## FOURTH DAY

St. Paul, Minnesota, Thursday, January 11, 2007

The Senate met at 11:00 a.m. and was called to order by the President.

## **CALL OF THE SENATE**

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

Prayer was offered by Senator Gary W. Kubly.

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

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

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

#### **EXECUTIVE AND OFFICIAL COMMUNICATIONS**

The following communications were received.

January 2, 2007

The Honorable James P. Metzen President of the Senate

Dear Senator Metzen:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

# MINNESOTA DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT COMMISSIONER

Dan McElroy, 12805 Welcome Ln., Burnsville, in the county of Dakota, effective January 2, 2007, for a term that expires on January 3, 2011.

(Referred to the Committee on Business, Industry and Jobs.)

January 2, 2007

The Honorable James P. Metzen President of the Senate

Dear Senator Metzen:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

# METROPOLITAN COUNCIL CHAIR

Peter Bell, 3730 W. Calhoun Pkwy., Minneapolis, in the county of Hennepin, effective January 2, 2007, for a term that expires on January 3, 2011.

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

January 9, 2007

The Honorable James P. Metzen President of the Senate

Dear Senator Metzen:

I have designated the following commissioner to continue to serve as a permanent commissioner until January 3, 2011.

Commissioner of the Department of Administration: Dana B. Badgerow, 1790 Irving Ave. S., Minneapolis, in the county of Hennepin.

Commissioner Badgerow was previously confirmed by the Senate.

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

January 9, 2007

The Honorable James P. Metzen President of the Senate

Dear Senator Metzen:

I have designated the following commissioner to continue to serve as a permanent commissioner until January 3, 2011.

Commissioner of the Department of Agriculture: Gene Hugoson, 2775 - 60th St., Granada, in the

county of Martin.

Commissioner Hugoson was previously confirmed by the Senate.

(Referred to the Committee on Agriculture and Veterans.)

January 9, 2007

The Honorable James P. Metzen President of the Senate

Dear Senator Metzen:

I have designated the following commissioner to continue to serve as a permanent commissioner until January 3, 2011.

Commissioner of the Department of Commerce: Glenn Wilson, Jr., 5306 River Bluff Cir., Bloomington, in the county of Hennepin.

Commissioner Wilson was previously confirmed by the Senate.

(Referred to the Committee on Commerce and Consumer Protection.)

January 9, 2007

The Honorable James P. Metzen President of the Senate

Dear Senator Metzen:

I have designated the following commissioner to continue to serve as a permanent commissioner until January 3, 2011.

Commissioner of the Department of Corrections: Joan Fabian, 35217 Forest Blvd., North Branch, in the county of Chisago.

Commissioner Fabian was previously confirmed by the Senate.

(Referred to the Committee on Judiciary.)

January 9, 2007

The Honorable James P. Metzen President of the Senate

Dear Senator Metzen:

I have designated the following commissioner to continue to serve as a permanent commissioner until January 3, 2011.

Commissioner of the Department of Education: Alice Seagren, 9730 Palmer Cir., Bloomington, in the county of Hennepin.

Commissioner Seagren was previously confirmed by the Senate.

(Referred to the Committee on Education.)

January 9, 2007

The Honorable James P. Metzen President of the Senate

Dear Senator Metzen:

I have designated the following state chief information officer to continue to serve as a permanent state chief information officer until January 3, 2011.

State Chief Information Officer of the Office of Enterprise Technology: Gopal K. Khanna, 6605 Nordic Dr., Edina, in the county of Hennepin.

Mr. Khanna was previously confirmed by the Senate.

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

January 9, 2007

The Honorable James P. Metzen President of the Senate

Dear Senator Metzen:

I have designated the following commissioner to continue to serve as a permanent commissioner until January 3, 2011.

Commissioner of the Department of Health: Dianne Mandernach, Rt. 2, Box 709, Sturgeon Lake, in the county of Pine.

Commissioner Mandernach was previously confirmed by the Senate.

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

January 9, 2007

The Honorable James P. Metzen President of the Senate

Dear Senator Metzen:

I have designated the following director to continue to serve as a permanent director until January 3, 2011.

Director of the Minnesota Office of Higher Education: Susan Heegaard, 1742 Hartford Ave., Saint Paul, in the county of Ramsey.

Director Heegaard was previously confirmed by the Senate.

(Referred to the Committee on Higher Education.)

January 9, 2007

The Honorable James P. Metzen President of the Senate

Dear Senator Metzen:

I have designated the following commissioner to continue to serve as a permanent commissioner until January 3, 2011.

Commissioner of the Housing Finance Agency: Timothy Marx, 1546 Portland Ave., Saint Paul, in the county of Ramsey.

Commissioner Marx was previously confirmed by the Senate.

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

January 9, 2007

The Honorable James P. Metzen President of the Senate

Dear Senator Metzen:

I have designated the following commissioner to continue to serve as a permanent commissioner until January 3, 2011.

Commissioner of the Department of Human Rights: Velma Korbel, 14801 Butternut St. N.W., Andover, in the county of Anoka.

Commissioner Korbel was previously confirmed by the Senate.

(Referred to the Committee on Judiciary.)

January 9, 2007

The Honorable James P. Metzen President of the Senate

Dear Senator Metzen:

I have designated the following commissioner to continue to serve as a permanent commissioner until January 3, 2011:

Commissioner of the Iron Range Resources Agency: Sandra Layman, 34671 Rebel Beach Rd., Cohasset, in the county of Itasca.

Commissioner Layman was previously confirmed by the Senate.

(Referred to the Committee on Business, Industry and Jobs.)

January 9, 2007

The Honorable James P. Metzen President of the Senate

Dear Senator Metzen:

I have designated the following commissioner to continue to serve as a permanent commissioner until January 3, 2011:

Commissioner of the Department of Labor and Industry: Scott Brener, 4621 Wooddale Ave., Edina, in the county of Hennepin.

Commissioner Brener was previously confirmed by the Senate.

(Referred to the Committee on Business, Industry and Jobs.)

January 9, 2007

The Honorable James P. Metzen President of the Senate

Dear Senator Metzen:

I have designated the following commissioner to continue to serve as a permanent commissioner until January 3, 2011:

Commissioner of the Bureau of Mediation Services: James Alex Cunningham, Jr., 515 Westby Dr., Spring Lake Park, in the county of Anoka.

Commissioner Cunningham was previously confirmed by the Senate.

(Referred to the Committee on Business, Industry and Jobs.)

January 9, 2007

The Honorable James P. Metzen President of the Senate

Dear Senator Metzen:

I have designated the following commissioner to continue to serve as a permanent commissioner until January 3, 2011:

Commissioner of the Department of Public Safety: Michael Campion, 4236 Rice St., Vadnais Heights, in the county of Ramsey.

Commissioner Campion was previously confirmed by the Senate.

(Referred to the Committee on Judiciary.)

January 9, 2007

The Honorable James P. Metzen President of the Senate

Dear Senator Metzen:

I have designated the following commissioner to continue to serve as a permanent commissioner until January 3, 2011:

Commissioner of the Department of Transportation: Lieutenant Governor Carol Molnau, 49966 - 350th St., Lafayette, in the county of Nicollet.

Commissioner Molnau was previously confirmed by the Senate.

(Referred to the Committee on Transportation.)

January 9, 2007

The Honorable James P. Metzen President of the Senate

Dear Senator Metzen:

I have designated the following commissioner to continue to serve as a permanent commissioner until January 3, 2011:

Commissioner of the Department of Veterans Affairs: Clark Dyrud, 5501 Humboldt Cir., Minneapolis, in the county of Hennepin.

Commissioner Dyrud was previously confirmed by the Senate.

(Referred to the Committee on Agriculture and Veterans.)

Sincerely, Tim Pawlenty, Governor

## MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the adoption by the House of the following Senate Concurrent Resolution, herewith returned:

**Senate Concurrent Resolution No. 1:** A Senate concurrent resolution relating to the adoption of temporary joint rules.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned January 8, 2007

Mr. President:

I have the honor to announce the adoption by the House of the following Senate Concurrent Resolution, herewith returned:

**Senate Concurrent Resolution No. 2:** A Senate concurrent resolution relating to parking space in the capitol area for members of the Legislature and staff.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned January 8, 2007

Mr. President:

I have the honor to announce the adoption by the House of the following Senate Concurrent Resolution, herewith returned:

**Senate Concurrent Resolution No. 4:** A Senate concurrent resolution relating to the adjournment of the Senate and House of Representatives on January 11, 2007.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned January 8, 2007

Mr. President:

I have the honor to inform the Senate that the House of Representatives invites and is ready to meet with the Senate in Joint Convention at 11:45 a.m., on Wednesday, January 17, 2007, to receive the message of the Honorable Tim Pawlenty, Governor of the State of Minnesota, said message to be delivered at 12:00 noon.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

January 8, 2007

Senator Pogemiller moved that the Senate accept the invitation of the House of Representatives to meet in Joint Convention in the House Chamber at 11:45 a.m., Wednesday, January 17, 2007, to receive the message of the Honorable Tim Pawlenty, Governor of the State of Minnesota. The motion prevailed.

Mr. President:

I have the honor to announce that the House has appointed a committee of five members of the House to act with a similar committee on the part of the Senate to escort the Governor to the Joint Convention to be held in the House Chamber on Wednesday, January 17, 2007, said Joint Convention to be convened at 11:45 a.m., and said message of the Governor to be delivered at 12:00 noon.

Ruud, Moe, Brynaert, Gunther and Smith have been appointed as such committee on the part of

the House.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

January 8, 2007

#### REPORTS OF COMMITTEES

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

#### Senator Bakk from the Committee on Taxes, to which was referred

**S.F. No. 17:** A bill for an act relating to taxation; conforming certain income, franchise, and property tax refund provisions for tax year 2006 to the federal teacher expense deduction, tuition subtraction, and other provisions of the Tax Relief and Health Care Act of 2006, the Heroes Earned Retirement Opportunity Act, and the Pension Protection Plan of 2006; amending Minnesota Statutes 2006, sections 290.01, subdivisions 19, 31; 290A.03, subdivision 15.

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

Page 2, line 12, delete "2007" and insert "2006"

Page 2, after line 18, insert:

"Sec. 2. Minnesota Statutes 2006, section 290.01, subdivision 19b, is amended to read:

- Subd. 19b. **Subtractions from federal taxable income.** For individuals, estates, and trusts, there shall be subtracted from federal taxable income:
- (1) net interest income on obligations of any authority, commission, or instrumentality of the United States to the extent includable in taxable income for federal income tax purposes but exempt from state income tax under the laws of the United States;
- (2) if included in federal taxable income, the amount of any overpayment of income tax to Minnesota or to any other state, for any previous taxable year, whether the amount is received as a refund or as a credit to another taxable year's income tax liability;
- (3) the amount paid to others, less the amount used to claim the credit allowed under section 290.0674, not to exceed \$1,625 for each qualifying child in grades kindergarten to 6 and \$2,500 for each qualifying child in grades 7 to 12, for tuition, textbooks, and transportation of each qualifying child in attending an elementary or secondary school situated in Minnesota, North Dakota, South Dakota, Iowa, or Wisconsin, wherein a resident of this state may legally fulfill the state's compulsory attendance laws, which is not operated for profit, and which adheres to the provisions of the Civil Rights Act of 1964 and chapter 363A. For the purposes of this clause, "tuition" includes fees or tuition as defined in section 290.0674, subdivision 1, clause (1). As used in this clause, "textbooks" includes books and other instructional materials and equipment purchased or leased for use in elementary and secondary schools in teaching only those subjects legally and commonly taught in public elementary and secondary schools in this state. Equipment expenses

qualifying for deduction includes expenses as defined and limited in section 290.0674, subdivision 1, clause (3). "Textbooks" does not include instructional books and materials used in the teaching of religious tenets, doctrines, or worship, the purpose of which is to instill such tenets, doctrines, or worship, nor does it include books or materials for, or transportation to, extracurricular activities including sporting events, musical or dramatic events, speech activities, driver's education, or similar programs. For purposes of the subtraction provided by this clause, "qualifying child" has the meaning given in section 32(c)(3) of the Internal Revenue Code;

- (4) income as provided under section 290.0802;
- (5) to the extent included in federal adjusted gross income, income realized on disposition of property exempt from tax under section 290.491;
- (6) to the extent not deducted or not deductible pursuant to section 408(d)(8)(E) of the Internal Revenue Code in determining federal taxable income by an individual who does not itemize deductions for federal income tax purposes for the taxable year, an amount equal to 50 percent of the excess of charitable contributions over \$500 allowable as a deduction for the taxable year under section 170(a) of the Internal Revenue Code and under the provisions of Public Law 109-1;
- (7) for taxable years beginning before January 1, 2008, the amount of the federal small ethanol producer credit allowed under section 40(a)(3) of the Internal Revenue Code which is included in gross income under section 87 of the Internal Revenue Code;
- (8) for individuals who are allowed a federal foreign tax credit for taxes that do not qualify for a credit under section 290.06, subdivision 22, an amount equal to the carryover of subnational foreign taxes for the taxable year, but not to exceed the total subnational foreign taxes reported in claiming the foreign tax credit. For purposes of this clause, "federal foreign tax credit" means the credit allowed under section 27 of the Internal Revenue Code, and "carryover of subnational foreign taxes" equals the carryover allowed under section 904(c) of the Internal Revenue Code minus national level foreign taxes to the extent they exceed the federal foreign tax credit;
- (9) in each of the five tax years immediately following the tax year in which an addition is required under subdivision 19a, clause (7), or 19c, clause (15), in the case of a shareholder of a corporation that is an S corporation, an amount equal to one-fifth of the delayed depreciation. For purposes of this clause, "delayed depreciation" means the amount of the addition made by the taxpayer under subdivision 19a, clause (7), or subdivision 19c, clause (15), in the case of a shareholder of an S corporation, minus the positive value of any net operating loss under section 172 of the Internal Revenue Code generated for the tax year of the addition. The resulting delayed depreciation cannot be less than zero;
  - (10) job opportunity building zone income as provided under section 469.316;
- (11) the amount of compensation paid to members of the Minnesota National Guard or other reserve components of the United States military for active service performed in Minnesota, excluding compensation for services performed under the Active Guard Reserve (AGR) program. For purposes of this clause, "active service" means (i) state active service as defined in section 190.05, subdivision 5a, clause (1); (ii) federally funded state active service as defined in section 190.05, subdivision 5b; or (iii) federal active service as defined in section 190.05, subdivision 5c, but "active service" excludes services performed exclusively for purposes of basic combat training, advanced individual training, annual training, and periodic inactive duty training; special training

periodically made available to reserve members; and service performed in accordance with section 190.08, subdivision 3;

- (12) the amount of compensation paid to Minnesota residents who are members of the armed forces of the United States or United Nations for active duty performed outside Minnesota;
- (13) an amount, not to exceed \$10,000, equal to qualified expenses related to a qualified donor's donation, while living, of one or more of the qualified donor's organs to another person for human organ transplantation. For purposes of this clause, "organ" means all or part of an individual's liver, pancreas, kidney, intestine, lung, or bone marrow; "human organ transplantation" means the medical procedure by which transfer of a human organ is made from the body of one person to the body of another person; "qualified expenses" means unreimbursed expenses for both the individual and the qualified donor for (i) travel, (ii) lodging, and (iii) lost wages net of sick pay, except that such expenses may be subtracted under this clause only once; and "qualified donor" means the individual or the individual's dependent, as defined in section 152 of the Internal Revenue Code. An individual may claim the subtraction in this clause for each instance of organ donation for transplantation during the taxable year in which the qualified expenses occur;
- (14) in each of the five tax years immediately following the tax year in which an addition is required under subdivision 19a, clause (8), or 19c, clause (16), in the case of a shareholder of a corporation that is an S corporation, an amount equal to one-fifth of the addition made by the taxpayer under subdivision 19a, clause (8), or 19c, clause (16), in the case of a shareholder of a corporation that is an S corporation, minus the positive value of any net operating loss under section 172 of the Internal Revenue Code generated for the tax year of the addition. If the net operating loss exceeds the addition for the tax year, a subtraction is not allowed under this clause;
- (15) to the extent included in federal taxable income, compensation paid to a nonresident who is a service member as defined in United States Code, title 10, section 101(a)(5), for military service as defined in the Service Member Civil Relief Act, Public Law 108-189, section 101(2); and
  - (16) international economic development zone income as provided under section 469.325.

**EFFECTIVE DATE.** This section is effective for taxable years beginning after December 31, 2005."

Renumber the sections in sequence

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

#### Senator Wiger from the Committee on Education, to which was referred

**S.F. No. 28:** A resolution memorializing Congress to offer greater flexibility to states and fully fund the No Child Left Behind Act as part of its reauthorization.

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

Page 2, after line 6, insert:

"BE IT FURTHER RESOLVED by the Legislature of the State of Minnesota that it urges the

Congress of the United States to refrain from expanding NCLB to our nation's high schools at this time."

Page 2, after line 9, insert:

"BE IT FURTHER RESOLVED by the Legislature of the State of Minnesota that it urges the Congress of the United States to appropriate and allocate the sufficient amount of money to fully fund the mandates included in the No Child Left Behind Act as part of its reauthorization."

And when so amended the resolution do pass. Amendments adopted. Report adopted.

## Senator Wiger from the Committee on Education, to which was referred

**S.F. No. 13:** A resolution memorializing the President and Congress to carry through on their pledge to fund 40 percent of special education costs.

Reports the same back with the recommendation that the resolution do pass. Report adopted.

# Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred

**S.F. No. 19:** A bill for an act relating to metropolitan government; terminating the Legislative Commission on Metropolitan Government; repealing Minnesota Statutes 2006, sections 3.884; 473.246.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 473.246, is amended to read:

# 473.246 COUNCIL'S SUBMISSIONS TO <del>LEGISLATIVE COMMISSION</del> LEGISLATURE.

The Metropolitan Council shall submit to the Legislative Commission on Metropolitan Government chairs of the legislative committees with jurisdiction over metropolitan affairs information on the council's tax rates and dollar amounts levied for the current year, proposed property tax rates and levies, operating and capital budgets, work program, capital improvement program, and any other information requested by the commission, for review by the legislative commission, as provided in section 3.8841 relevant committees.

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

Sec. 2. REPEALER.

Minnesota Statutes 2006, section 3.8841, is repealed.

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

Amend the title as follows:

Page 1, line 3, after "Government;" insert "modifying reporting requirements for the Metropolitan Council;"

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

## SECOND READING OF SENATE BILLS

S.F. Nos. 17, 28, 13 and 19 were read the second time.

#### MOTIONS AND RESOLUTIONS

Senator Berglin moved that the names of Senators Koering; Erickson Ropes; Olson, M. and Rosen be added as co-authors to S.F. No. 2. The motion prevailed.

Senator Marty moved that the name of Senator Sheran be added as a co-author to S.F. No. 14. The motion prevailed.

Senator Marty moved that the names of Senators Anderson and Doll be added as co-authors to S.F. No. 39. The motion prevailed.

## Senators Pogemiller and Senjem introduced -

**Senate Resolution No. 20:** A Senate resolution relating to appointment of a committee to escort the Governor to the House Chamber for a Joint Convention.

BE IT RESOLVED, by the Senate of the State of Minnesota:

The President of the Senate shall appoint a committee of five members of the Senate to act with a like committee on the part of the House of Representatives to escort the Honorable Tim Pawlenty, Governor of the State of Minnesota, to the House Chamber on the occasion of the Joint Convention on Wednesday, January 17, 2007, at 11:45 a.m.

Senator Pogemiller moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

## **APPOINTMENTS**

Pursuant to the foregoing resolution, the President made the following appointments:

Senators Bonoff, Koering, Larson, Saltzman and Sieben.

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

Senator Pogemiller moved that Senate Resolution No. 17 be taken from the table. The motion prevailed.

**Senate Resolution No. 17:** A Senate resolution relating to mileage; setting the miles traveled by members of the Senate in going to and returning from the Capitol.

Senator Pogemiller moved to amend Senate Resolution No. 17 as follows: Page 2, delete line 4 and insert:
"KUBLY, Gary W
"MARTY, John
"POGEMILLER, Lawrence J
"SHERAN, Kathy

Senator Pogemiller moved the adoption of the foregoing resolution as amend

Senator Pogemiller moved the adoption of the foregoing resolution, as amended. The motion prevailed. So the resolution, as amended, was adopted.

#### **RECESS**

Senator Pogemiller moved that the Senate do now recess until 12:15 p.m. The motion prevailed. The hour of 12:15 p.m. having arrived, the President called the Senate to order.

## **MOTIONS AND RESOLUTIONS - CONTINUED**

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

# INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

# Senators Wergin, Fischbach, Gerlach, Ingebrigtsen and Gimse introduced-

**S.F. No. 40:** A bill for an act relating to taxation; conforming certain income, franchise, and property tax refund provisions for tax year 2006 to the federal teacher expense deduction, tuition subtraction, and other provisions of the Tax Relief and Health Care Act of 2006, the Heroes Earned Retirement Opportunity Act, and the Pension Protection Plan of 2006; amending Minnesota Statutes 2006, sections 290.01, subdivisions 19, 19b, 31; 290A.03, subdivision 15.

Referred to the Committee on Taxes.

## Senators Rest and Dibble introduced-

**S.F. No. 41:** A bill for an act relating to state government; authorizing the legislative auditor to retain certain audit fees; amending Minnesota Statutes 2006, sections 3.9741, subdivision 1; 37.06.

Referred to the Committee on Finance.

#### Senators Frederickson and Vickerman introduced-

**S.F. No. 42:** A bill for an act relating to education; authorizing a fund transfer for Independent School District No. 81, Comfrey.

Referred to the Committee on Finance.

#### Senators Rest, Scheid and Saltzman introduced-

**S.F. No. 43:** A bill for an act relating to state government finance; providing an appropriation for emergencies; requiring reports and recommendations to bring the state budget into compliance with generally accepted governmental accounting principles; requiring disclosure of the impact of inflation on state expenditures; requiring consultation on expenditure data; requiring a report of cash flow for the general fund; providing continuing appropriations for the operation of state government under certain conditions; appropriating money; amending Minnesota Statutes 2006, sections 9.061, subdivision 5; 16A.055, subdivision 1; 16A.103, subdivisions 1a, 1b, 1c, 1e; 16A.11, subdivision 2, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 16A.

Referred to the Committee on Finance.

## Senators Lynch, Berglin, Torres Ray, Senjem and Rosen introduced-

**S.F. No. 44:** A bill for an act relating to health occupations; permitting certain foreign medical school graduates to use a credentials verification service; amending Minnesota Statutes 2006, section 147.037, subdivision 1.

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

## Senators Michel, Rest, Bonoff, Saxhaug and Rosen introduced-

**S.F. No. 45:** A bill for an act relating to state government; requiring an analysis of demographic trends with forecast of state revenue and expenditures; amending Minnesota Statutes 2006, section 16A.103, by adding a subdivision.

Referred to the Committee on Finance.

# Senators Tomassoni, Betzold, Anderson, Pappas and Saltzman introduced-

**S.F. No. 46:** A bill for an act relating to state government finance; providing for continuing appropriations in certain circumstances; proposing coding for new law in Minnesota Statutes, chapter 16A.

Referred to the Committee on Finance.

## Senators Betzold, Neuville and Moua introduced-

**S.F. No. 47:** A bill for an act relating to corrections; establishing a parole board; prescribing its membership, duties, and powers; prescribing when an individual is eligible to be considered for parole; authorizing the board to determine if selected Level III sex offenders should be referred to the county attorney for civil commitment; appropriating money; amending Minnesota Statutes 2006, section 244.05, subdivision 7; proposing coding for new law as Minnesota Statutes, chapter 244A.

Referred to the Committee on Judiciary.

# Senator Murphy introduced-

**S.F. No. 48:** A bill for an act relating to transportation; allocating motor vehicle sales tax proceeds; amending Minnesota Statutes 2006, section 297B.09, subdivision 1.

Referred to the Committee on Finance.

#### Senator Day introduced-

**S.F. No. 49:** A bill for an act relating to traffic regulations; regulating gross vehicle weights; amending Minnesota Statutes 2006, section 169.824, subdivision 1.

Referred to the Committee on Transportation.

#### Senators Marty, Carlson, Doll and Sieben introduced-

**S.F. No. 50:** A bill for an act relating to lobbyists; prohibiting former legislators, constitutional officers, and agency heads from lobbying for legislative or administrative action for two years after leaving office; proposing coding for new law in Minnesota Statutes, chapter 10A.

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

## Senator Marty introduced-

**S.F. No. 51:** A bill for an act relating to ethics in government; providing that acceptance of large campaign contributions by certain elected officials creates a conflict of interest on issues related to the contributor; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 471.

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

#### Senator Marty introduced-

**S.F. No. 52:** A bill for an act relating to elections; providing for "clean money" campaigns funded without special interest money; expanding certain definitions; requiring certain campaign finance reports to be filed and published electronically; requiring notice of independent expenditures; requiring reports of excess spending by candidates who do not agree to limit spending; reducing certain contribution limits and spending limits; limiting independent expenditures by political parties on behalf of their own candidates as a condition of receiving a public subsidy; imposing

campaign contribution and spending limits on political party caucuses as a condition of receiving a public subsidy; limiting multicandidate expenditures by political parties; increasing public subsidies for candidates who agree to lower contribution limits; increasing spending limits and public subsidies to respond to independent expenditures and excess spending by nonparticipating candidates; repealing the income tax checkoff for election campaigns; increasing the maximum political contribution refund from \$50 to \$100; imposing criminal penalties; appropriating money; amending Minnesota Statutes 2006, sections 10A.01, subdivisions 9, 18, 21; 10A.02, subdivision 11a; 10A.14, subdivision 2; 10A.20, subdivisions 2, 6b, by adding subdivisions; 10A.25, subdivisions 1, 2, 2a, by adding subdivisions; 10A.257, subdivision 1; 10A.27, subdivisions 1, 11, by adding subdivisions; 10A.275, subdivision 1; 10A.28, subdivisions 1, 2; 10A.315; 10A.322; 200.02, by adding a subdivision; 290.06, subdivision 23; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 2006, sections 10A.25, subdivision 6; 10A.31, subdivisions 1, 3, 3a, 4, 5, 5a, 6, 6a, 7, 10, 10a, 10b, 11.

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

## Senators Rest, Dibble and Sieben introduced-

**S.F. No. 53:** A bill for an act relating to natural resources; establishing regulation of ballast water discharge into Lake Superior by oceangoing vessels; requiring adoption of rules to set standards for ballast water discharge, treatment, and management; requiring regional cooperation and formation of a coalition; proposing coding for new law in Minnesota Statutes, chapter 84D.

Referred to the Committee on Environment and Natural Resources.

#### Senator Tomassoni introduced-

**S.F. No. 54:** A bill for an act relating to economic development; dissolving the Hibbing Area Redevelopment Agency; transferring assets and liabilities to the Hibbing Economic Development Authority.

Referred to the Committee on Business, Industry and Jobs.

#### Senator Dille introduced-

**S.F. No. 55:** A bill for an act relating to human services; placing nursing facilities in the county of Meeker into a different geographic group; amending Minnesota Statutes 2006, section 256B.431, subdivision 2b.

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

#### Senator Betzold introduced-

**S.F. No. 56:** A bill for an act relating to retirement; Teachers Retirement Association; containing provisions of an administrative nature; amending Minnesota Statutes 2006, sections 354.094, subdivision 1; 354.35; 354.45, subdivision 1a; 354.48, subdivision 3; 356.46, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 354; repealing Minnesota Statutes 2006, section 354.49, subdivision 5.

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

#### Senators Prettner Solon, Bakk, Langseth, Pogemiller and Senjem introduced-

**S.F. No. 57:** A bill for an act relating to capital improvements; authorizing the issuance of state bonds; appropriating money for the Duluth Entertainment and Convention Center arena.

Referred to the Committee on Finance.

# Senators Prettner Solon, Langseth, Bakk, Senjem and Pogemiller introduced-

**S.F. No. 58:** A bill for an act relating to the city of Duluth; authorizing the city of Duluth to increase the rate of tax on sales of food and beverages; authorizing use of the proceeds of the tax for certain improvements; amending Laws 1980, chapter 511, section 1, subdivision 2, as amended.

Referred to the Committee on Taxes.

# Senators Berglin, Prettner Solon, Marty, Lourey and Koering introduced-

**S.F. No. 59:** A bill for an act relating to human services; repealing the MFIP subsidized housing penalty; repealing Minnesota Statutes 2006, section 256J.37, subdivision 3a.

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

## Senators Prettner Solon, Bakk, Rest, Betzold and Senjem introduced-

**S.F. No. 60:** A bill for an act relating to local government; authorizing the city of Duluth to establish accounts to pay for postemployment benefits owed to retired employees and to generate revenue dedicated to meet certain city obligations; proposing coding for new law in Minnesota Statutes, chapter 353.

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

#### Senators Tomassoni and Metzen introduced-

**S.F. No. 61:** A bill for an act relating to public safety; authorizing duplicate driver's license not showing the no-alcohol restriction for certain former DWI offenders; amending Minnesota Statutes 2006, section 171.09, by adding a subdivision.

Referred to the Committee on Transportation.

## Senators Tomassoni, Koering, Metzen and Murphy introduced-

**S.F. No. 62:** A bill for an act relating to commerce; regulating sales of American flags and related items; proposing coding for new law in Minnesota Statutes, chapter 325E.

Referred to the Committee on Commerce and Consumer Protection.

#### Senator Larson introduced-

**S.F. No. 63:** A bill for an act relating to transportation; adding requirements for regular route transit provided by Metropolitan Council; proposing coding for new law in Minnesota Statutes, chapter 473.

Referred to the Committee on Transportation.

#### Senator Day introduced-

**S.F. No. 64:** A bill for an act relating to capital improvements; authorizing the sale and issuance of state bonds; appropriating money for street and sewer improvements in Blooming Prairie.

Referred to the Committee on Finance.

# Senators Sieben, Chaudhary, Tomassoni, Dibble and Prettner Solon introduced-

**S.F. No. 65:** A resolution memorializing the President and Congress and others to protect the Great Lakes from aquatic invasive species.

Referred to the Committee on Environment and Natural Resources.

## Senators Lourey; Sheran; Olson, M.; Prettner Solon and Sieben introduced-

**S.F. No. 66:** A bill for an act relating to health care; creating a small employer buy-in option to MinnesotaCare; proposing coding for new law in Minnesota Statutes, chapter 256L.

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

## Senators Saxhaug, Tomassoni and Bakk introduced-

**S.F. No. 67:** A bill for an act relating to economic development; appropriating money for a grant to the Iron Range Resources and Rehabilitation Board.

Referred to the Committee on Finance.

# Senators Saxhaug and Olson, M. introduced-

**S.F. No. 68:** A bill for an act relating to taxation; exempting public safety radio communication products and services from sales tax; amending Minnesota Statutes 2006, section 297A.70, subdivision 8.

Referred to the Committee on Taxes.

# Senators Sieben, Wiger, Scheid, Latz and Clark introduced-

**S.F. No. 69:** A bill for an act relating to commerce; prohibiting expiration dates and service fees on gift certificates and gift cards; proposing coding for new law in Minnesota Statutes, chapter 325G.

Referred to the Committee on Commerce and Consumer Protection.

#### Senators Prettner Solon, Erickson Ropes, Lourey, Sheran and Marty introduced-

**S.F. No. 70:** A bill for an act relating to health; restoring family planning grants; amending Laws 2005, First Special Session chapter 4, article 9, section 3, subdivision 2.

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

# Senators Prettner Solon, Erickson Ropes, Sheran, Lynch and Marty introduced-

**S.F. No. 71:** A bill for an act relating to health care; eliminating the co-payments for medical assistance and general assistance medical care; covering Medicare Part D co-payments for dual eligibles; amending Minnesota Statutes 2006, sections 256B.0625, by adding a subdivision; 256D.03, subdivision 4; repealing Minnesota Statutes 2006, section 256B.0631.

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

# Senators Olson, M.; Lourey; Sheran; Prettner Solon and Koering introduced-

**S.F. No. 72:** A bill for an act relating to health care; removing the insurance barriers to MinnesotaCare eligibility for children; amending Minnesota Statutes 2006, section 256L.07, subdivisions 2, 3.

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

#### Senators Sheran; Prettner Solon; Olson, M.; Lynch and Rosen introduced-

**S.F. No. 73:** A bill for an act relating to health care; creating the prescription drug discount program; proposing coding for new law in Minnesota Statutes, chapter 256.

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

#### Senators Prettner Solon, Rosen, Rest, Anderson and Doll introduced-

**S.F. No. 74:** A bill for an act relating to energy; modifying renewable energy objective; requiring development of economic development strategy related to renewable energy; amending Minnesota Statutes 2006, section 216B.1691.

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

# Senators Koering, Skoe, Skogen, Lourey and Dille introduced-

**S.F. No. 75:** A bill for an act relating to health care; modifying the definition of income for self-employed farmers in MinnesotaCare; amending Minnesota Statutes 2006, section 256L.01, subdivision 4.

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

## Senators Vickerman, Kubly, Skogen, Lourey and Dille introduced-

**S.F. No. 76:** A bill for an act relating to taxation; providing an income and corporate franchise tax credit for qualifying investment in dairy operations; amending Minnesota Statutes 2006, section 290.06, by adding a subdivision.

Referred to the Committee on Agriculture and Veterans.

# Senators Erickson Ropes; Olson, M.; Prettner Solon; Sheran and Ingebrigtsen introduced-

**S.F. No. 77:** A bill for an act relating to health care; eliminating MinnesotaCare premiums for members of the military and their families for a year; amending Minnesota Statutes 2006, section 256L.15, subdivision 1.

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

## Senators Lynch; Prettner Solon; Sheran; Olson, M. and Koering introduced-

**S.F. No. 78:** A bill for an act relating to health care; expanding the definition of dependent coverage to any unmarried child under the age of 25; amending Minnesota Statutes 2006, sections 62E.02, subdivision 7; 62L.02, subdivision 11; repealing Minnesota Statutes 2006, section 62A.301.

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

## Senators Lynch, Prettner Solon, Lourey, Koering and Rosen introduced-

**S.F. No. 79:** A bill for an act relating to health care; increasing eligibility for single adults and households without children in MinnesotaCare; increasing inpatient hospital benefit limit in MinnesotaCare; repealing the limited benefit set; amending Minnesota Statutes 2006, sections 256L.03, subdivisions 1, 3, 5; 256L.04, subdivision 7; repealing Minnesota Statutes 2006, section 256L.035.

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

## Senators Berglin and Marty introduced-

**S.F. No. 80:** A bill for an act relating to health; prohibiting smoking near entrances to public places; amending Minnesota Statutes 2006, section 144.414, subdivisions 1, 3.

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

#### RECESS

Senator Pogemiller moved that the Senate do now recess until 2:45 p.m. The motion prevailed.

The hour of 2:45 p.m. having arrived, the President called the Senate to order.

## **MOTIONS AND RESOLUTIONS - CONTINUED**

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

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 8.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted January 11, 2007

#### FIRST READING OF HOUSE BILLS

The following bill was read the first time.

**H.F. No. 8:** A bill for an act relating to taxation; conforming certain income, franchise, and property tax refund provisions for tax year 2006 to the federal teacher expense deduction, tuition subtraction, and other provisions of the Tax Relief and Health Care Act of 2006, the Heroes Earned Retirement Opportunity Act, and the Pension Protection Plan of 2006; amending Minnesota Statutes 2006, sections 290.01, subdivisions 19, 19b, 31; 290A.03, subdivision 15.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 17, now on General Orders.

#### MEMBERS EXCUSED

Senators Metzen, Rest and Tomassoni were excused from the Session of today. Senator Moua was excused from the Session of today from 11:00 to 11:20 a.m.

#### **ADJOURNMENT**

Senator Pogemiller moved that the Senate do now adjourn until 11:00 a.m., Tuesday, January 16, 2007. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

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