B.	Entenza	Huntley	Lipman	Pawlenty	Sykora
Anderson, I.	Erhardt	Jacobson	Luther	Paymar	Thompson
Bakk	Erickson	Jaros	Mahoney	Pelowski	Tingelstad
Bernardy	Evans	Jennings	Mares	Penas	Tuma
Biernat	Finseth	Johnson, J.	Mariani	Peterson	Vandever
Bishop	Folliard	Johnson, R.	Marko	Pugh	Wagenius
Boudreau	Fuller	Johnson, S.	Marquart	Rhodes	Walker
Bradley	Gerlach	Juhnke	McElroy	Rifenberg	Walz
Buesgens	Gleason	Kahn	McGuire	Rukavina	Wasiluk
Carlson	Goodno	Kalis	Milbert	Ruth	Wenzel
Cassell	Goodwin	Kelliher	Molnau	Schumacher	Westerberg
Clark, J.	Gray	Kielkucki	Mulder	Seagren	Westrom
Clark, K.	Greiling	Knoblach	Mullery	Seifert	Wilkin
Daggett	Gunther	Koskinen	Murphy	Sertich	Winter
Davids	Haas	Krinkie	Ness	Skoe	Wolf
Davnie	Hackbarth	Kubly	Nornes	Skoglund	Workman
Dawkins	Harder	Kuisle	Olson	Slawik	Spk. Sviggum
Dehler	Hausman	Larson	Opatz	Smith	
Dempsey	Hilstrom	Leighton	Osskopp	Solberg	
Dibble	Hilty	Lenczewski	Osthoff	Stanek	
Dorman	Holberg	Leppik	Otremba	Stang	

A quorum was present.

The Chief Clerk proceeded to read the Journal of the preceding day. Holberg moved that further reading of the Journal be suspended and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

Pawlenty 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 Speaker pro tempore Paulsen.

REPORTS OF CHIEF CLERK

S. F. No. 2360 and H. F. No. 218, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Krinkie moved that the rules be so far suspended that S. F. No. 2360 be substituted for H. F. No. 218 and that the House File be indefinitely postponed. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 30, 2001

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

Dear Speaker Sviggum:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 1637, relating to counties; repealing provisions requiring licensing of hawkers and peddlers by counties.

H. F. No. 149, relating to food; regulating the serving, selling, and labeling of certain religion-sanctioned food.

H. F. No. 1159, relating to public finance; funding for Gillette Children's Specialty Healthcare; transportation and capital improvements; authorizing spending for public purposes; authorizing spending to acquire and to better land and buildings and other improvements of a capital nature; amending earlier authorizations; authorizing and reauthorizing sale of state bonds; converting certain capital project financing from general obligation bonding to general fund cash.

H. F. No. 1084, relating to financial institutions; modifying investment authority and recordkeeping requirements; regulating certain rates, charges, fees, and disclosures; exempting certain unstaffed after-hour drop boxes from detached facilities regulation.

H. F. No. 285, relating to liens; regulating agricultural liens; revising and consolidating crop liens and agricultural liens on livestock.

H. F. No. 995, relating to horse racing; modifying license applicant requirements; modifying medication requirements.

H. F. No. 1383, relating to motor vehicles; repealing restrictions on handlebar height for motorcycles and motorized bicycles.

H. F. No. 525, relating to state government; revising conditions under which public employees receive daily payments for service on boards and councils; requiring groups to adopt standards for daily payments.

H. F. No. 779, relating to commerce; modifying provisions dealing with motor vehicle dealer franchise transfers.

H. F. No. 1219, relating to insurance; removing certain state involvement with the state fund mutual insurance company.

H. F. No. 1889, relating to filings with the secretary of state; providing for the orderly revocation of delinquent foreign corporations; regulating certain transition issues under the Uniform Partnership Act of 1994.

Sincerely,

JESSE VENTURA
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 Don Samuelson
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2001 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:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 2001</i>	<i>Date Filed 2001</i>
	1637	53	2:56 p.m. April 30	April 30
	149	54	3:00 p.m. April 30	April 30
	1159	55	2:56 p.m. April 30	April 30
	1084	56	2:58 p.m. April 30	April 30

285	57	3:02 p.m. April 30	April 30
995	59	2:50 p.m. April 30	April 30
1383	60	2:53 p.m. April 30	April 30
525	61	2:51 p.m. April 30	April 30
779	62	3:03 p.m. April 30	April 30
1219	63	2:59 p.m. April 30	April 30
1889	64	2:55 p.m. April 30	April 30

Sincerely,

MARY KIFFMEYER
Secretary of State

REPORT FROM THE CHAIR OF THE
COMMITTEE ON WAYS AND MEANS

May 2, 2001

Edward A. Burdick
Chief Clerk of the House of Representatives
The State of Minnesota

Dear Mr. Burdick:

House Rule 4.03 requires the Chair of the Committee on Ways and Means to certify to the House of Representatives that the Committee has reconciled any finance and revenue bills with the budget resolution and targets.

Please accept this letter as certification that S. F. No. 2340 and H. F. No. 1832 reconcile with the budget resolution, the Transportation Finance budget target, and the Health and Human Services Finance budget target.

Sincerely,

REPRESENTATIVE DAVE BISHOP
Chair, House Ways and Means Committee

REPORTS OF STANDING COMMITTEES

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

H. F. No. 82, A bill for an act relating to education; providing for kindergarten through grade 12 education including general education revenue; education excellence; special programs; facilities and technology; nutrition, school accounting, and other programs; agency provisions; deficiencies; local achievement testing; and technical amendments; appropriating money; amending Minnesota Statutes 2000, sections 16B.616, subdivision 4; 120A.05, by adding a subdivision; 120B.02; 120B.031, subdivision 11; 120B.13, subdivision 1; 120B.30, subdivision 1; 120B.31, subdivision 3; 120B.35; 121A.11, by adding subdivisions; 121A.41, subdivision 10; 121A.45, subdivision 2, by adding a subdivision; 121A.582; 121A.61, subdivision 2; 122A.06, by adding a subdivision; 122A.09, subdivision 4; 122A.162; 122A.163; 122A.18, subdivisions 1, 2, 2a, 4, by adding subdivisions; 122A.20,

subdivision 2; 122A.21; 122A.26, subdivision 3; 122A.31; 122A.61, subdivision 1; 123B.03, subdivision 3; 123B.143, subdivision 1; 123B.42, subdivision 3; 123B.44, subdivision 6; 123B.53, subdivisions 1, 2, 4, 5; 123B.54; 123B.57, subdivisions 3, 6; 123B.71, subdivisions 1, 4, 8, 9; 123B.75, subdivision 5, by adding subdivisions; 123B.80, subdivision 1; 123B.92, by adding subdivisions; 124D.10, subdivisions 1, 3, 4, 6, 8, 10, 14, 15, 19, 23, 25, by adding subdivisions; 124D.11, subdivisions 4, 5, 9; 124D.128, subdivisions 1, 2, 3, 6; 124D.454, subdivision 11; 124D.65, subdivision 5; 124D.69, subdivision 1; 124D.74, subdivisions 1, 2, 3, 4, 6; 124D.75, subdivision 6; 124D.76; 124D.78, subdivision 1; 124D.81, subdivisions 1, 3, 5, 6, 7; 124D.86, subdivisions 3, 6; 125A.023, subdivision 4; 125A.08; 125A.09, subdivision 3; 125A.11, subdivision 3; 125A.17; 125A.27, subdivision 15; 125A.76, subdivisions 1, 2; 126C.05, subdivisions 1, 3, 5, 6, 15; 126C.10, subdivisions 1, 2, 3, 9, 20, 21, 22, 24, 25, 27, by adding a subdivision; 126C.12, subdivisions 2, 3, 4, 5, by adding a subdivision; 126C.13, subdivision 1; 126C.15, subdivisions 1, 2, 5; 126C.16, by adding a subdivision; 126C.17, subdivisions 1, 2, 5, 6, 9, 10, 11; 126C.23, subdivision 5; 126C.41, subdivision 3; 126C.43, subdivision 3; 126C.63, subdivision 8; 126C.69, subdivisions 2, 3, 9, 12, 15; 127A.05, subdivision 1; 127A.41, subdivisions 5, 8, 9; 127A.45, subdivision 12, by adding a subdivision; 127A.50, subdivision 2; 136D.281, subdivision 4; 136D.741, subdivision 4; 136D.88, subdivision 4; 179A.20, by adding a subdivision; 214.01, subdivision 3; 214.04, subdivisions 1, 3; 214.12, subdivision 1; 260A.01; 260C.163, subdivision 11; 475.53, subdivision 4; 475.61, subdivision 3; 626.556, subdivision 2; Laws 1992, chapter 499, article 7, section 31, as amended; Laws 2000, chapter 489, article 2, sections 34, 36, 37, subdivision 3, 39, subdivision 2; Laws 2000, chapter 489, article 3, sections 24, 25, subdivision 5; Laws 2000, chapter 489, article 5, section 21; Laws 2000, chapter 489, article 7, section 15, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 120B; 122A; 124D; 127A; repealing Minnesota Statutes 2000, sections 120B.031; 120B.31, subdivisions 1, 2, 4; 123B.05; 123B.71, subdivisions 3, 10; 124D.07; 124D.1155; 124D.128, subdivision 7; 124D.32; 124D.85; 126C.01, subdivision 10; 126C.10, subdivisions 3, 12, 23, 28; 126C.16, subdivision 2; 126C.17, subdivision 12; 126C.18; 126C.22; 126C.30; 126C.31; 126C.32; 126C.33; 126C.34; 126C.35; 126C.36; 126C.42, subdivisions 2, 3; 126C.47; 127A.44; 135A.081; 136D.281, subdivision 8; 136D.741, subdivision 8; 136D.88, subdivision 8; 136D.94; Laws 2000, chapter 254, section 30; Laws 2000, chapter 489, article 1, section 18; Minnesota Rules, parts 3501.0300; 3501.0310; 3501.0320; 3501.0330; 3501.0340; 3501.0350; 3501.0370; 3501.0380; 3501.0390; 3501.0400; 3501.0410; 3501.0420; 3501.0430; 3501.0440; 3501.0441; 3501.0442; 3501.0443; 3501.0444; 3501.0445; 3501.0446; 3501.0447; 3501.0448; 3501.0449; 3501.0450; 3501.0460; 3501.0461; 3501.0462; 3501.0463; 3501.0464; 3501.0465; 3501.0466; 3501.0467; 3501.0468; 3501.0469.

Reported the same back with the following amendments:

Page 6, line 30, delete "must" and insert "may" and delete "all" and insert "its"

Page 6, line 32, delete "and" and after "needs" insert ", and bus purchase revenue"

Page 6, line 33, after "purposes" insert "including bus purchases" and delete everything after the period

Page 6, delete lines 34 to 36

Page 7, delete lines 1 to 9

Pages 7 and 8, delete section 9

Page 12, line 14, delete "(a)"

Page 12, delete lines 23 to 29

Page 41, after line 18, insert:

"Sec. 3. [120B.15] [INVOLUNTARY CAREER TRACKING PROHIBITED.]

A school district may develop grade-level curricula or provide instruction that introduces students to various careers, but must not require any curriculum, instruction, or employment-related activity that obligates an elementary or secondary student to involuntarily select a career, career interest, employment goals, or related job training.

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

Page 95, line 36, delete "54" and insert "55"

Page 126, line 12, delete the new language and insert "\$25,989,000 in fiscal year 2002, \$33,360,000 in fiscal year 2003, \$32,897,000 in fiscal year 2004, and \$28,547,000 in fiscal years 2005 and later are"

Page 126, line 14, delete the new language

Page 144, after line 10, insert:

"Sec. 27. [HIGH-PERFORMANCE ENVIRONMENTALLY SUSTAINABLE SCHOOL FACILITIES.]

Subdivision 1. [TECHNICAL ASSISTANCE.] The department of children, families, and learning, must provide technical assistance to a school district interested in providing environmentally sustainable facilities.

Subd. 2. [DEFINITION.] High-performance environmentally sustainable school projects involve elements for simpler school building design, with lower energy costs and lower life-cycle building costs. The goals of high-performance environmentally sustainable school facilities are to:

(1) reduce the long-term life-cycle building costs of schools;

(2) reduce the energy costs of schools;

(3) improve the indoor air quality of schools; and

(4) allow school districts to shift the investment of tax-generated school revenues from utility bills and excessive building repair costs to funding for school facilities preventive maintenance projects and general education costs."

Page 145, after line 31, insert:

"Subd. 8. [CROSSWINDS; PROJECT COMPLETION.] For a metropolitan magnet school grant to school district No. 6067, Tri-District, to acquire land for, design, construct, furnish, and equip a new school building.

<u>\$1,700,000</u>	: : : : :	<u>2002</u>
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The appropriation in this subdivision is in addition to appropriations in Laws 1998, chapter 404, section 5, subdivision 5; Laws 1999, chapter 240, article 1, section 3; and Laws 2000, chapter 492, article 1, section 5, subdivision 2."

Page 176, delete line 24 and insert:

<u>"\$28,464,000</u>	: : : : :	<u>2002</u> "
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Reorder the sections in sequence

Amend the title as follows:

Page 1, line 26, delete "subdivisions" and insert "a subdivision"

Page 1, line 33, delete "subdivisions 3," and insert "subdivision"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 322, A bill for an act relating to health; modifying the Minnesota Utilization Review Act; amending Minnesota Statutes 2000, sections 62M.06, subdivision 3; 62M.09, subdivisions 3, 3a, 6, by adding a subdivision; 62M.10, subdivision 7; 147.091, by adding a subdivision.

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

Joint Rule 2.03 and Senate Concurrent Resolution No. 5 have been waived for subsequent committee action on this bill.

The report was adopted.

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

H. F. No. 1515, A bill for an act relating to education; providing for family and early childhood education; modifying Head Start program; consolidating child care assistance programs; modifying early childhood screening, early childhood family education, and school readiness programs; directing allocation of federal child care development funds; consolidating certain advisory councils; establishing youth after-school enrichment program; modifying adult basic education program; requiring a report; making various clarifying and technical changes; appropriating money; amending Minnesota Statutes 2000, sections 119A.12, by adding subdivisions; 119A.13, subdivision 4; 119A.21; 119A.22; 119A.51, by adding a subdivision; 119A.52; 119A.53; 119B.011, subdivisions 5, 7, 11, 12, 15, 18, 19, by adding subdivisions; 119B.02, subdivisions 1, 2, 3, by adding subdivisions; 119B.061, subdivisions 1, 2, 4, 5; 121A.17, subdivision 1; 124D.13, by adding a subdivision; 124D.135, by adding subdivisions; 124D.15, by adding a subdivision; 124D.16, subdivision 2, by adding subdivisions; 124D.19, by adding subdivisions; 124D.20, subdivisions 1, 5, by adding a subdivision; 124D.221, subdivisions 1, 2, by adding a subdivision; 124D.518, subdivision 5; 124D.52, subdivision 2; 124D.522; 124D.531, subdivisions 1, 3, 7; 125A.28; 125B.20, subdivision 1; 134.31, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 119A; 119B; 134; repealing Minnesota Statutes 2000, sections 119A.13, subdivisions 1, 2, 3; 119A.14, subdivision 2; 119A.23; 119B.011, subdivision 20; 119B.03; 119B.04; 119B.05; 119B.06; 119B.07; 119B.08; 119B.09; 119B.10; 119B.11; 119B.12; 119B.13; 119B.14; 119B.15; 119B.16; 124D.16, subdivision 4; 124D.33; 124D.331; 125B.20, subdivision 3; Minnesota Rules, parts 3530.2610; 3530.2612; 3530.2614; 3530.2616; 3530.2618; 3530.2620; 3530.2622; 3530.2624; 3530.2626; 3530.2628; 3530.2630; 3530.2632; 3530.2634; 3530.2636; 3530.2638; 3530.2640; 3530.2642; 3530.2644.

Reported the same back with the following amendments:

Page 5, delete lines 13 to 28

Page 10, line 4, delete everything after the period

Page 10, delete lines 5 and 6

Page 10, line 30, delete everything after "256J" and insert a semicolon

Page 10, delete lines 31 to 34

Page 10, line 35, after "(3)" insert "social services activities under chapter 256J or 256K as required in an employment plan approved according to chapter 256J or 256K;

(4)"

Page 11, line 2, delete "(4)" and insert "(5)"

Page 11, line 9, delete "(5)" and insert "(6)"

Page 11, line 19, delete "(6)" and insert "(7)"

Page 11, line 34, after "2003," insert "unless the family voluntarily withdraws from the program,"

Page 12, line 3, delete "or" and insert a comma and after "(2)" insert ", or (3)"

Page 12, line 8, delete ", and" and insert a semicolon

Page 12, delete line 9

Page 12, line 15, delete "or"

Page 12, line 19, delete the period and insert "; or"

(3) when the caregiver is an eligible student, child care assistance must be provided for actual classroom time, time between nonconsecutive classes, up to two hours per week per credit hour for post-secondary students for study and academic appointments, and up to two hours per day for travel time."

Page 12, line 35, delete "and apply for"

Page 12, line 36, delete everything before the period

Page 16, line 21, delete "the date" and insert "submission of"

Page 23, line 12, after the period, insert "If applicable, each county must participate in the child care assistance voucher program under section 49."

Page 23, delete lines 14 to 20

Page 23, line 21, delete "15" and insert "14"

Page 26, line 15, after the period, insert "The commissioner must base the parent fee on the ability of the family to pay for child care. The fee schedule must be designed to use any available tax credits."

Pages 30 and 31, delete section 41

Page 31, line 24, after "account" insert "on June 30 of each year"

Page 31, line 28, after "revenue" insert "under subdivision 1"

Page 31, line 36, after "exceed" insert "the" and after "percent" insert "limit established under subdivision 8"

Page 32, delete section 44

Page 33, line 16, after "account" insert "on June 30 of each year"

Page 33, line 21, after "revenue" insert "under subdivision 2"

Page 33, line 28, after "exceed" insert "the" and after "percent" insert "limit established under subdivision 6"

Page 33, after line 30, insert:

"Sec. 47. [124D.165] [EARLY CHILDHOOD PROGRAM EVALUATION.]

(a) The commissioner must develop and use a common set of outcomes and indicators and a statewide outcome-based evaluation for the early childhood programs under sections 119A.52, 124D.13, and 124D.15.

(b) The outcomes and indicators for the early childhood programs listed in paragraph (a) must include the following, if applicable to the program:

(1) school readiness;

(2) child development;

(3) parental awareness of child development;

(4) parental satisfaction;

(5) parental involvement; and

(6) child health.

(c) The statewide outcome-based evaluation must include, for each of the early childhood programs listed under paragraph (a):

(1) a statewide comparison of children and parents participating in the program and a statewide comparison group of children and parents who have not participated in the programs; and

(2) cost per participant information.

(d) The commissioner must require each program receiving revenue under sections 119A.52, 124D.135, and 124D.16 to participate in the development and use of the outcomes and indicators under paragraph (b).

(e) The commissioner must report to the legislative finance committees with responsibility for the programs listed under paragraph (a) by January 31, 2002, on the development of the outcomes, indicators, and outcome-based evaluation required under this section."

Page 37, line 6, delete the period and insert ":

(6) \$20,000 in each year of the 2002-2003 fiscal biennium for the child care assistance voucher program. These funds must be used to assist counties with fraud prevention activities, especially in counties that make child care assistance payments directly to the parents. The commissioner of children, families, and learning must devise a system of paper vouchers and by October 1, 2001, require all counties that currently make child care assistance payments directly to parents to convert to the child care assistance voucher program system."

Page 39, after line 25, insert:

"Sec. 51. [SPECIAL REVENUE; CHILD SUPPORT COLLECTIONS.]

Subdivision 1. [DEPARTMENT OF CHILDREN, FAMILIES, AND LEARNING.] Appropriations in this section are from child support collection payments in the special revenue fund pursuant to Minnesota Statutes, section 119B.014. The sums indicated are appropriated to the department of children, families, and learning for the fiscal years designated.

Subd. 2. [CHILD CARE ASSISTANCE.] For child care assistance according to Minnesota Statutes, section 119B.014:

<u>\$2,441,439</u>	: : : : :	<u>2002</u>
<u>\$2,340,251</u>	: : : : :	<u>2003</u> "

Page 40, line 23, after "119B.07;" insert "119B.074;"

Page 40, after line 27, insert:

"Sec. 55. [EFFECTIVE DATE.]

Sections 4 to 39 are effective January 1, 2002."

Page 51, after line 25, insert:

"(c) \$25,000 in each year is for a grant to the city of St. Louis Park for the Meadowbrook Collaborative Housing Project to continue cooperative activities that support at-risk children and youth programming and to provide advice to the after-school substance abuse prevention program and other grantees that seek to replicate the Meadowbrook Collaborative Housing Project program model.

(d) \$175,000 in each year is to establish an after-school substance abuse prevention grant program to provide eligible community and nonprofit organizations with grants of up to \$20,000 per year for after-school substance abuse prevention programs."

Page 58, delete lines 19 and 20 and insert:

<u>"\$600,000</u>	: : : : :	<u>2002</u>
<u>\$409,000</u>	: : : : :	<u>2003</u>

Of this appropriation, \$250,000 in fiscal year 2002 and \$59,000 in 2003 is one time funding to support emergency shelter activities and is not to be added to the base for 2004 and 2005."

Page 58, delete lines 25 and 26 and insert:

<u>"\$32,150,000</u>	: : : : :	<u>2002</u>
<u>\$34,732,000</u>	: : : : :	<u>2003</u> "

Page 58, line 28, delete "\$29,306,000" and insert "\$29,131,000"

Page 58, line 30, delete "\$31,669,000" and insert "\$31,494,000"

Page 60, after line 24, insert:

"Sec. 11. [REVISOR INSTRUCTION.]

In the next and subsequent editions of Minnesota Statutes and Minnesota Rules, the revisor must replace all references to the "Minnesota Foodshelf Association" with "Hunger Solutions.""

Page 63, after line 24, insert:

"This is a one-time appropriation and is not to be added to the base for 2004 and 2005."

Adjust amounts accordingly

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 11, after the semicolon, insert "providing for early childhood program evaluation;"

Page 1, lines 19 and 20, delete "124D.13, by adding a subdivision;"

Page 1, line 21, delete everything before "124D.16"

Page 1, line 29, after the second semicolon, insert "124D;"

Page 1, line 33, after "119B.07;" insert "119B.074;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 2362, A resolution memorializing Congress to pass legislation requiring cigarettes that are less likely to start fires.

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

Joint Rule 2.03 and Senate Concurrent Resolution No. 5 have been waived for subsequent committee action on this bill.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 82, 322, 1515 and 2362 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. No. 2360 was read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Smith introduced:

H. F. No. 2503, A bill for an act relating to civil actions; regulating the liability of employees of educational entities; proposing coding for new law in Minnesota Statutes, chapter 121A.

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

Gerlach; Anderson, B.; Krinkie and Erickson introduced:

H. F. No. 2504, A bill for an act relating to public employees; requiring public employees to fund a portion of the cost of state-paid annual premiums due to rising health insurance costs; amending Minnesota Statutes 2000, sections 43A.18, by adding a subdivision; 43A.22; 43A.24; 43A.28; 43A.30, subdivision 1, by adding a subdivision.

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

Seifert introduced:

H. F. No. 2505, A bill for an act relating to redistricting; adopting a congressional redistricting plan for use in 2002 and thereafter; amending Minnesota Statutes 2000, section 2.031, subdivision 2; repealing Minnesota Statutes 2000, sections 2.742; 2.752; 2.762; 2.772; 2.782; 2.792; 2.802; 2.812.

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

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, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 1261, A bill for an act relating to the operation of state government; continuing a task force on agency purchases from correctional industries; requiring an annual report from the department of corrections; providing certification standards for juvenile facilities; requiring standards for chemical dependency treatment programs; requiring the commissioner of corrections to establish a health care peer review committee; requiring commissioner of corrections to contract with commissioner of human services for background studies of individuals providing services in certain facilities; removing certain obsolete provisions in correction law; clarifying responsibilities and updating language in law governing correctional psychiatric unit; authorizing a corrections agent to request a review of an offender's risk level based on offender behavior in the community; providing for investigation of deaths occurring in correctional facilities; requiring judges to determine if offenders are eligible for challenge incarceration programs based upon correctional department criteria; defining criminal sexual conduct to include certain employees

working in correctional facilities; requiring mandatory sex offender assessments for repeat offenders; providing that human immunodeficiency virus testing data of sex offenders to be maintained in correctional medical records; amending Minnesota Statutes 2000, sections 16B.181, subdivision 2; 241.016, subdivision 1; 241.018; 241.021, subdivisions 1, 4, 4a, 6, by adding a subdivision; 241.67, subdivision 8; 241.69; 242.32, subdivision 1a; 243.05, subdivision 6; 243.51, subdivision 2; 243.53, subdivision 1; 244.052, subdivision 3; 244.17, subdivision 1; 244.173; 390.11, subdivision 1, by adding a subdivision; 390.32, by adding a subdivision; 609.105, by adding a subdivision; 609.341, subdivision 11; 609.344, subdivision 1; 609.345, subdivision 1; 609.3452, subdivision 1, by adding subdivisions; 611A.19; Laws 1996, chapter 463, section 16, subdivision 3, as amended; repealing Minnesota Statutes 2000, sections 241.016, subdivision 2; 241.018; 241.19; 241.272, subdivision 7; 242.51.

PATRICK E. FLAHAVEN, Secretary of the Senate

Bishop moved that the House refuse to concur in the Senate amendments to H. F. No. 1261, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

S. F. Nos. 1666, 1341, 1367, 761, 1144, 1324 and 1394.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1666, A bill for an act relating to commerce; allowing licensing exemption for certain sales of horse trailers and temporary sales of recreational vehicles; amending Minnesota Statutes 2000, section 168.27, subdivision 10.

The bill was read for the first time.

Kuisle moved that S. F. No. 1666 and H. F. No. 1821, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1341, A bill for an act relating to health; requiring disclosure of the form of care or treatment provided in certain special care status units; providing penalties and remedies; amending Minnesota Statutes 2000, sections 144A.4605, subdivision 4; 144D.03, subdivision 2; 144D.04, subdivisions 2, 3; 144D.06; proposing coding for new law in Minnesota Statutes, chapter 325F.

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

S. F. No. 1367, A bill for an act relating to counties; providing a new standard of market value for new counties; providing for signatures from both affected areas on a petition to change county boundaries; requiring the secretary of state to certify the validity of the signatures; providing for a special election to fill vacancies or add members to a county board after the change of county boundaries; amending Minnesota Statutes 2000, sections 370.01; 370.02; 370.03; 370.07; 370.10; 370.12; 370.13; repealing Minnesota Statutes 2000, section 370.11.

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

S. F. No. 761, A bill for an act relating to state government; providing for proportional representation between the metropolitan area and nonmetropolitan areas on administrative boards and agencies; amending Minnesota Statutes 2000, sections 15.0575, subdivision 2; 15.0597, subdivision 4; 214.09, subdivision 2.

The bill was read for the first time.

Kubly moved that S. F. No. 761 and H. F. No. 546, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1144, A bill for an act relating to driving while impaired; defining terms relating to alcoholic beverage concentration; allowing persons employed in certain health-related occupations to chemically test a person for DWI-related purposes; amending Minnesota Statutes 2000, sections 169A.03, by adding subdivisions; and 169A.51, subdivision 7.

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

S. F. No. 1324, A bill for an act relating to public safety; modifying training requirements that the rules of the board of private detective and protective agent services must address; amending Minnesota Statutes 2000, sections 326.32, subdivision 1a, by adding a subdivision; 326.3361, subdivisions 1, 2.

The bill was read for the first time.

Hilstrom moved that S. F. No. 1324 and H. F. No. 1997, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1394, A bill for an act relating to human services; changing child placement provisions; modifying provisions governing child maltreatment investigations; classifying data and authorizing data sharing; amending Minnesota Statutes 2000, sections 13.319, by adding a subdivision; 13.32, subdivision 3; 13.43, by adding a subdivision; 13.46, subdivision 2; 119B.02, by adding a subdivision; 256.01, subdivision 2; 256.045, subdivision 3b; 260C.007, subdivisions 4, 14, and by adding subdivisions; 260C.141, subdivision 2; 260C.151, subdivision 6; 260C.178, subdivisions 1 and 7; 260C.193, subdivision 3; 260C.201, subdivisions 1, 2, 5, 6, 7, 10, 11, and by adding a subdivision; 260C.205; 260C.212, subdivisions 1, 2, 4, 5, 7, 8, and 9; 260C.215, subdivision 6; 260C.301, subdivisions 1, 4, and 8; 260C.312; 260C.317, subdivision 3; and 260C.325, subdivision 4; 626.556, subdivisions 2, 3, 4, 7, 10, 10b, 10d, 10e, 10i, 10j, 11; proposing coding for new law in Minnesota Statutes, chapter 256F; repealing Minnesota Statutes 2000, sections 260C.325, subdivision 2; and 626.5565.

The bill was read for the first time.

Tingelstad moved that S. F. No. 1394 and H. F. No. 1397, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

CONSENT CALENDAR

Molnau moved that the Consent Calendar be continued. The motion prevailed.

FISCAL CALENDAR

Pursuant to rule 1.22, Bishop requested immediate consideration of S. F. No. 2340.

S. F. No. 2340 was reported to the House.

Seifert moved to amend S. F. No. 2340, the unofficial engrossment, as follows:

Page 39, after line 10, insert:

"Sec. 17. [174.026] [CONSERVATION.]

The department must keep interior lights turned off in parts of the building at 395 John Ireland Boulevard when no one is working in those parts of the building, and when there is no energy efficiency, security, or safety reason for the lights to be on."

Re-number the sections in sequence and correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Kuisle and Molnau moved to amend S. F. No. 2340, the unofficial engrossment, as amended, as follows:

Page 36, after line 34, insert:

"Sec. 15. Minnesota Statutes 2000, section 168.27, subdivision 12a, is amended to read:

Subd. 12a. [GROUNDS FOR CANCELLATION ~~WITHOUT HEARING; NOTICE REQUIRED.~~] (a) A license may be canceled by the registrar after notice to the dealer, upon satisfactory proof that the dealer: (1) has failed to provide or maintain the required surety bond; ~~or that the dealer;~~ (2) has failed to provide or maintain the insurance required under chapter 65B; or (3) is no longer operating at the dealer's licensed location.

(b) Surety companies and insurers providing required coverages shall promptly notify the registrar upon canceling any surety bond or required insurance. The registrar shall notify the dealer of the reason or reasons for cancellation before the cancellation occurs."

Page 37, after line 33, insert:

"Sec. 17. Minnesota Statutes 2000, section 169.09, subdivision 8, is amended to read:

Subd. 8. [OFFICER TO REPORT ACCIDENT TO COMMISSIONER.] ~~Every~~ A law enforcement officer who, in the regular course of duty, investigates a motor vehicle accident ~~of which report must be made as required in that must be reported under this section, either at the time of and at the scene of the accident or thereafter by interviewing participants or witnesses;~~ shall, within ten days after the date of ~~such the~~ accident, forward ~~a~~ an electronic or written report of ~~such the~~ accident to the commissioner of public safety.

Sec. 18. Minnesota Statutes 2000, section 169.09, subdivision 9, is amended to read:

Subd. 9. [ACCIDENT REPORT FORMS.] The department of public safety shall prepare ~~and electronic or written forms for accident reports required under this section.~~ Upon request, ~~the department shall supply the forms to police departments, coroners, sheriffs, garages, and other suitable agencies or individuals, forms for accident reports required hereunder.~~ The forms must be appropriate with respect to the persons required to make such the reports and the purposes to be served. The electronic or written reports report forms to be made completed by persons involved in accidents and by investigating officers ~~shall~~ must call for sufficiently detailed information to disclose with reference to a traffic accident the causes, conditions then existing, and the persons and vehicles involved.

Sec. 19. Minnesota Statutes 2000, section 169.09, subdivision 10, is amended to read:

Subd. 10. [USE OF FORM REQUIRED.] Every A required accident report ~~required to be made in writing shall~~ must be made on ~~the an~~ appropriate form approved by the department of public safety and contain all of the information required ~~therein~~ unless not available.

Sec. 20. Minnesota Statutes 2000, section 169.09, subdivision 13, is amended to read:

Subd. 13. [REPORTS CONFIDENTIAL; EVIDENCE, FEE, PENALTY, APPROPRIATION.] (a) ~~All~~ Electronic and written reports and supplemental reports required under this section ~~shall be are~~ for the use of the commissioner of public safety and other appropriate state, federal, county, and municipal governmental agencies for accident analysis purposes, except:

(1) the commissioner of public safety or any law enforcement agency shall, upon written request of any person involved in an accident or upon written request of the representative of the person's estate, surviving spouse, or one or more surviving next of kin, or a trustee appointed pursuant to section 573.02, disclose to the requester, the requester's legal counsel, or a representative of the requester's insurer the report required under subdivision 8;

(2) the commissioner of public safety shall, upon written request, provide the driver filing a report under subdivision 7 with a copy of the report filed by the driver;

(3) the commissioner of public safety may verify with insurance companies vehicle insurance information to enforce sections 65B.48, 169.792, 169.793, 169.796, and 169.797;

(4) the commissioner of public safety shall provide the commissioner of transportation the information obtained for each traffic accident involving a commercial motor vehicle, for purposes of administering commercial vehicle safety regulations; and

(5) the commissioner of public safety may give to the United States Department of Transportation commercial vehicle accident information in connection with federal grant programs relating to safety.

(b) Accident reports and data contained in the reports ~~shall are not be~~ discoverable under any provision of law or rule of court. ~~No A~~ report ~~shall may not~~ be used as evidence in any trial, civil or criminal, arising out of an accident, except that the commissioner of public safety shall furnish upon the demand of ~~any a~~ person who has, or claims to have, made a report, or, upon demand of ~~any a~~ court, a certificate showing that a specified accident report has or has not been made to the commissioner solely to prove compliance or failure to comply with the requirements that the report be made to the commissioner.

(c) Nothing in this subdivision prevents ~~any a~~ person who has made a report pursuant to this section from providing information to ~~any~~ persons involved in an accident or their representatives or from testifying in ~~any a~~ trial, civil or criminal, arising out of an accident, as to facts within the person's knowledge. It is intended by this subdivision to render privileged the reports required, but it is not intended to prohibit proof of the facts to which the reports relate.

(d) Disclosing ~~any~~ information contained in ~~any an~~ accident report, except as provided in this subdivision, section 13.82, subdivision 3 or 4, or other statutes, is a misdemeanor.

(e) The commissioner of public safety may charge authorized persons a \$5 fee for a copy of an accident report. The commissioner may also furnish copies of the modified accident records database to private agencies as provided in paragraph (g) for not less than the cost of preparing the copies.

(f) The commissioner and law enforcement agencies may charge commercial users who request access to response or incident data relating to accidents a fee not to exceed 50 cents per report. "Commercial user" is a user who in one location requests access to data in more than five accident reports per month, unless the user establishes that access is not for a commercial purpose. Money collected by the commissioner under this paragraph is appropriated to the commissioner.

(g) The commissioner may provide a modified copy of the accident records database that does not contain names, driver's license numbers, vehicle license plate numbers, addresses, or other identifying data to the public upon request."

Page 39, after line 10, insert:

"Sec. 22. Minnesota Statutes 2000, section 171.07, subdivision 1, is amended to read:

Subdivision 1. [LICENSE; CONTENTS.] ~~The department shall,~~ Upon the payment of the required fee, the department shall issue to every qualifying applicant ~~qualifying therefor~~ a license designating the type or class of vehicles the applicant is authorized to drive as applied for, ~~which.~~ This license shall must bear ~~thereon~~ a distinguishing number assigned to the licensee, the full name, date of birth, residence address and permanent mailing address if different, a description of the licensee in such manner as the commissioner deems necessary, and a space upon which the licensee shall write the usual signature and the date of birth of the licensee ~~with pen and ink.~~ No license ~~shall be~~ is valid until it has been ~~so~~ signed by the licensee. Except in the case of an instruction permit, every license ~~shall must~~ bear ~~thereon~~ a colored photograph or an electronically produced image of the licensee. Every license issued to an applicant under the age of 21 ~~shall must~~ be of a distinguishing color and plainly marked "Under-21." The department shall use such process or processes in the issuance of licenses that prohibits, as near as possible, the ability to alter or reproduce the licenses, or prohibit the ability to superimpose a photograph or electronically produced image on ~~such the~~ licenses, without ready detection. A license issued to an applicant ~~of~~ age 65 or over ~~shall must~~ be plainly marked "senior" if requested by the applicant.

Sec. 23. Minnesota Statutes 2000, section 171.183, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS.] For the purposes of sections 171.182 to 171.184, a judgment is satisfied if:

(1) ~~\$25,000~~ \$30,000 has been credited upon any judgment or judgments rendered in excess of that amount because of bodily injury to or death of one person as the result of any one accident;

(2) subject to the limit of ~~\$25,000~~ \$30,000 because of bodily injury to or death of one person, the sum of ~~\$50,000~~ \$60,000 has been credited upon any judgment or judgments rendered in excess of that amount because of bodily injury to or death of two or more persons as the result of any one accident; or

(3) \$10,000 has been credited upon any judgment or judgments rendered in excess of that amount because of damage to or destruction of property of others as a result of any one accident."

Renumber the sections in sequence and correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

S. F. No. 2340, A bill for an act relating to appropriations; appropriating money for the department of transportation and other government agencies with certain conditions; establishing, funding, or regulating certain policies, programs, duties, activities, or practices; funding and regulating criminal justice and prevention programs; modifying provisions relating to transportation, public safety, law enforcement, streets and highways, motor vehicles, traffic regulations, local governments, and state and regional agencies and authorities; providing funding for economic, energy, transportation, infrastructure, and recreational development, with certain conditions; proposing an amendment to the Minnesota Constitution by adding a section to article XIV to dedicate proceeds of the tax on the sale of motor vehicles to highway and transit purposes; requiring studies and reports; making technical, conforming, and clarifying changes; imposing penalties; setting fees; amending Minnesota Statutes 2000, sections 3C.12, subdivision 2; 13.679; 13.87, by adding a subdivision; 15.01; 15.06, subdivision 1; 15A.0815, subdivision 2; 16A.641, subdivision 8; 16B.335, subdivision 4; 16B.56, subdivision 1; 16B.76, subdivision 1; 16C.05, subdivision 2; 16C.06, subdivisions 1, 2; 16C.08, subdivision 2; 17.86, subdivision 3; 18.024, subdivision 1; 43A.08, subdivision 1a; 45.012; 103F.325, subdivisions 2, 3; 115A.15, subdivision 5; 116O.06, subdivision 2; 117.51; 123B.65, subdivisions 1, 3, 5; 138.664, by adding a subdivision; 161.082, subdivision 2a; 161.14, by adding a subdivision; 161.23, subdivision 3; 161.32, subdivisions 1, 1b, 1e; 161.442; 161.45, subdivision 1; 162.02, subdivision 12; 162.09, subdivision 4; 167.51, subdivision 2; 168.011, subdivision 7; 168.013, subdivision 1d; 168.09, subdivision 7; 168.12, subdivision 1; 168.1291, subdivision 1; 168.27, subdivisions 12a, 20; 168.33, subdivision 7; 168.381; 168.61, subdivision 1; 169.06, by adding a subdivision; 169.073; 169.09, subdivisions 8, 9, 10, 13; 169.14, subdivisions 4, 5a; 169.18, subdivision 1, by adding a subdivision; 169.686, subdivision 1; 169.79; 169.825, subdivision 11; 169.87, subdivision 4; 170.23; 171.05, subdivision 2b; 171.055, subdivision 2; 171.06, subdivision 2a; 171.07, subdivisions 1, 11; 171.12, subdivision 6; 171.13, subdivision 6; 171.183, subdivision 1; 171.185; 171.26; 171.29, subdivision 2; 171.36; 171.39; 174.03, subdivision 7, by adding a subdivision; 174.24, subdivision 3b; 174.32, subdivision 5; 174.35; 174.70, subdivisions 2, 3; 174.88, subdivision 2; 181.30; 184.29; 184.30, subdivision 1; 184.38, subdivisions 6, 8, 9, 10, 11, 17, 18, 20; 184.41; 216A.01; 216A.035; 216A.036; 216A.05, subdivision 1; 216A.07, subdivision 1; 216A.08; 216A.085, subdivision 3; 216B.02, subdivisions 1, 7, 8; 216B.16, subdivisions 1, 2, 6b, 15; 216B.162, subdivisions 7, 11; 216B.1675, subdivision 9; 216B.241, subdivisions 1a, 1b, 2b; 216C.01, subdivisions 1, 2, 3; 216C.051, subdivision 6; 216C.37, subdivision 1; 216C.40, subdivision 4; 216C.41; 237.02; 237.075, subdivisions 2, 9; 237.082; 237.21; 237.30; 237.462, subdivision 6; 237.51, subdivisions 1, 5, 5a; 237.52, subdivisions 2, 4, 5; 237.54, subdivision 2; 237.55; 237.59, subdivision 2; 237.768; 239.01; 239.10; 297B.09, subdivision 1; 299A.01, subdivision 1b; 299A.64, subdivision 1; 299C.10, subdivision 1; 299C.11; 299C.147, subdivision 2; 299D.03, subdivisions 5, 6, by adding a subdivision; 299M.10; 299M.11, subdivision 5; 325E.11; 325E.115, subdivision 2; 326.243; 446A.085; 473.399, by adding a subdivision; 473.859, subdivision 2; 484.50; 611A.25, subdivision 3; 611A.361, subdivision 3; Laws 1999, chapter 238, article 1, section 2, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 161; 167; 168A; 169; 174; 219; 240A; 299A; 299C; 473; 609; repealing Minnesota Statutes 2000, sections 174.22, subdivision 9; 174.32, subdivisions 2, 4; 184.22, subdivisions 2, 3, 4, 5; 184.37, subdivision 2; 216A.06; 237.69, subdivision 3.

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.

Pursuant to rule 2.05, the Speaker excused Holsten from voting on the final passage of S. F. No. 2340, as amended.

There were 68 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Abeler	Bishop	Buesgens	Daggett	Dempsey	Erhardt
Abrams	Boudreau	Cassell	Davids	Dorman	Erickson
Anderson, B.	Bradley	Clark, J.	Dehler	Eastlund	Finseth

Fuller	Jacobson	Mares	Paulsen	Stanek	Westrom
Gerlach	Johnson, J.	McElroy	Pawlenty	Stang	Wilkin
Goodno	Kielkucki	Molnau	Penas	Swenson	Wolf
Gunther	Knoblach	Mulder	Rhodes	Sykora	Workman
Haas	Krinkie	Ness	Rifenberg	Tingelstad	Spk. Sviggum
Hackbarth	Kuisle	Nornes	Ruth	Tuma	
Harder	Leppik	Olson	Seagren	Vanderveer	
Holberg	Lindner	Osskopp	Seifert	Walz	
Howes	Lipman	Ozment	Smith	Westerberg	

Those who voted in the negative were:

Anderson, I.	Evans	Jennings	Lenczewski	Opatz	Skoglund
Bakk	Folliard	Johnson, R.	Lieder	Osthoff	Slawik
Bernardy	Gleason	Johnson, S.	Luther	Otremba	Solberg
Biernat	Goodwin	Juhnke	Mahoney	Paymar	Swapinski
Carlson	Gray	Kahn	Mariani	Pelowski	Thompson
Clark, K.	Greiling	Kalis	Marko	Peterson	Wagenius
Davnie	Hausman	Kelliher	Marquart	Pugh	Walker
Dawkins	Hilstrom	Koskinen	McGuire	Rukavina	Wasiluk
Dibble	Hilty	Kubly	Milbert	Schumacher	Wenzel
Dorn	Huntley	Larson	Mullery	Sertich	Winter
Entenza	Jaros	Leighton	Murphy	Skoe	

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

There being no objection, the order of business advanced to Motions and Resolutions.

MOTIONS AND RESOLUTIONS

The Speaker called Abrams to the Chair.

House Concurrent Resolution No. 3 was reported to the House.

HOUSE CONCURRENT RESOLUTION NO. 3

A House concurrent resolution adopting Permanent Joint Rules of the Senate and House of Representatives.

Be It Resolved, by the House of Representatives of the State of Minnesota, the Senate concurring:

The Permanent Joint Rules of the Senate and the House of Representatives in effect at the end of the 81st Legislature, as amended in this concurrent resolution, are adopted as the Permanent Joint Rules for the 82nd Legislature.

**JOINT RULES OF THE SENATE AND
HOUSE OF REPRESENTATIVES**

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ARTICLE I: JOINT CONVENTIONS**HOW GOVERNED**

Rule 1.01. The Speaker of the House shall preside at all Conventions of the two houses of the Legislature and shall call the members to order. The Chief Clerk of the House shall be the Secretary and the Sergeant at Arms of the House shall be the Sergeant at Arms of the Convention.

PRESIDENT'S DUTIES

Rule 1.02. The President of the Convention shall preserve order and decorum. The President may speak on all points of order in preference to other members and shall decide questions of order, subject to an appeal to the Convention by any member. The President shall rise to put a question but may state it while seated.

PRESIDENT'S RIGHT TO VOTE

Rule 1.03. The President shall have the right to vote in all cases except appeals from the President's decisions. The President shall vote last on all questions.

STATING QUESTIONS

Rule 1.04. Questions shall be put to the Convention in the following form: "As many as are of the opinion that (the question) shall pass, say 'Aye.'" After an affirmative vote is expressed the nays shall be called as follows: "As many as are of the contrary opinion, say 'No.'" If the President is in doubt or a division is called, those in the affirmative shall rise first and those in the negative afterward.

ORDER OF DEBATE

Rule 1.05. When any member wishes to speak to the Convention on any matter, the member shall rise and respectfully address the President, and not speak further until recognized. The member shall speak only to the question under debate and avoid personal remarks. When two or more members rise at the same time, the President shall designate the member to speak first. No member shall speak more than twice on the same question without permission of the Convention.

CALLING MEMBER TO ORDER

Rule 1.06. If any member of the Joint Convention is called to order for offensive words in debate, the member calling to order shall report the words to which exception is taken and the Secretary shall record them. No member may be called to order for any language used in debate if exception is not taken before any other member has spoken or any other business has taken place. A member called to order shall immediately sit down unless another member moves to permit the member to explain. In any case, the Joint Convention, if appealed to, shall decide without debate. Only if the decision is in favor of the member called to order shall the member be at liberty to proceed.

CALL OF THE CONVENTION

Rule 1.07. Five members may demand a call of the Convention at any time except after voting has commenced. When such a call is demanded, the doors shall be closed, the roll shall be called, the absent members shall be sent for, and no member may be permitted to leave the Chamber, unless excused by the President, until the call is lifted. Proceedings under the roll call may be suspended by a majority vote of all the members of the Convention. A call of the Convention may be lifted by a majority vote of all the members of the Convention.

ELECTIONS

Rule 1.08. In all elections by the Joint Convention, members shall vote viva voce and the roll of Senate members shall be called first. Whenever there is an election of any officer in Joint Convention, the result shall be certified by the President of the Senate and the Speaker of the House and announced by them to their respective houses. The result shall be entered in the Journal of each house and communicated to the Governor by the Secretary of the Convention.

NO SMOKING

Rule 1.09. No person is permitted to smoke in the Chamber or in the gallery during a Joint Convention.

PARLIAMENTARY PROCEDURE

Rule 1.10. The rules of the House shall be the Rules of the Joint Convention of both houses in all cases in which the foregoing rules are not applicable.

ARTICLE II: BILLS

FORM

Rule 2.01. The title of each bill shall clearly state its subject and briefly state its purpose. When a bill amends or repeals an existing act, the title shall refer to the chapter, section or subdivision.

Reference shall be made to Minnesota Statutes for the provisions appearing therein unless reference to previous session laws is required for some special reason.

Bills shall refer to Minnesota Statutes as follows:

"Minnesota Statutes, section"

Bills shall refer to the session laws as follows:

"Laws, chapter, section"

A bill for the amendment of a statute shall contain the full text of the section or subdivision to be amended as it appears in the latest edition of Minnesota Statutes unless it has been amended, in which event it shall contain the full text as amended.

The words and characters constituting the amending matter shall be inserted in the proper place in the text and underscored. The words and characters to be eliminated by the amendment shall be stricken by drawing a line through them. The text of a new section or subdivision shall also be underscored when a bill amends an existing chapter or section by adding a new section or subdivision. In the omnibus appropriation bills ~~required by~~ identified by concurrent resolution under Joint Rule 2.02 2.03, sections making an appropriation or transfer and not amending a statute or session law need not have new material underscored. Before a committee favorably reports upon a bill, the chair of the committee shall see that the bill conforms to this rule. When a bill is printed in the Journal, the new matter shall be in italics or underscored and the matter to be eliminated shall be capitalized and in parentheses or stricken by drawing a line through it. A bill drafted by the Revisor of Statutes for the purposes of correcting errors in Minnesota Statutes need not comply with the provisions of this paragraph if the bill is labeled "REVISOR'S BILL" immediately below the title, and if there is attached thereto a memorandum of information explaining the reasons for the bill.

If the bill is for an original law and not for an amendment of an existing law, the sections and subdivisions shall be arranged, subdivided, and numbered in like manner as Minnesota Statutes. If such a bill assigns to the sections thereof headnotes or identification by the decimal system of numbering used in Minnesota Statutes, such headnotes and decimal identification may be submitted by standing committee chairs to the Revisor of Statutes for examination. Any such headnotes shall be capital letters enclosed in brackets, and shall be subject to the provisions of Minnesota Statutes, section 648.36.

All numbers in titles shall be expressed in figures. All numbers of section or chapter of law shall be in figures. In the body of a bill numbers in excess of ten shall be in figures, except for a special reason they may be written, but when written they shall not be followed by numbers or parentheses.

A bill may include or be accompanied by a table of contents.

A bill that repeals a statute ~~may~~ or an administrative rule must include or be accompanied by an appendix containing the full text of the section ~~or~~ subdivision, or rule repealed.

APPROPRIATING MONEY FINANCE

Rule 2.02. The same bill shall not appropriate public money or property to more than one local or private purpose.

No clause appropriating money for a local or private purpose shall be contained in a bill appropriating money for the State government or public institutions.

All resolutions authorizing the issuing of abstracts by the Secretary of the Senate or the Chief Clerk of the House for the payment of money shall be upon the call of "yeas" and "nays."

Neither house may pass an omnibus appropriation bill that combines two or more of the omnibus appropriation bills identified by concurrent resolution under Joint Rule 2.03. If the house of origin passes two or more omnibus bills in place of a single omnibus bill identified in the concurrent resolution, it shall transmit the bills with a record of its action to the other house, which shall indefinitely postpone action on the single omnibus bill in favor of action on the omnibus bills received from the house of origin.

Beginning with the session in 2002, the omnibus tax bill identified by concurrent resolution under Joint Rule 2.03 must be presented to the governor at least ten days before the committee deadline for omnibus appropriation bills under the resolution.

At the direction of the chairs of the Ways and Means Committee of the House and the Finance Committee of the Senate, acting jointly, the fiscal staff of the House and Senate shall jointly prepare a legislative fiscal note for use by the legislature in determining the fiscal effect of a bill.

DEADLINES

Rule 2.03. The Legislature shall establish by concurrent resolution deadlines for each regular session. When a committee in either house acts favorably on a bill after a deadline established in the concurrent resolution, the bill must be referred in the Senate to the Committee on Rules and Administration and in the House of Representatives to the Committee on Rules and Legislative Administration for disposition.

AMENDING BILLS ORIGINATING IN OTHER HOUSE

Rule 2.04. Either house shall have the power to amend any bill, memorial, or resolution passed by the other house.

RECEDING FROM POSITION

Rule 2.05. Prior to a Conference Committee on any matter, either house may recede from its position on any difference existing between the two houses. In order to recede, and if the matter is not in the possession of a house, that house shall request return of the matter from the other house. To recede, a majority of a house shall govern, except in cases otherwise provided in the Constitution. If the question is put and lost, it shall not be put again on the same day. A reconsideration of the question shall in all respects be regulated by the rules of that house.

CONFERENCE COMMITTEES

Rule 2.06. In all cases of disagreement between the Senate and House on amendments adopted by either house to a bill, memorial or resolution passed by the other house, a Conference Committee consisting of not less than three members nor more than five members from each house may be requested by either house. The other house shall appoint a similar committee.

The manner of procedure shall be as follows: The house of origin passes a bill and transmits it to the other ~~body~~ house. If the other ~~body~~ house adopts an amendment to the bill and passes it as amended, it shall return the bill with a record of its actions to the house of origin. ~~If the house of origin~~ Now either house, when in possession of the bill, may further amend it, pass it as amended, and transmit it to the other house with a record of its actions. After each house has passed the bill once, if either house does not further amend the bill and refuses to concur in the amendment of the other house, it shall ask for a Conference Committee, appoint such a committee on its part, and transmit the bill with a record of its action to the other house. If the other house adheres to its amendment, it shall appoint a like committee and return the bill to the other house ~~of origin~~.

All Conference Committees shall be open to the public. As much as practical, meetings of Conference Committees shall be announced as far in advance as possible and actions taken shall be agreed upon in an open meeting. At an agreed upon hour the Conference Committee shall meet. The members from each house shall state to the members from the other house, orally or in writing, the reason for their respective positions. The members shall confer thereon. A conference committee may not meet between the hours of ~~midnight~~ 10:00 p.m. and 7:00 a.m., except that a committee may extend a meeting ~~for up to one hour past~~ until 12:00 midnight by a vote of two-thirds of the members appointed to the committee by each house. ~~The conferees shall report to their respective houses the agreement they have reached, or, if none, the fact of a disagreement.~~

~~If an agreement is reported, the house of origin shall act first upon the report. A Conference Committee report must be limited to provisions that are germane to the bill and amendments that were referred to the Conference Committee. A provision is not germane if it relates to a substantially different subject or is intended to accomplish a substantially different purpose from that of the bill and amendment that were referred to the Conference Committee. A Conference Committee report may include only (a) subject matter contained in the bill and amendment that were referred to the Conference Committee, and (b) like subject matter contained in a bill passed by the House or Senate. A provision is not like subject matter if it relates to a substantially different subject or is intended to accomplish a substantially different purpose from the bill and amendment that were referred to the Conference Committee.~~

A Conference Committee report may not appropriate a larger sum of money than the larger of the bill or the amendments that were referred to the Conference Committee unless the additional appropriation is authorized by the Speaker of the House of Representatives, with the consent of the House, and the Majority Leader of the Senate, with the consent of the Senate.

A Conference Committee report may not delegate rulemaking to a department or agency of state government or exempt a department or agency of state government from rulemaking unless the delegation or exemption was included in either the bill or the amendment that was referred to the Conference Committee.

A Conference Committee report may not create a new commission, council, task force, board, or other body to which a member of the legislature may be appointed unless the body was created in either the bill or the amendment that was referred to the Conference Committee.

The conferees shall report to their respective houses the agreement they have reached, or, if none, the fact of a disagreement. A conference committee may not report in an odd-numbered year after the day before the third Saturday in May and in an even-numbered year after a date set by concurrent resolution. If an agreement is reported, the house of origin shall act first upon the request. If the report is adopted and repassed as amended by the Conference Committee by the house of origin, the report, the bill and a record of its action shall be transmitted to the other house.

~~Except after the last Thursday on which the Legislature can meet in regular session in odd-numbered years, and after the last Thursday on which the Legislature intended, when it adopted the concurrent resolution required by Rule 2.03, to meet in regular session in even-numbered years, a written copy of a report of a Conference Committee shall be placed on the desk of each member of a house twelve hours before action on the report by that house. If the report has been reprinted in the Journal of either house for a preceding day and is available to the members, the Journal copy shall serve as the written report.~~

A report of a Conference Committee must be available to the members of a house, in printed, journal, or electronic form, at least twenty-four hours before action on the report by that house. A house may not act in one legislative day on the reports of conference committees on more than two categories of omnibus fiscal bills identified by concurrent resolution under Joint Rule 2.03.

The member presenting the Conference Committee report to the body shall disclose, either in writing or orally, the substantial changes from the bill or the amendment as they were last before the body.

ENROLLMENT AND SIGNATURE

Rule 2.07. After a bill or memorial or joint resolution has been passed by both houses, it shall be carefully and properly enrolled by the Revisor of Statutes under the direction of the Secretary of the Senate for a matter originating in the Senate or the Chief Clerk of the House for a matter originating in the House.

The enrollment shall be prepared on archival quality paper approximately 8 1/2" x 14" in size and may be produced by means of a copying machine. An enrolled bill shall be labeled "An Act" but otherwise shall be identical to the bill passed by the Legislature. Other enrollments shall be identical to the memorial or joint resolution passed by the legislature.

The Revisor of Statutes shall obtain the signatures and certificates of the proper officers to the enrollment. A joint resolution applying to the Congress of the United States to call a convention for proposing amendments to the Constitution of the United States, ratifying an amendment to the Constitution of the United States, proposing an amendment to the Minnesota Constitution, or prescribing the compensation of judges shall not be presented to the Governor for approval but shall be deposited by the Revisor of Statutes with the Secretary of State. All other enrollments shall be presented to the Governor for approval.

ARTICLE III: GENERAL PROVISIONS

SUSPENSION OF JOINT RULES

Rule 3.01. Either house may suspend the Joint Rules of the Senate and House by a vote of two-thirds of its members.

ODD YEAR SESSION ADJOURNMENT

Rule 3.02. Adjournment of the regular session in any odd-numbered year to a date certain in the following year shall be equivalent to daily adjournment, except that upon adjournment in any odd-numbered year to a date certain in the following year:

(a) Any bill being considered by a Conference Committee shall be returned to the house of origin, laid on the table, and the Conference Committee shall be discharged;

(b) Any bill referred to the Committee on Rules and Administration in the Senate or the Committee on Rules and Legislative Administration in the House pursuant to Joint Rule 2.03 shall be returned to the standing committee to which it was last previously referred; and

(c) Any bill returned by the Governor to the house of origin with the Governor's objections following the adjournment shall be laid on the table.

INTERIM COMMITTEE AND COMMISSION REPORTS

Rule 3.03. Except as otherwise provided by law, the report of any interim committee or commission to the Legislature shall be submitted on paper 8 1/2" x 11" in size, spiral bound, stapled, or punched on the left edge to fit a standard size three ring binder intended for that size paper. A brief summary of the recommendations of the commission or committee shall appear first and be clearly separated from its findings, discussions, and exhibits. If the report contains legislative recommendations, a copy of any proposed legislation, particularly if extensive in character, shall if possible be attached as an exhibit at the end of the report.

MEETING TIMES

Rule 3.04. Neither house, nor any joint legislative committee or commission, may meet between the hours of 10:00 p.m. and 7:00 a.m., except that a meeting may be extended until 12:00 midnight by a majority vote of the members present, for meetings of a house, or by a two-thirds vote of the members present, for meetings of a joint committee or commission.

ARTICLE IV: ELECTION OF REGENTS

JOINT COMMITTEE

Rule 4.01. By May 7 of each odd-numbered year, or at a date agreed to by concurrent resolution, a joint committee shall meet to recommend nominees for regent of the University of Minnesota to be presented to a Joint Convention of the legislature. The members of the joint committee are the members of the senate and house committees on education. A majority of the members from each house is a quorum of the joint committee.

The joint committee shall determine the number of persons, and the person or persons to be recommended for each open seat.

Each person recommended by the regent candidate advisory council is considered to be nominated. Other persons may be nominated by a member of the committee at the meeting. Nominations may be made by committee members only. Nominations must be made for a specified congressional or student seat, or for any at-large seat.

The roll shall be called viva voce on the recommendation of regents. A majority vote of the members of the joint committee is required for a candidate to be recommended.

JOINT CONVENTION

Rule 4.02. At the Joint Convention of the Senate and House of Representatives called to elect regents, the joint committee shall report the name of the person or persons recommended for each seat. These persons are considered to be nominated. Any member of the legislature may submit additional nominations. If there is more than one at-large seat to be filled, all candidates nominated for an at-large seat are candidates for any of the at-large seats.

The roll shall be called viva voce on the election of regents. The roll must be called first on congressional district seats until they are filled, then on the student seat, and then on the at-large seats.

Each member may cast one vote for each seat to be filled, but no more than one vote for a candidate.

The candidate for each seat receiving a majority of the votes cast must be declared elected. If there is more than one at-large seat to be filled and more than one candidate who receives a majority of the votes cast, the candidates receiving the highest number of votes must be declared elected; in case of a tie for the highest number of votes, the votes must be cast again. If no candidate receives a majority of the votes cast for a seat, on each succeeding ballot the candidate with the fewest votes must be dropped from consideration and the votes cast again until a majority vote is achieved. Any candidate with fewer than 20 votes on any ballot shall also be dropped on succeeding ballots.

Olson and Tuma moved to amend House Concurrent Resolution No. 3 as follows:

Page 1, line 2, before "adopting" insert "relating to"

Page 1, line 6, after "concurring" insert "that"

Delete page 1, line 7 to page 13, line 9, and insert:

"(1) The Speaker of the House of Representatives and the Subcommittee on Committees of the Committee on Rules and Administration of the Senate shall appoint a bicameral task force to study and report to the House of Representatives and the Senate by January 1, 2002, recommending improvements in legislative rules for the purposes of:

(a) enhancing the openness and accessibility of the legislative process to citizens,

(b) relieving the end-of-session crush of legislative business,

(c) controlling excessive work hours and late-night committee and floor meetings toward the end of session,

(d) making more effective and efficient use of limited session time and the time of legislators and staff, executive branch officials and staff, and other participants in the legislative process,

(e) improving communication and cooperation between the two houses on legislation,

(f) making the decision-making process more open, deliberative, and reflective, particularly in the closing weeks of session, and

(g) enhancing the decision-making authority of individual legislators by reducing the current reliance on decision-making through large omnibus fiscal bills covering multiple subjects within a subject area negotiated in end-of-session conference committees.

(2) The task force shall report on at least the following proposals for advancing these goals:

(a) eliminate all but emergency legislative meetings after 10:00 p.m. and forbid meetings after 12:00 midnight,

(b) provide better information to legislators on legislation repealing administrative rules,

(c) split up omnibus fiscal bills into smaller bills,

(d) obtain earlier, detailed bicameral agreement on taxes and revenues, so as to provide a more uniform context for spending decisions in both houses,

(e) authorize the production of bicameral legislative fiscal notes on disputed matters,

(f) use joint committees in the legislative process and better coordinate session and committee meeting times so as to enhance the opportunity for joint committee meetings,

(g) reduce the use of conference committees by not requiring the house of origin to request a conference committee upon the first sign of disagreement between the houses.

(h) restrict the authority of conference committees to include extraneous matter and to reach agreements not authorized or consented to by the members of the two houses.

(i) establish and enforce earlier deadlines for conference committees and forbid conference committees to report in the closing days of session.

(j) require that every conference committee report be available to members at least 24 hours before action on the report, and

(k) limit the number of conference committee reports on major bills that may be considered in one day."

The motion prevailed and the amendment was adopted.

Juhnke and Olson moved to amend House Concurrent Resolution No. 3, as amended, as follows:

Page 1 of the Olson and Tuma amendment, delete lines 7 to 9 and insert:

"(1) The DFL majority leader and Republican minority leader of the senate and speaker and DFL minority leader of the house of representatives shall each appoint one-fourth of the members of a bicameral task"

The motion prevailed and the amendment was adopted.

Carlson moved to amend House Concurrent Resolution No. 3, as amended, as follows:

Page 3 of the Olson and Tuma amendment, after line 1, insert:

"(3) The task force shall establish a procedure whereby a joint convention of the senate and house of representatives must meet to elect regents by a date certain prior to adjournment."

A roll call was requested and properly seconded.

Tuma moved to amend the Carlson amendment to House Concurrent Resolution No. 3, as amended, as follows:

Page 1, line 7, delete "establish" and insert "recommend"

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 69 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Abeler	Bishop	Buesgens	Daggett	Dempsey	Erhardt
Abrams	Boudreau	Cassell	Davids	Dorman	Erickson
Anderson, B.	Bradley	Clark, J.	Dehler	Eastlund	Finseth

Fuller	Howes	Lipman	Ozment	Smith	Westerberg
Gerlach	Jacobson	Mares	Paulsen	Stanek	Westrom
Goodno	Johnson, J.	McElroy	Pawlenty	Stang	Wilkin
Gunther	Kielkucki	Molnau	Penas	Swenson	Wolf
Haas	Knoblach	Mulder	Rhodes	Sykora	Workman
Hackbarth	Krinkie	Ness	Rifenberg	Tingelstad	Spk. Sviggum
Harder	Kuisle	Nornes	Ruth	Tuma	
Holberg	Leppik	Olson	Seagren	Vandever	
Holsten	Lindner	Osskopp	Seifert	Walz	

Those who voted in the negative were:

Anderson, I.	Evans	Jennings	Lenczewski	Opatz	Skoglund
Bakk	Folliard	Johnson, R.	Lieder	Osthoff	Slawik
Bernardy	Gleason	Johnson, S.	Luther	Otremba	Solberg
Biernat	Goodwin	Juhnke	Mahoney	Paymar	Swapinski
Carlson	Gray	Kahn	Mariani	Pelowski	Thompson
Clark, K.	Greiling	Kalis	Marko	Peterson	Wagenius
Davnie	Hausman	Kelliher	Marquart	Pugh	Walker
Dawkins	Hilstrom	Koskinen	McGuire	Rukavina	Wasiluk
Dibble	Hilty	Kubly	Milbert	Schumacher	Wenzel
Dorn	Huntley	Larson	Mullery	Sertich	Winter
Entenza	Jaros	Leighton	Murphy	Skoe	

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

The question recurred on the Carlson amendment, as amended, and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dempsey	Hackbarth	Knoblach	Milbert	Rhodes
Abrams	Dibble	Harder	Koskinen	Molnau	Rifenberg
Anderson, B.	Dorman	Hausman	Krinkie	Mulder	Rukavina
Anderson, I.	Dorn	Hilstrom	Kubly	Mullery	Ruth
Bakk	Eastlund	Hilty	Kuisle	Murphy	Schumacher
Bernardy	Entenza	Holberg	Larson	Ness	Seagren
Biernat	Erhardt	Holsten	Leighton	Nornes	Seifert
Bishop	Erickson	Howes	Lenczewski	Olson	Sertich
Boudreau	Evans	Huntley	Leppik	Opatz	Skoe
Bradley	Finseth	Jacobson	Lieder	Osskopp	Skoglund
Buesgens	Folliard	Jaros	Lindner	Osthoff	Slawik
Carlson	Fuller	Jennings	Lipman	Otremba	Smith
Cassell	Gerlach	Johnson, J.	Luther	Ozment	Solberg
Clark, J.	Gleason	Johnson, R.	Mahoney	Paulsen	Stanek
Clark, K.	Goodno	Johnson, S.	Mares	Pawlenty	Stang
Daggett	Goodwin	Juhnke	Mariani	Paymar	Swapinski
Davids	Gray	Kahn	Marko	Pelowski	Swenson
Davnie	Greiling	Kalis	Marquart	Penas	Sykora
Dawkins	Gunther	Kelliher	McElroy	Peterson	Thompson
Dehler	Haas	Kielkucki	McGuire	Pugh	Tingelstad

Tuma	Walker	Wenzel	Wilkin	Workman
Vanderveer	Walz	Westerberg	Winter	Spk. Sviggum
Wagenius	Wasiluk	Westrom	Wolf	

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

The question recurred on the adoption of House Concurrent Resolution No. 3, as amended. The motion prevailed and House Concurrent Resolution No. 3, as amended, was adopted.

There being no objection, the order of business reverted to Reports of Standing Committees.

REPORTS OF STANDING COMMITTEES

Abrams from the Committee on Taxes to which was referred:

H. F. No. 2498, A bill for an act relating to the financing and operation of government in this state; providing a sales tax rebate; providing property tax reform; making changes to income, franchise, sales and use, property, motor vehicle sales, motor vehicle registration, mortgage registry, deed, motor fuels, cigarette and tobacco, liquor, insurance premiums, lawful gambling, minerals, estate, and special taxes; changing and allowing tax credits, subtractions, and exemptions, including an income tax subtraction for capital gains; providing a biomedical innovation initiative; conforming with changes in federal income tax provisions; providing for allocation and apportionment of income; imposing a state general tax levy on certain property; providing a property tax homestead credit; imposing general levy limits; providing for property tax levy reverse referenda; changing property tax valuation, assessment, levy, classification, homestead, credit, aid, exemption, deferral, review, appeal, abatement, and distribution provisions; abolishing certain property tax levies for transit and establishing a transit fund; providing and modifying certain aids to local units of government; changing levy authority; providing for certain payments in lieu of taxes; reducing rates on lawful gambling taxes; reducing rates on solid waste management taxes; providing for state takeover of certain costs of district court administration and out-of-home placement; providing for uniform sales and use tax administration; providing for taxation and incentive payments on forest lands; providing for electronic filing and payment of taxes; changing procedures for disposition of seized contraband; abolishing certain health care provider taxes and health plan premium taxes; providing for deposit of certain tobacco settlement and cigarette tax proceeds to the health care access fund; changing tax increment financing provisions and authorizing certain grants, duration extensions, and expenditures; requiring registration of tax increment financing consultants; creating a health care access fund reserve; reducing the tax on life insurance premiums; increasing property tax refunds and changing calculation of rent constituting property taxes for purposes of property tax refunds; reducing taconite production tax and occupation tax rates; providing special authority to certain political subdivisions; authorizing special taxing districts; changing and clarifying tax administration, collection, enforcement, interest, and penalty provisions; changing revenue recapture provisions; authorizing abatements and waivers of fees and certain taxes in disaster areas; changing and imposing fees; changing debt collection provisions for student loans; providing certain duties and powers to the commissioner of revenue; authorizing publication of names of certain delinquent taxpayers; authorizing border city allocations; changing provisions relating to tax-forfeited lands and providing for a tax-forfeited lands transfer; defining terms; classifying data; establishing a legislative commission; requiring studies; imposing a criminal penalty; appropriating money; amending Minnesota Statutes 2000, sections 16D.08, subdivision 2; 62J.041, subdivision 1; 62Q.095, subdivision 6; 69.021, subdivision 5; 84.922, by adding a subdivision; 88.49, subdivisions 5, 9a; 88.491, subdivision 2; 97A.065, subdivision 2; 103D.905, subdivision 3; 115B.24, subdivision 2; 123B.55; 126C.01, subdivision 3; 126C.13, subdivision 4; 126C.17, by adding a subdivision; 144.3831, subdivision 2; 168.013, subdivision 1a; 174.24, subdivision 3b; 179A.101, subdivision 1; 179A.102, subdivision 6; 179A.103, subdivision 1; 214.16, subdivisions 2, 3; 239.101,

subdivision 3; 260.765, by adding a subdivision; 260.771, by adding a subdivision; 270.06; 270.07, subdivision 3; 270.11, by adding a subdivision; 270.12, subdivision 2; 270.271, subdivisions 1, 3; 270.60, subdivision 4, by adding a subdivision; 270.70, subdivision 13; 270.73, subdivision 1; 270.771; 270.78; 270A.03, subdivisions 5, 7; 270A.11; 270B.01, subdivision 8; 270B.02, subdivisions 2, 3; 270B.03, subdivision 6; 270B.14, subdivision 1; 271.01, subdivision 5; 271.21, subdivision 2; 272.02, subdivisions 9, 10, 22, by adding subdivisions; 273.061, subdivisions 1, 2, 8; 273.072, subdivision 1; 273.11, subdivisions 1a, 14, by adding subdivisions; 273.1104, subdivision 2; 273.111, subdivision 4; 273.121; 273.124, subdivisions 8, 13, 14; 273.13, subdivisions 22, 23, 24, 25, 31; 273.1392; 273.1393; 273.1398, subdivisions 1a, 4a, by adding subdivisions; 274.01, subdivision 1; 274.13, subdivision 1; 275.02; 275.065, subdivisions 1, 3, 5a, 6, 8, by adding a subdivision; 275.066; 275.07, subdivision 1; 275.16; 275.62, subdivision 1; 275.70, subdivision 5, by adding subdivisions; 276.04, subdivision 2; 276.11, subdivision 1; 276A.01, subdivision 3; 276A.06, subdivision 3; 282.01, subdivisions 1a, 1b; 282.04, subdivision 2; 287.035; 287.04; 287.08; 287.12; 287.13, by adding a subdivision; 287.20, subdivisions 2, 9; 287.21, subdivision 1; 287.28; 289A.02, subdivision 7, by adding a subdivision; 289A.08, subdivision 16; 289A.12, subdivision 3; 289A.18, subdivision 4; 289A.20, subdivisions 1, 2, 4; 289A.26, subdivision 2a; 289A.31, subdivision 7; 289A.50, subdivisions 2, 2a; 289A.60, subdivisions 7, 21; 290.01, subdivisions 7, 19, 19b, 19c, 19d, 22, 29, 31; 290.014, subdivision 5; 290.05, subdivision 1; 290.06, subdivisions 2c, 22; 290.067, subdivisions 1, 2, 2b; 290.0671, subdivisions 1, 1a, 7; 290.0674, subdivisions 1, 2; 290.0675, subdivisions 1, 3; 290.068, subdivisions 1, 3, 4; 290.091, subdivisions 2, 3; 290.0921, subdivisions 1, 2, 3, 6; 290.0922, subdivision 2; 290.093; 290.095, subdivision 2; 290.17, subdivisions 1, 4; 290.191, subdivisions 2, 3, 5; 290.21, subdivision 4; 290.9725; 290A.03, subdivisions 6, 11, 12, 13, 15; 290A.04, subdivisions 2, 2a, 4; 290A.15; 291.005, subdivision 1; 295.55, subdivision 4; 296A.15, subdivisions 1, 7; 296A.16, subdivision 2; 296A.21, subdivisions 1, 4; 296A.24, subdivisions 1, 2; 297A.01, subdivision 3; 297A.07, subdivision 3; 297A.25, subdivisions 3, 11, 28; 297A.61, subdivisions 2, 3, 4, 6, 7, 9, 10, 12, 14, 16, 17, 19, 22, 23, by adding subdivisions; 297A.62, subdivision 3; 297A.66, subdivisions 1, 3; 297A.67, subdivisions 2, 8, 23, 24, 25, by adding subdivisions; 297A.68, subdivisions 2, 3, 5, 11, 13, 14, 18, 25, by adding subdivisions; 297A.69, subdivision 2; 297A.70, subdivisions 1, 2, 3, 4, 7, 8, 10, 13, 14; 297A.71, subdivisions 3, 6, by adding subdivisions; 297A.72, subdivision 1; 297A.75; 297A.77, subdivision 1; 297A.80; 297A.82, subdivision 3, by adding a subdivision; 297A.89, subdivision 1; 297A.90, subdivision 1; 297A.91; 297A.92, subdivision 2; 297A.94; 297A.99, subdivisions 7, 9, 11; 297B.03; 297B.09, subdivision 1; 297E.02, subdivisions 1, 4, 6; 297E.16, subdivisions 1, 2; 297F.09, subdivision 7; 297F.10, subdivision 1; 297F.16, subdivision 4; 297F.20, subdivision 3; 297F.21, subdivisions 1, 2, 3; 297G.09, subdivision 6; 297G.15, subdivision 4; 297G.16, subdivisions 5, 7; 297G.20, subdivisions 3, 4; 297H.02, subdivision 2; 297H.03, subdivision 2; 297H.04, subdivision 2, by adding a subdivision; 297H.05; 297H.13, by adding a subdivision; 297I.05, by adding a subdivision; 297I.15, by adding a subdivision; 297I.20; 297I.35, subdivision 2; 297I.40, subdivisions 1, 2, 7; 297I.85, subdivision 7; 298.01, subdivisions 3, 3a, 3b, 4, 4a, 4c; 298.225, subdivision 1; 298.24, subdivision 1; 298.27; 298.28, subdivisions 6, 9a; 298.2961, subdivision 2; 298.75, subdivisions 1, 2, by adding a subdivision; 299D.03, subdivision 5; 345.41; 345.42, by adding a subdivision; 349.19, subdivision 2a; 357.021, subdivision 1a; 461.12, by adding a subdivision; 469.040, subdivision 5; 469.169, by adding a subdivision; 469.1732, subdivision 1; 469.174, subdivisions 1, 3, 10, 10a, 12, 25; 469.175, subdivisions 1, 3, 6, 6b, by adding a subdivision; 469.176, subdivisions 1b, 1c, 1e, 3, 4, 4g, by adding a subdivision; 469.1763, subdivision 6; 469.177, subdivisions 1, 11, by adding a subdivision; 469.1771, subdivision 1; 469.178, by adding a subdivision; 469.1791, subdivisions 1, 3, 9; 469.1812, subdivision 2; 469.1813, subdivisions 4, 6; 469.202, subdivision 2; 473.388, subdivisions 4, 7; 473.446, subdivision 1, by adding a subdivision; 473.843, subdivision 3; 473F.08, subdivision 3; 473H.10, subdivision 3; 475.58, subdivision 1; 477A.011, subdivisions 35, 36; 477A.0121, by adding a subdivision; 477A.0122, by adding a subdivision; 477A.013, subdivisions 1, 9; 477A.03, subdivision 2, by adding a subdivision; 477A.12; 477A.14; 480.181, subdivision 1; 487.33, subdivision 5; 574.34, subdivision 1; Laws 1986, chapter 396, section 5; Laws 1997, chapter 231, article 10, section 25; Laws 1998, chapter 389, article 16, section 35, subdivision 1; Laws 1999, chapter 216, article 7, section 46, subdivision 3; Laws 1999, chapter 243, article 4, section 19; Laws 2000, chapter 490, article 8, section 17; Laws 2000, chapter 490, article 11, section 26; proposing coding for new law in Minnesota Statutes, chapters 3; 12; 16A; 62Q; 103B; 116J; 123B; 144F; 245; 256L; 270; 272; 273; 275; 289A; 290; 290A; 295; 296A; 297A; 297H; 469; 471; 473; 477A; 480; 484; proposing coding for new law as Minnesota Statutes, chapter 290C; repealing Minnesota Statutes 2000, sections 13.4967, subdivision 3; 16A.76; 62T.10; 126C.13, subdivisions 1, 2, 3; 144.1484, subdivision 2; 256L.02, subdivision 3; 270.31; 270.32; 270.33; 270.34; 270.35; 270.36; 270.37; 270.38; 270.39; 273.13, subdivision 24a; 273.1382; 273.1399; 275.08, subdivision 1e; 278.078; 289A.60, subdivision 15; 290.06, subdivisions 25, 26; 290.0673; 290.095, subdivisions 1a, 7; 290.191, subdivision 4; 290.21, subdivision 3;

290.23; 290.25; 290.31, subdivisions 2, 2a, 3, 4, 5, 19; 290.35; 290.9726, subdivision 7; 290A.04, subdivision 2j; 290A.18, subdivision 2; 295.50; 295.51; 295.52; 295.53; 295.54; 295.55; 295.56; 295.57; 295.58; 295.582; 295.59; 296A.16, subdivision 6; 296A.24, subdivision 3; 297A.61, subdivision 16; 297A.62, subdivision 2; 297A.64; 297A.68, subdivision 21; 297A.71, subdivisions 2, 15, 16, 21; 297B.032; 297E.16, subdivision 3; 297F.21, subdivision 4; 297G.20, subdivision 5; 297I.05, subdivisions 5, 8; 297I.30, subdivision 3; 469.1732, subdivision 2; 469.1734, subdivision 4; 469.1782, subdivision 1; Laws 1988, chapter 426, section 1; Laws 1988, chapter 702, section 16; Laws 1992, chapter 511, article 2, section 52, as amended; Laws 1996, chapter 471, article 8, section 45; Laws 1999, chapter 243, article 6, section 14; Laws 1999, chapter 243, article 6, section 15; Laws 2000, chapter 490, article 6, section 17; Minnesota Rules, parts 8120.0200; 8120.0500; 8120.0700; 8120.0900; 8120.1300; 8120.1600; 8120.2000; 8120.2100; 8120.2200; 8120.2300; 8120.2500; 8120.2700; 8120.2800; 8120.3000; 8120.3200; 8120.4300; 8120.4400; 8120.4500; 8120.4600; 8120.4900; 8120.5000; 8120.5100; 8120.5300.

Reported the same back with the following amendments:

Page 8, line 5, delete "and the commissioner" and insert a period

Page 8, delete lines 6 to 8

Page 8, line 24, delete "(4) the United States"

Page 8, line 25, delete "Veterans Administration, and (5)" and insert "and (4)"

Page 9, line 22, before the semicolon, insert "before November 30, 2001"

Page 10, line 4, after the period, insert "Notwithstanding the provisions of Minnesota Statutes 2000, section 289A.60, subdivision 12, an individual who files a property tax refund claim for property taxes paid in 2000 or rent constituting property taxes paid in 1999 after August 15, 2001, and before November 30, 2001, is eligible for a refund under Minnesota Statutes, chapter 290A, and a rebate under this subdivision."

Page 19, after line 15, insert:

"Sec. 8. [216B.1646] [RATE REDUCTION.]

By March 1, 2002, any electric utility subject to rate regulation by the public utilities commission shall file with the commission an amendment to the tariffed rates of the utility to reflect the reduced amount of the utility's property tax on the personal property of its electric generation, transmission, or distribution system from taxes payable in 2001 to taxes payable in 2002. The commission shall submit the information from the utility containing its property tax savings to the commissioner of revenue for review. The commissioner of revenue shall within 30 days notify the commission as to the accuracy of the property tax data submitted by the utility. The commission may only approve the amendment to the tariffed rates if it finds that, to the extent feasible, each dollar of property tax reduction retroactive to January 1, 2002, results in a dollar of savings to the utility's customers.

For purposes of this section, "personal property" means tools, implements, and machinery of the generating plant, and also includes transformers, transmission lines, distribution lines, or any other tools, implements, and machinery that are part of an electric substation, wherever located.

Page 32, line 5, after the period, insert "For purposes of this section "personal property" has the meaning given in section 272.028, subdivision 4."

Page 36, line 31, delete "constructed" and insert "for which construction commenced"

Page 42, line 10, delete "0.37" and insert "37"

Page 42, line 19, before "market" insert "taxable"

Page 42, line 24, after "the" insert "net tax capacity-based"

Page 46, line 17, before the period, insert "and property described in section 473.625"

Page 46, line 19, after "capacity" insert "using market values for the previous year and class rates for the current year"

Page 46, line 22, after "adjusted" insert "for the captured net tax capacity of a tax increment financing district under section 469.177, subdivision 2, the net tax capacity of transmission lines deducted from a local government's total net tax capacity under section 273.425, or fiscal disparities contribution and distribution net tax capacities"

Page 46, line 25, delete "tax capacity" and insert "estimated market value"

Page 46, line 27, before the period, insert "excluding property described in section 473.625"

Page 46, line 31, after "adjusted" insert "for the captured net tax capacity of a tax increment financing district under section 469.177, subdivision 2, the net tax capacity of transmission lines deducted from a local government's total net tax capacity under section 273.425, or fiscal disparities contribution and distribution net tax capacities"

Page 47, line 20, delete everything before "each" and insert "state general tax levied on"

Page 65, line 32, strike "sections" and insert "section"

Page 65, line 33, strike "16A.711, subdivision 5, and"

Page 66, line 2, delete "sections 16A.711, subdivision 5, and" and insert "section"

Page 68, line 34, delete "in 2002 on"

Page 68, delete line 35 and insert "on September 15, 2002, and on December 26, 2002."

Page 69, line 14, before the period, insert "for the taxes payable year for which the application for the grant is made"

Page 70, line 19, delete "\$184,000,000" and insert "\$172,500,000"

Page 70, line 21, delete "\$22,000,000" and insert "\$27,500,000"

Page 71, line 20, delete the second "and"

Page 71, line 21, after "1e" insert "; and 473.446, subdivision 8"

Page 76, line 30, delete "involving" and insert "when"

Page 76, line 31, after "agency" insert "is assigned financial responsibility for the placement"

Page 79, line 26, delete "3" and insert "2"

Page 80, line 2, delete "4" and insert "3"

Page 81, line 3, delete "4" and insert "3"

Page 81, line 27, delete "4 and 5" and insert "3 and 4" and delete "certified"

Page 82, line 20, delete "2" and insert "4b"

Page 82, line 22, delete "2" and insert "4b"

Page 82, line 26, delete "2" and insert "3"

Page 83, line 14, delete "2003" and insert "2002" and delete "for fiscal year" and insert "in each year for fiscal years 2003 and"

Page 83, line 16, delete "2003" and insert "2002" and delete "for fiscal year" and insert "in each year for fiscal years 2003 and"

Page 83, line 18, delete "2004" and insert "2002" and delete "for fiscal year" and insert "in each year for fiscal years 2003 to"

Page 83, line 20, delete "2004" and insert "2002" and delete "for fiscal year" and insert "in each year for fiscal years 2003 to"

Page 91, line 29, delete "annualized"

Page 91, line 30, delete everything after "employees"

Page 91, delete lines 31 to 36 and insert ", including salaries, related fringe benefits, and insurance, granted to court and other county employees in collective bargaining or county pay plans."

Page 92, delete line 1

Page 94, line 21, delete the second "costs"

Page 101, after line 24, insert:

"For a governmental unit receiving assistance in 2002 under section 174.24, subdivision 3b, the levy limit base for 2001 is reduced by an amount equal to the amount of the governmental unit's levied in 2000 to finance transit services. The governmental unit must provide the commissioner of revenue with sufficient information to make this determination."

Page 102, line 19, after "amount," insert "or which would require a separate voter approval for any increase,"

Page 102, line 26, after "477A.014," insert "except for the amount under section 477A.011, subdivision 36, clause (o),"

Page 103, line 24, after the first "unit" insert "and the area of annexation contains a population of 50 or more"

Page 105, line 20, delete "September 15" and insert "August 31"

Page 126, line 6, delete "\$112,000,000" and insert "\$126,000,000"

Page 126, line 8, delete "\$126,000,000" and insert "\$124,000,000"

Page 129, line 6, delete "2004" and insert "2005" and delete "\$120,000,000" and insert "\$109,000,000"

Page 129, line 8, delete "2004" and insert "2005"

Page 134, after line 21, insert:

"Sec. 4. Minnesota Statutes 2000, section 290.01, is amended by adding a subdivision to read:

Subd. 5b. [INSURANCE COMPANY.] The terms "insurance company," "life insurance company," and "insurance company other than life," have the meanings given in the Internal Revenue Code.

[EFFECTIVE DATE.] This section is effective for tax years beginning after December 31, 2000.

Sec. 5. Minnesota Statutes 2000, section 290.01, subdivision 6b, is amended to read:

Subd. 6b. [FOREIGN OPERATING CORPORATION.] The term "foreign operating corporation," when applied to a corporation, means a domestic corporation with the following characteristics:

(1) it is part of a unitary business at least one member of which is taxable in this state;

(2) it is not a foreign sales corporation under section 922 of the Internal Revenue Code, as amended through December 31, 1999, for the taxable year; and

~~(3)~~ (3) either (i) the average of the percentages of its property and payrolls assigned to locations inside the United States and the District of Columbia, excluding the commonwealth of Puerto Rico and possessions of the United States, as determined under section 290.191 or 290.20, is 20 percent or less; or (ii) it has in effect a valid election under section 936 of the Internal Revenue Code.

[EFFECTIVE DATE.] This section is effective for taxable years beginning after December 31, 2000."

Page 140, line 31, after "Code" insert "; and

(11) the amount of net income excluded under section 114 of the Internal Revenue Code"

Page 144, line 9, after "Code" insert "; and

(16) for a corporation whose foreign sales corporation, as defined in section 922 of the Internal Revenue Code, constituted a foreign operating company during the taxable years ending during calendar year 2000, an amount equal to 1.23 multiplied by the amount of income excluded under section 114 of the Internal Revenue Code, provided the income is not income of a foreign operating company"

Page 160, delete lines 6 to 16

Page 166, line 7, delete "allowed" and insert "allowable"

Page 166, line 8, after the period, insert "The assignee must, in plain language:

(1) disclose to the taxpayer the total amount of refund that will be assigned;

(2) provide information on free tax preparation services available for low-income taxpayers; and

(3) provide to the taxpayer executed copies of any documents signed by the taxpayer."

Page 166, line 15, delete everything after "organization"

Page 166, delete line 16

Page 166, line 17, delete everything before the third "the"

Page 166, line 24, after the period, insert "The financial institution or qualifying organization may request that the taxpayer provide a copy of the taxpayer's previous year's income tax return, if any, and may assist the taxpayer in requesting a copy of the previous year's return from the commissioner.

Subd. 4. [CONSUMER DISCLOSURE.] (a) If the loan secured by the assignment involves payment by the assignee to a third-party vendor or provider of a product or service, the purchase of which qualifies for the education credit, the third-party vendor must comply with the disclosure requirements of this subdivision.

(b) The third-party vendor must disclose to the taxpayer, in plain language:

(1) an itemized list of items and cost of each product and service that is to be provided under the payment from the assignee;

(2) the process for obtaining repair or replacement of a defective product; and

(3) any fees charged to the taxpayer for taxpayer preparation services.

(c) The third-party vendor must provide to the taxpayer executed copies of any documents signed by the taxpayer."

Page 166, line 25, delete "4" and insert "5"

Page 166, line 28, delete "5" and insert "6"

Page 166, line 35, delete "6" and insert "7"

Page 167, line 11, delete "7" and insert "8"

Page 167, line 18, delete "8" and insert "9"

Page 167, line 24, delete "2000" and insert "2001"

Page 190, line 33, delete "(7)" and insert "(6)"

Page 191, line 8, delete "(7)" and insert "(6)"

Page 194, after line 8, insert:

"Sec. 2. Minnesota Statutes 2000, section 289A.11, subdivision 1, is amended to read:

Subdivision 1. [RETURN REQUIRED.] Except as provided in section 289A.18, subdivision 4, For the month period in which taxes imposed by chapter 297A are payable, or for which a return is due, a return for the preceding reporting period must be filed with the commissioner in the form and manner the commissioner prescribes. A person making sales at retail at two or more places of business may file a consolidated return subject to rules prescribed by the commissioner. In computing the dollar amount of items on the return, the amounts are rounded off to the nearest whole dollar, disregarding amounts less than 50 cents and increasing amounts of 50 cents to 99 cents to the next highest dollar.

Notwithstanding this subdivision, a person who is not required to hold a sales tax permit under chapter 297A and who makes annual purchases of less than \$18,500 that are subject to the use tax imposed by section 297A.14, may file an annual use tax return on a form prescribed by the commissioner. If a person who qualifies for an annual use tax reporting period is required to obtain a sales tax permit or makes use tax purchases in excess of \$18,500 during the calendar year, the reporting period must be considered ended at the end of the month in which the permit is applied for or the purchase in excess of \$18,500 is made and a return must be filed for the preceding reporting period.

[EFFECTIVE DATE.] This section is effective beginning with returns filed after January 1, 2002."

Page 194, line 21, strike "Returns filed by"

Page 194, lines 22 to 25, delete the new language and strike the old language

Page 194, line 26, strike "(c)"

Page 195, line 1, strike "(d)" and insert "(c)"

Page 195, line 11, strike "(e)" and insert "(d)"

Page 195, lines 15 and 17, strike "paragraphs (c) and (d)" and insert "paragraph (b)"

Page 195, line 18, strike "(f)" and insert "(e)"

Page 211, after line 26, insert:

"All charges for mobile telecommunications services, as defined in United States Code, title 4, section 124, are deemed to be provided by the customer's home service provider and sourced to the customer's place of primary use and are subject to tax based upon the customer's place of primary use in accordance with the Mobile Telecommunications Sourcing Act, United States Code, title 4, sections 116 to 126."

Page 211, line 36, delete "nursery stock" and insert "plants"

Page 212, line 31, strike "feed bunks,"

Page 219, line 26, delete "January" and insert "July"

Page 244, after line 9, insert:

"Sec. 45. Minnesota Statutes 2000, section 469.190, subdivision 3, is amended to read:

Subd. 3. [DISPOSITION OF PROCEEDS.] Ninety-five percent of the gross proceeds from any tax imposed under subdivision 1 shall be used by the statutory or home rule charter city or town either:

(1) to fund a local convention or tourism bureau for the purpose of marketing and promoting the city or town as a tourist or convention center; or

(2) to be transferred to the regional development commission established under section 462.387 operating in the region in which the city or town is located for use by the commission exclusively to promote tourism in the region.

This subdivision shall not apply to any statutory or home rule charter city or town that has a lodging tax authorized by special law or enacted prior to 1972 at the time of enactment of this section.

[EFFECTIVE DATE.] This section is effective for tax proceeds received by the city or town after December 31, 2000.

Page 249, after line 22, insert:

"Sec. 4. [126C.455] [SWIMMING POOL LEVY.]

Each year, a school district with its home office located in a county that has (i) a population density of ten or fewer persons per square mile according to the 2000 census of population; (ii) an international border; and (iii) more than one school district within its boundaries, may levy for the net operational costs of a swimming pool. The levy may not exceed the net actual costs of operation of the swimming pool for the previous year. Net actual costs are defined as operating costs less any operating revenues and less any payments from other local governmental units.

[EFFECTIVE DATE.] This section is effective for taxes payable in 2002 and later."

Page 251, after line 35, insert:

"Sec. 5. Minnesota Statutes 2000, section 216B.2424, subdivision 5, is amended to read:

Subd. 5. [MANDATE.] (a) A public utility, as defined in section 216B.02, subdivision 4, that operates a nuclear-powered electric generating plant within this state must construct and operate, purchase, or contract to construct and operate (1) by December 31, 1998, 50 megawatts of electric energy installed capacity generated by farm-grown closed-loop biomass scheduled to be operational by December 31, 2001; and (2) by December 31, 1998, an additional 75 megawatts of installed capacity so generated scheduled to be operational by December 31, 2002.

(b) Of the 125 megawatts of biomass electricity installed capacity required under this subdivision, no more than 50 megawatts of this capacity may be provided by a facility that uses poultry litter as its primary fuel source and any such facility:

(1) need not use biomass that complies with the definition in subdivision 1;

(2) must enter into a contract with the public utility for such capacity, that has an average purchase price per megawatt hour over the life of the contract that is equal to or less than the average purchase price per megawatt hour over the life of the contract in contracts approved by the public utilities commission before April 1, 2000, to satisfy the mandate of this section, and file that contract with the public utilities commission prior to September 1, 2000; and

(3) such capacity must be scheduled to be operational by December 31, 2002.

(c) Of the total 125 megawatts of biomass electric energy installed capacity required under this section, no more than 75 megawatts may be provided by a single project.

(d) Of the 75 megawatts of biomass electric energy installed capacity required under paragraph (a), clause (2), no more than 25 megawatts of this capacity may be provided by a St. Paul district heating and cooling system cogeneration facility utilizing waste wood as a primary fuel source. The St. Paul district heating and cooling system cogeneration facility need not use biomass that complies with the definition in subdivision 1.

(e) The public utility must accept and consider on an equal basis with other biomass proposals;

(1) a proposal to satisfy the requirements of this section that includes a project that exceeds the megawatt capacity requirements of either paragraph (a), clause (1) or (2), and that proposes to sell the excess capacity to the public utility or to other purchasers; and

(2) a proposal for a new facility to satisfy more than ten but not more than 20 megawatts of the electrical generation requirements by a small business-sponsored independent power producer facility to be located within the northern quarter of the state, which means the area located north of Constitutional Route No. 8 as described in section 161.114, subdivision 2, and that utilizes biomass residue wood, sawdust, bark, chipped wood, or brush to generate electricity. A facility described in this clause is not required to utilize biomass complying with the definition in subdivision 1, but must have the capacity required by this clause operational by December 31, 2002.

~~(f)~~ (f) If a public utility files a contract with the commission for electric energy installed capacity that uses poultry litter as its primary fuel source, the commission must do a preliminary review of the contract to determine if it meets the purchase price criteria provided in paragraph (b), clause (2), of this subdivision. The commission shall perform its review and advise the parties of its determination within 30 days of filing of such a contract by a public utility. A public utility may submit by September 1, 2000, a revised contract to address the commission's preliminary determination.

~~(g)~~ (g) The commission shall finally approve, modify, or disapprove no later than July 1, 2001, all contracts submitted by a public utility as of September 1, 2000, to meet the mandate set forth in this subdivision.

(g) (h) If a public utility subject to this section exercises an option to increase the generating capacity of a project in a contract approved by the commission prior to April 25, 2000, to satisfy the mandate in this subdivision, the public utility must notify the commission by September 1, 2000, that it has exercised the option and include in the notice the amount of additional megawatts to be generated under the option exercised. Any review by the commission of the project after exercise of such an option shall be based on the same criteria used to review the existing contract.

(i) A facility specified in this subdivision qualifies for exemption from property taxation under section 272.02, subdivision 43.

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

Page 261, line 2, after "plant" insert "or a new natural gas peaking storage facility"

Page 261, line 4, after "power" insert "or used to store natural gas or similar fuels"

Page 261, line 11, after "if" insert "(1)"

Page 261, line 14, delete ", and if" and insert "; (2)"

Page 261, line 16, before the period, insert "; and (3) the construction has the effect of increasing the facility's compliance with the new source performance standards and maximum achievable control technology standards of the federal Clean Air Act, title 42, United States Code, section 7401 et seq"

Page 261, delete lines 25 to 36

Page 262, delete lines 1 to 13

Page 262, line 14, delete "4" and insert "3"

Page 268, line 6, delete everything after "complete"

Page 268, line 7, delete "sponsored by the department of revenue"

Page 268, line 8, delete "period" and insert "licensing period a week-long Minnesota laws course sponsored by the department of revenue"

Page 300, line 4, after the period, insert "In the case of cities for taxes levied in 2001, payable in 2002, "property tax levy increase" means any levy in excess of the city's payable 2001 levy and the city's 2001 homestead and agricultural credit aid. In the case of cities for taxes levied in 2002, payable in 2003, "property tax increase" means any levy in excess of the greater of (1) the city's payable 2002 levy, or (2) the sum of the city's payable 2001 levy and the city's 2001 homestead and agricultural credit aid."

Page 308, after line 19, insert:

"Sec. 41. Minnesota Statutes 2000, section 282.01, subdivision 1, is amended to read:

Subdivision 1. [CLASSIFICATION AS CONSERVATION OR NONCONSERVATION.] It is the general policy of this state to encourage the best use of tax-forfeited lands, recognizing that some lands in public ownership should be retained and managed for public benefits while other lands should be returned to private ownership. Parcels of land becoming the property of the state in trust under law declaring the forfeiture of lands to the state for taxes must be classified by the county board of the county in which the parcels lie as conservation or nonconservation. In making the classification the board shall consider the present use of adjacent lands, the productivity of the soil, the character of forest or other growth, accessibility of lands to established roads, schools, and other public services, their

peculiar suitability or desirability for particular uses and the suitability of the forest resources on the land for multiple use, sustained yield management. The classification, furthermore, must encourage and foster a mode of land utilization that will facilitate the economical and adequate provision of transportation, roads, water supply, drainage, sanitation, education, and recreation; facilitate reduction of governmental expenditures; conserve and develop the natural resources; and foster and develop agriculture and other industries in the districts and places best suited to them.

In making the classification the county board may use information made available by any office or department of the federal, state, or local governments, or by any other person or agency possessing pertinent information at the time the classification is made. The lands may be reclassified from time to time as the county board considers necessary or desirable, except for conservation lands held by the state free from any trust in favor of any taxing district.

If the lands are located within the boundaries of an organized town, with taxable valuation in excess of \$20,000, or incorporated municipality, the classification or reclassification and sale must first be approved by the town board of the town or the governing body of the municipality in which the lands are located. The town board of the town or the governing body of the municipality is considered to have approved the classification or reclassification and sale if the county board is not notified of the disapproval of the classification or reclassification and sale within 60 days of the date the request for approval was transmitted to the town board of the town or governing body of the municipality. If the town board or governing body desires to acquire any parcel lying in the town or municipality by procedures authorized in this section, it must file a written application with the county board to withhold the parcel from public sale. The application must be filed within 60 days of the request for classification or reclassification and sale. The county board shall then withhold the parcel from public sale for six months. A municipality or governmental subdivision shall pay maintenance costs incurred by the county during the six-month period while the property is withheld from public sale, provided the property is not offered for public sale after the six-month period. A clerical error made by county officials does not serve to eliminate the request of the town board or governing body if the board or governing body has forwarded the application to the county auditor. If the town board or governing body of the municipality fails to submit an application and a resolution of the board or governing body to acquire the property within the withholding period, the county may offer the property for sale upon the expiration of the withholding period."

Page 323, line 13, after "MINNEHAHA" insert "CREEK"

Page 323, line 16, after "Minnehaha" insert "Creek"

Page 323, after line 20, insert:

"Sec. 56. [PRIVATE SALE OF TAX-FORFEITED LAND; ST. LOUIS COUNTY.]

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, St. Louis county may sell by private sale the tax-forfeited land described in paragraph (c) to one or more of the owners at the time of forfeiture.

(b) The conveyance must be in a form approved by the attorney general for a consideration of taxes due on the property and any penalties, interest, and costs.

(c) The land to be sold is located in St. Louis county and is described as:

(1) Parcel 200-10-1720: Sec. 11, Twp. 61, Rge 19 NW 1/4 of NW 1/4; and

(2) Parcel 200-10-280: Sec. 2, Twp. 61, Rge 19 SW 1/4 of SW 1/4.

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

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

Page 323, line 22, delete "278.078" and insert "275.078"

Page 330, line 27, after the period, insert "In preparing the estimate, the commissioner shall separately estimate the percentage for, at least, the metropolitan area, as defined in section 473.121, and the rest of the state and provide this information to the chairs of the committees of the house and senate with jurisdiction over taxes and tax laws."

Page 476, line 23, delete "July 1, 2001" and insert "January 1, 2002"

Page 476, line 29, delete "July 1, 2001" and insert "January 1, 2002"

Page 477, line 26, delete "July 1, 2001" and insert "January 1, 2002"

Page 479, line 9, delete "July 1, 2001" and insert "January 1, 2002"

Page 479, line 17, delete "July 1, 2001" and insert "January 1, 2002"

Page 479, delete lines 19 to 30 and insert:

"Sec. 31. Minnesota Statutes 2000, section 297H.06, is amended by adding a subdivision to read:

Subd. 3. [CONSTRUCTION DEBRIS IN A DISASTER AREA.] The tax is not imposed on construction debris generated from repair and demolition activities caused by a disaster occurring in a presidentially declared disaster area, provided that the construction debris is disposed of in a waste management facility designated by the commissioner of the pollution control agency. To be exempt, the debris must be disposed of within 18 months following the presidential declaration.

[EFFECTIVE DATE.] This section is effective for disaster areas declarations made after April 15, 2001.

Page 483, line 14, after "clause (a)," insert "290.0921,"

Page 484, line 6, after "clause (a)," insert "290.0921,"

Page 484, after line 31, insert:

"Sec. 6. Minnesota Statutes 2000, section 298.22, subdivision 2, is amended to read:

Subd. 2. [IRON RANGE RESOURCES AND REHABILITATION BOARD.] There is hereby created the iron range resources and rehabilitation board, consisting of 13 members, five of whom are state senators appointed by the subcommittee on committees of the rules committee of the senate, and five of whom are representatives, appointed by the speaker of the house of representatives. The remaining members shall be appointed one each by the senate majority leader, the speaker of the house of representatives, and the governor and must be nonlegislators who reside in a tax relief area as defined in section 273.134. The members shall be appointed in January of every odd-numbered year, except that the initial nonlegislator members shall be appointed by July 1, 1999, and shall serve until January of the next odd-numbered year. Vacancies on the board shall be filled in the same manner as the original members were chosen. At least a majority of the legislative members of the board shall be elected from state senatorial or legislative districts in which over 50 percent of the residents reside within a tax relief area as defined in section 273.134. All expenditures and projects made by the commissioner of iron range resources and rehabilitation shall be consistent with the priorities established in subdivision 8 and shall first be submitted to the iron range resources and rehabilitation board for approval by a majority of the board of expenditures and projects for rehabilitation purposes as provided by this section, and the method, manner, and time of payment of all funds proposed to be disbursed shall be first approved or disapproved by the board. The board shall biennially make its report to the governor and the legislature on or before November 15 of each even-numbered year. The expenses of the board shall be paid by the state from the funds raised pursuant to this section.

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

Sec. 7. Minnesota Statutes 2000, section 298.22, is amended by adding a subdivision 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 tax relief area defined in section 273.134 that have the largest percentages of job losses and population losses directly attributable to the economic downturn in the taconite industry since the 1980's. 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. This subdivision supersedes any other conflicting provisions of law.

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

Page 494, line 1, delete everything after "2004"

Page 494, delete line 2

Page 494, line 3, after "distributed" insert "in 2002, 2003, and 2004"

Page 494, after line 4, insert:

"Sec. 16. [REPEALER.]

Minnesota Statutes 2000, section 298.01, subdivisions 3c, 3d, 4d, and 4e, are repealed.

[EFFECTIVE DATE.] This section is effective for taxes payable May 1, 2002, and thereafter."

Pages 497 to 500, delete section 4

Page 525, line 22, strike "14th" and insert "20th"

Page 525, line 23, strike "14th" and insert "20th"

Pages 549 and 550, delete section 16

Page 553, line 35, delete "section" and insert "sections 16A.1521 and" and delete "is" and insert "are"

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

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

The report was adopted.

CALENDAR FOR THE DAY

Seifert moved that the Calendar for the Day be continued. The motion prevailed.

The Speaker resumed the Chair.

MOTIONS AND RESOLUTIONS

Clark, K.; Mariani; Gray and Walker introduced:

House Resolution No. 17, A house resolution celebrating the life of Lou Fuller.

SUSPENSION OF RULES

Clark, K., moved that the rules be so far suspended that House Resolution No. 17 be now considered and be placed upon its adoption. The motion prevailed.

HOUSE RESOLUTION NO. 17

A house resolution celebrating the life of Lou Fuller.

Whereas, Lou Fuller was born in 1940, and grew up in a loving home with her parents, Marcella and Cornelius Wilson, her two sisters, Charlotte and Linda, and brothers, Neal and Jerry; and

Whereas, even at an early age, Lou had a spiritual and giving nature, and her siblings sought her counsel and respected her strength; and

Whereas, Lou graduated from the University of Toledo with a Bachelor of Science degree, and also graduated from the Bowling Green School of Nursing; and

Whereas, over the last 30 years, Lou's career included numerous positions of leadership and policy development, including executive positions at Wayside House, Inc. of St. Louis Park and Chart, Inc.; and

Whereas, most recently Lou held the position of Director of the Office of Minority Health at the Minnesota Department of Health; and

Whereas, in this role, Lou was responsible for helping to eliminate the gaps and disparities in the health and care of populations of color in the state health care system; and

Whereas, several key achievements are attributed to Lou in this capacity, including building awareness and implementing prevention programs on minority teen pregnancy, minority infant mortality, and senior health care; and

Whereas, Lou spoke at statewide, national, and international conferences on both health care and living wage job development for women of color and the disadvantaged, including speaking at a National Conference on Economic Conversion in Sheffield, England, as part of the Minnesota Jobs with Peace delegation; and

Whereas, Lou spoke passionately about the vast health disparities that exist between Minnesota's European American population and populations of color, especially American Indians and African Americans, finding it unacceptable that such vast disparities could exist in one of the healthiest states in the nation, and she turned her passion into action by promoting research, strategies, and public policies to begin reducing the gaps in such areas as infant mortality, chronic disease, teen pregnancy, and women's health; and

Whereas, demonstrating her ongoing commitment to the community and serving to better the lives of others, Lou was a founding member of several key organizations: the Minority Women's Employment Network - Region V; the Metropolitan Council Minority Advisory Committee; the Minnesota Philanthropy Project; the Minneapolis Project Self-Sufficiency Task Force; and the Minnesota Council on Non-Profits; and

Whereas, in addition to being a founding member, Lou also served on the board of these organizations; and

Whereas, Lou also served as Vice-President of the Minnesota State Board of Psychology and board chair for the Institute on Black Chemical Abuse (now African-American Family Services); and

Whereas, Lou's many other volunteer activities included serving as past chair of the Resource and Planning Committee of the Minneapolis United Way and board member for the Minnesota Medical Association - Minority Affairs Committee; and

Whereas, Lou also volunteered her time for the Minnesota Black Physicians Association, the Minneapolis YWCA, Minnesota Jobs with Peace, and the Communities of Color Institute Board, along with many other important community initiatives; and

Whereas, in addition, Lou ran for election to the State Senate twice, in 1990 and 1992, the first African-American woman to do so in a general election in Minnesota; and

Whereas, an avid golfer, Lou also worked hard to promote minority youth involvement in golfing and other sports, including teaching her two grandchildren, Whitney and Phillip, how to golf; and

Whereas, a mother, grandmother, sister, and a daughter, Lou leaves to cherish her memory a loving daughter, Suzanne Fuller, two grandchildren, Whitney and Phillip Terrill, along with her mother, her sisters, a brother, and a host of nieces, nephews, and cousins; and

Whereas, Lou leaves many other family members, friends, and colleagues to cherish her love, her memory, and her zeal for improving the circumstances of others; *Now, Therefore*,

Be It Resolved, by the House of Representatives of the State of Minnesota that it honors the life and work of Lou Fuller, who gave all of herself to make a difference in the world and improve the plight of the disadvantaged, and who will be greatly missed by all those whose lives she touched.

Be It Further Resolved, that the Chief Clerk of the House of Representatives is directed to prepare an enrolled copy of this resolution, to be authenticated by his signature and that of the Speaker, and transmit it to the family of Lou Fuller.

Clark, K., moved that House Resolution No. 17 be now adopted. The motion prevailed and House Resolution No. 17 was adopted.

FISCAL CALENDAR ANNOUNCEMENT

Pursuant to rule 1.22, Bishop announced his intention to place H. F. No. 1515, H. F. No. 82 and S. F. No. 2360 on the Fiscal Calendar for Thursday, May 3, 2001.

ADJOURNMENT

Pawlenty moved that when the House adjourns today it adjourn until 8:00 a.m., Thursday, May 3, 2001. The motion prevailed.

Pawlenty moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 8:00 a.m., Thursday, May 3, 2001.

EDWARD A. BURDICK, Chief Clerk, House of Representatives