

SIXTY-FOURTH DAY

St. Paul, Minnesota, Monday, February 15, 2010

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 the Chaplain, Rev. Paul Rogers.

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

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

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

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.

February 11, 2010

The Honorable James P. Metzen
President of the Senate

Dear President Metzen:

Please be advised that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 848 and 740.

Sincerely,
Tim Pawlenty, Governor

February 11, 2010

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives

The Honorable James P. Metzen
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2010 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:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 2010	Date Filed 2010
848		180	1:24 p.m. February 11	February 11
740		181	1:25 p.m. February 11	February 11

Sincerely,
Mark Ritchie
Secretary of State

February 12, 2010

The Honorable James P. Metzen
President of the Senate

Dear Senator Metzen:

Pursuant to Senate Rule 8.2, the following appointments have been withdrawn from the following committees and placed on the Confirmation Calendar:

From the Committee on Environment and Natural Resources, to which were referred the following appointments as reported in the Journal for January 8, 2009:

CLEAN WATER COUNCIL
Keith Hanson

MINNESOTA POLLUTION CONTROL AGENCY
Dennis Jensen
Kathy Lohmer

From the Committee on Higher Education, to which were referred the following appointments as reported in the Journal for January 8, 2009:

BOARD OF TRUSTEES OF THE MINNESOTA STATE COLLEGES AND UNIVERSITIES
David Paskach

MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY
Kathryn Balstad Brewer

Sincerely,
Peter S. Wattson
Secretary of the Senate (Legislative)

REPORTS OF COMMITTEES

Senator Pogemiller moved that the Committee Reports at the Desk be now adopted, with the exception of the report pertaining to appointments. The motion prevailed.

Senator Moua from the Committee on Judiciary, to which was re-referred

S.F. No. 838: A bill for an act relating to domestic abuse; authorizing courts to include pets and companion animals in protective orders; amending Minnesota Statutes 2008, section 518B.01, subdivisions 6, 7.

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

Senator Moua from the Committee on Judiciary, to which was re-referred

S.F. No. 271: A bill for an act relating to state government; providing additional whistleblower protection to state employees; amending Minnesota Statutes 2008, section 181.932, subdivision 1.

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

Senator Moua from the Committee on Judiciary, to which was re-referred

S.F. No. 531: A bill for an act relating to elections; requiring an affidavit of candidacy to state the candidate's residence address and telephone number; prohibiting placement of a candidate on the ballot if residency requirements are not met; amending Minnesota Statutes 2008, section 204B.06, by adding a subdivision.

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

Page 1, line 9, delete "Except as provided in paragraph"

Page 1, line 10, delete "(d),"

Page 1, line 11, delete everything after the period

Page 1, delete lines 12 and 13

Page 2, delete lines 4 to 8

Page 2, line 9, delete "(e)" and insert "(d)"

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

Senator Moua from the Committee on Judiciary, to which was re-referred

S.F. No. 118: A bill for an act relating to health; guaranteeing that all necessary health care is available and affordable for every Minnesotan; establishing the Minnesota Health Plan, Minnesota Health Board, Minnesota Health Fund, Office of Health Quality and Planning, ombudsman for patient advocacy, and inspector general for the Minnesota Health Plan; appropriating money; amending Minnesota Statutes 2008, sections 14.03, subdivisions 2, 3; 15A.0815, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 62V.

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

Page 3, delete subdivision 5

Page 4, line 21, delete everything after the period

Page 4, delete line 22

Page 5, after line 30, insert:

"Subd. 8. **Data.** Government data collected because an individual applies for or is enrolled in the Minnesota Health Plan are private data on individuals as defined in section 13.02, subdivision 12, but may be released to:

(1) providers for purposes of confirming enrollment and processing payments for benefits;

(2) the ombudsman for patient advocacy for purposes of performing duties under section 62V.10 or 62V.11; or

(3) the inspector general for purposes of performing duties under section 62V.12."

Page 5, after line 32, insert:

"Section 1. Minnesota Statutes 2008, section 13.3806, is amended by adding a subdivision to read:

Subd. 1b. **Minnesota Health Plan.** Data on enrollees under the Minnesota Health Plan are classified under sections 62V.03, subdivision 8, and 62V.11, subdivision 6."

Page 5, line 35, delete "A"

Page 6, delete lines 1 and 2

Page 10, line 3, delete "2010" and insert "2011"

Page 10, line 34, delete "No-cost sharing" and insert "No cost-sharing"

Page 14, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 2009 Supplement, section 15A.0815, subdivision 2, is amended to read:

Subd. 2. **Group I salary limits.** The salaries for positions in this subdivision may not exceed 95 percent of the salary of the governor:

Commissioner of administration;
Commissioner of agriculture;
Commissioner of education;
Commissioner of commerce;
Commissioner of corrections;
Commissioner of health;
Executive officer of the Minnesota Health Plan;
Executive director, Minnesota Office of Higher Education;
Commissioner, Housing Finance Agency;
Commissioner of human rights;
Commissioner of human services;
Commissioner of labor and industry;
Commissioner of management and budget;
Commissioner of natural resources;
Director of Office of Strategic and Long-Range Planning;
Commissioner, Pollution Control Agency;
Executive director, Public Employees Retirement Association;
Commissioner of public safety;
Commissioner of revenue;
Executive director, State Retirement System;
Executive director, Teachers Retirement Association;
Commissioner of employment and economic development;
Commissioner of transportation; and
Commissioner of veterans affairs."

Page 18, line 15, delete "legislature" and insert "chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over health care issues"

Page 18, line 32, delete "2009" and insert "2010"

Page 21, line 11, delete everything after "Board" and insert a period

Page 21, line 12, delete everything before "The"

Page 21, after line 13, insert:

"(e) The Minnesota Health Board has no oversight or authority over the ombudsman for patient advocacy."

Page 21, line 14, delete "(a)"

Page 21, line 25, delete "report annually to the public, the board, and the legislature" and insert "prepare an annual report"

Page 21, delete lines 28 to 30

Page 21, line 34, delete "reasonable procedures" and insert "a process" and delete "shall ensure" and insert "ensures"

Page 22, delete line 7 and insert ". A provider or an employee of a provider who, in good faith, joins with or assists a complainant in submitting a grievance is subject to the protections and remedies under sections 181.931 to 181.935."

Page 22, line 16, delete everything after the first period and insert "A decision of the ombudsman is subject to de novo review by the district court."

Page 22, after line 16, insert:

"Subd. 6. **Data.** Data on enrollees collected because an enrollee submits a complaint to the ombudsman are private data on individuals as defined in section 13.02, subdivision 12, but may be released to a provider who is the subject of the complaint or to the board for purposes of this section."

Page 22, line 30, delete "patterns of medical practice that may indicate" and after "abuse" insert a semicolon

Page 22, delete lines 31 and 32

Page 23, delete section 10

Page 23, line 9, delete "2010" and insert "2011"

Page 23, line 14, delete "finance" and insert "management and budget"

Renumber the sections in sequence

Amend the title numbers accordingly

And when so amended the bill do pass and be re-referred to the Committee on State and Local Government Operations and Oversight. Amendments adopted. Report adopted.

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

S.F. No. 1770: A bill for an act relating to poverty; establishing the Ladder Out of Poverty Task Force; providing for its membership and duties; providing legislative appointments.

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

Delete everything after the enacting clause and insert:

"Section 1. **LADDER OUT OF POVERTY TASK FORCE.**

Subdivision 1. Creation. (a) The task force consists of the following members:

(1) four senators, including two members of the majority party and two members of the minority party, appointed by the Subcommittee on Committees of the Committee on Rules and Administration of the senate;

(2) four members of the house of representatives, including two members of the majority party, appointed by the speaker of the house, and two members of the minority party, appointed by the minority leader;

(3) the commissioner of the Minnesota Department of Commerce or the commissioner's designee; and

(4) the attorney general or the attorney general's designee.

(b) The task force shall ensure that representatives of the following have the opportunity to meet with and present views to the task force: credit unions; independent community banks; state and federal financial institutions; community action agencies; faith-based financial counseling agencies; faith-based social justice organizations; legal services organizations representing low-income persons; nonprofit organizations providing free tax preparation services as part of the volunteer income tax assistance program; relevant state and local agencies; University of Minnesota faculty involved in personal and family financial education; philanthropic organizations that have as one of their missions combating predatory lending; organizations representing older Minnesotans; and organizations representing the interests of women, Latinos and Latinas, African-Americans, Asian-Americans, American Indians, and immigrants.

Subd. 2. Duties. (a) At a minimum, the task force must identify specific policies, strategies, and actions to:

(1) increase opportunities for poor and near-poor families and individuals to acquire assets and create and build wealth;

(2) expand the utilization of Family Assets for Independence in Minnesota (FAIM) or other culturally specific individual development account programs;

(3) reduce or eliminate predatory financial practices in Minnesota through regulatory actions, legislative enactments, and the development and deployment of alternative, nonpredatory financial products;

(4) provide incentives or assistance to private sector financial institutions to offer additional programs and services that provide alternatives to and education about predatory financial products;

(5) provide financial literacy information to low-income families and individuals at the time the recipient has the ability, opportunity, and motivation to receive, understand, and act on the information provided; and

(6) identify incentives and mechanisms to increase community engagement in combating poverty and helping poor and near-poor families and individuals to acquire assets and create and build wealth.

(b) By June 1, 2012, the task force must provide written recommendations and any draft legislation necessary to implement the recommendations to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over commerce and consumer protection.

Subd. 3. **Administrative provisions.** (a) The director of the Legislative Coordinating Commission, or a designee of the director, must convene the initial meeting of the task force by September 15, 2010. The members of the task force must elect a chair or cochairs from the legislative members at the initial meeting.

(b) Members of the task force serve without compensation or payment of expenses from the task force.

(c) The task force expires June 1, 2012, or upon the submission of the report required under subdivision 3, whichever is earlier.

(d) The task force may accept gifts and grants, which are accepted on behalf of the state and constitute donations to the state. The funds must be deposited in an account in the special revenue fund and are appropriated to the Legislative Coordinating Commission for purposes of the task force.

(e) The Legislative Coordinating Commission shall provide fiscal services to the task force as needed under this subdivision.

Subd. 4. **Deadline for appointments and designations.** The appointments and designations authorized under this section must be completed no later than August 15, 2010.

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

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

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

S.F. No. 895: A bill for an act relating to health; establishing an academic detailing program for prescription drugs; allowing rulemaking; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 62U.

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

Page 3, line 2, after "the" insert "chairs and ranking minority members of the"

Page 3, line 3, after "care" insert "policy and finance"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

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

S.F. No. 2307: A bill for an act relating to taxation; providing an investment tax credit; requiring reports; proposing coding for new law in Minnesota Statutes, chapters 116J; 290.

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

Page 7, line 14, delete "committees" and insert "legislative committees and divisions"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

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

S.F. No. 2413: A bill for an act relating to local government; authorizing municipalities to permit certain solicitations; proposing coding for new law in Minnesota Statutes, chapter 465.

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

Page 1, line 8, after "municipality" insert "while on duty, or volunteer firefighters serving the municipality while not on duty,"

Page 1, line 9, delete "while on duty"

And when so amended the bill do pass and be re-referred to the Committee on Commerce and Consumer Protection. Amendments adopted. Report adopted.

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

S.F. No. 2259: A bill for an act relating to local government; authorizing federally recognized Indian tribes to participate in joint powers agreements; amending Minnesota Statutes 2008, section 471.59, subdivision 1.

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

Page 1, line 16, after the first comma, insert "the Minnesota Historical Society,"

Amend the title accordingly

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

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

S.F. No. 2306: A bill for an act relating to taxation; insurance; providing a credit for investment in start-up and emerging Minnesota businesses; proposing coding for new law in Minnesota Statutes, chapters 116J; 297I.

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

Page 10, line 32, after "report" insert "by March 15 of each year"

Page 10, line 33, delete "committees" and insert "legislative committees and divisions"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

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

S.F. No. 2309: A bill for an act relating to local government; lengthening probationary period for newly hired peace officers in certain statutory cities; amending Minnesota Statutes 2008, sections 44.01, by adding a subdivision; 44.10, subdivision 1.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

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

S.F. No. 2167: A bill for an act relating to economic development; providing for stimulation of the construction industry; streamlining and modifying conditions that apply to certain construction projects; providing investment tax credits and an historic structure rehabilitation credit; authorizing green energy revenue bonds; permitting local assessments for energy improvements; appropriating money; amending Minnesota Statutes 2008, sections 16C.16, by adding a subdivision; 429.011, by adding subdivisions; 429.021, subdivision 1; 429.031, subdivision 3; 469.176, subdivision 2, by adding a subdivision; Minnesota Statutes 2009 Supplement, section 469.153, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 116J; 290; 297I; 469.

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

Page 1, after line 19, insert:

"Sec. 2. Minnesota Statutes 2009 Supplement, section 429.011, subdivision 2a, is amended to read:

Subd. 2a. **Municipality; certain counties.** "Municipality" also includes the following:

(1) a county in the case of construction, reconstruction, or improvement of a county state-aid highway;

(2) a county in the case of construction, reconstruction, or improvement of a county highway as defined in section 160.02 including curbs and gutters and storm sewers;

(3) a county exercising its powers and duties under section 444.075, subdivision 1;

(4) a county for expenses not paid for under section 403.113, subdivision 3, paragraph (b), clause (3); ~~and~~

(5) a county in the case of the abatement of nuisances; and

(6) a county in the case of on-site energy conservation and renewable energy generation

improvements."

Page 1, lines 22 and 24, after "conservation" insert "and renewable energy"

Page 2, lines 5 and 6, after "conservation" insert "and renewable energy"

Page 2, line 10, delete everything after "building" and insert "and its property and equipment for on-site renewable energy generation including, but not limited to, solar photovoltaics and solar thermal, as well as energy storage devices that may include mobile equipment charging capability,"

Page 2, line 11, delete "building,"

Page 3, line 36, delete "improvements in existing buildings," and insert "and renewable energy improvements for buildings and property,"

Page 6, line 7, after the third comma, insert "purchase,"

Page 6, line 8, before "gathering" insert "the reduction of energy demand and in" and after the third comma, insert "storing,"

Page 29, line 19, after "report" insert "by March 15 of each year" and before "chairs" insert "legislative"

Page 29, line 20, after "committees" insert "and divisions"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after "improvements" insert "by cities and counties"

Amend the title numbers accordingly

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Senator Vickerman from the Committee on Agriculture and Veterans, to which were referred the following appointments:

BOARD OF ANIMAL HEALTH

Dr. Holly Jane Neaton

Dr. John Whitten

Reports the same back with the recommendation that the appointments be confirmed.

Senator Pogemiller moved that the foregoing committee report be laid on the table. The motion prevailed.

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

S.F. No. 2352: A bill for an act relating to taxation; accelerating the income tax charitable deduction for relief of Haitian earthquake victims; amending Minnesota Statutes 2009 Supplement, section 290.01, subdivision 19.

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

Page 2, after line 19, insert:

"Sec. 2. Minnesota Statutes 2009 Supplement, 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. No deduction is permitted for any expense the taxpayer incurred in using the taxpayer's or the qualifying child's vehicle to provide such transportation for a qualifying child. 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 and Public Law 111-126;

(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) to the extent included in federal taxable income, 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 service performed in accordance with section 190.08, subdivision 3;

(12) to the extent included in federal taxable income, 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 under United States Code, title 10, section 101(d); United States Code, title 32, section 101(12); or the authority of the United Nations;

(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 service member as defined in United States Code, title 10, section 101(a)(5), for military service as defined in the Servicemembers Civil Relief Act, Public Law 108-189, section 101(2);

(16) international economic development zone income as provided under section 469.325;

(17) to the extent included in federal taxable income, the amount of national service educational awards received from the National Service Trust under United States Code, title 42, sections 12601 to 12604, for service in an approved Americorps National Service program; and

(18) to the extent included in federal taxable income, discharge of indebtedness income resulting from reacquisition of business indebtedness included in federal taxable income under section 108(i) of the Internal Revenue Code. This subtraction applies only to the extent that the income was included in net income in a prior year as a result of the addition under section 290.01, subdivision 19a, clause (16)."

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. 838, 271, 531, 2259, 2309 and 2352 were read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senator Fischbach introduced—

S.F. No. 2571: A bill for an act relating to transportation; establishing requirements governing relinquishing land owned by the Department of Transportation; proposing coding for new law in Minnesota Statutes, chapter 161.

Referred to the Committee on Transportation.

Senator Fischbach introduced—

S.F. No. 2572: A bill for an act relating to transportation; clarifying time for providing notice of vehicle impoundment; amending Minnesota Statutes 2008, section 168B.06, subdivision 1.

Referred to the Committee on Transportation.

Senator Betzold introduced—

S.F. No. 2573: A bill for an act relating to retirement; general state employees retirement plan; correctional state employees retirement plan; legislators retirement plan; judges retirement plan; State Patrol retirement plan; increasing certain contribution rates; temporarily reducing certain postretirement adjustment increase rates; reducing interest rates on refunds; reducing deferred annuity augmentation rates; eliminating interest on reemployed annuitant earnings limitation deferred accounts; increasing certain vesting requirements; increasing certain early retirement reduction rates; reducing certain benefit accrual rates; extending certain amortization periods; amending Minnesota Statutes 2008, sections 3A.02, subdivision 4; 352.113, subdivision 1; 352.115, subdivision 1; 352.12, subdivision 2; 352.22, subdivisions 2, 3; 352.72, subdivisions 1, 2; 352.93, subdivisions 1, 2a, 3a; 352.931, subdivision 1; 352B.02, as amended; 352B.08, subdivisions 1, 2a; 352B.11, subdivision 2b; 352B.30, subdivisions 1, 2; 352F.07; 356.30, subdivision 1; 356.302, subdivisions 3, 4, 5; 356.303, subdivision 2; 356.315, subdivision 5; 356.47, subdivision 3; Minnesota Statutes 2009 Supplement, sections 352.75, subdivision 4; 352.95, subdivision 2; 356.215, subdivision 11; 356.415, subdivision 1, by adding a subdivision.

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

Senator Murphy introduced—

S.F. No. 2574: A bill for an act relating to liquor; modifying off-sale intoxicating liquor sales; amending Minnesota Statutes 2008, section 340A.504, subdivision 4.

Referred to the Committee on Commerce and Consumer Protection.

Senators Frederickson, Vickerman, Kubly and Dille introduced—

S.F. No. 2575: A bill for an act relating to education finance; making H1N1 flu prevention activities eligible for health and safety revenue; amending Minnesota Statutes 2008, section 123B.56.

Referred to the Committee on Finance.

Senators Gerlach, Hann, Parry, Ingebrigtsen and Johnson introduced—

S.F. No. 2576: A bill for an act relating to state finance; requiring a balanced budget prior to passage of other legislation; proposing coding for new law in Minnesota Statutes, chapter 16A.

Referred to the Committee on Finance.

Senators Hann, Michel and Gerlach introduced—

S.F. No. 2577: A bill for an act relating to education finance; increasing the aid payment percentage for charter schools; amending Minnesota Statutes 2008, section 127A.45, subdivision 2.

Referred to the Committee on Finance.

Senators Hann, Michel and Gerlach introduced—

S.F. No. 2578: A bill for an act relating to education finance; modifying the state aid payment schedule for charter schools; amending Minnesota Statutes 2008, section 127A.45, subdivisions 3, 4.

Referred to the Committee on Finance.

Senators Moua, Scheid, Betzold, Higgins and Olson, M. introduced—

S.F. No. 2579: A bill for an act relating to public safety; making numerous changes to the controlled substance forfeiture law; requesting the legislative auditor to conduct an evaluation on forfeiture; expanding the reporting requirements related to forfeiture; requiring model policies on forfeiture; amending Minnesota Statutes 2008, sections 97A.221, by adding a subdivision; 97A.223, by adding a subdivision; 97A.225, by adding a subdivision; 169A.63, by adding a subdivision; 609.531, subdivision 6a; 609.5311, subdivision 3; 609.5314; 609.5315, subdivision 6; 609.5318, subdivision 3; 609.762, by adding a subdivision; 609.905, by adding a subdivision; Minnesota Statutes 2009 Supplement, section 84.7741, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 388; 626.

Referred to the Committee on Judiciary.

Senators Higgins, Scheid, Prettner Solon, Rest and Moua introduced—

S.F. No. 2580: A bill for an act relating to state government; modifying provisions governing observance of Juneteenth; amending Minnesota Statutes 2008, section 10.55.

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

Senators Frederickson, Saxhaug, Sheran, Dille and Olson, G. introduced—

S.F. No. 2581: A bill for an act relating to education; repealing reporting requirements for career and technical levy; repealing Minnesota Statutes 2008, section 124D.4531, subdivision 4.

Referred to the Committee on Finance.

Senators Rest, Betzold, Robling and Metzen introduced—

S.F. No. 2582: A bill for an act relating to the legislative auditor; providing certain carryforward authority to the office of the legislative auditor.

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

Senators Kubly, Pariseau, Dille and Vickerman introduced—

S.F. No. 2583: A bill for an act relating to game and fish; allowing portable deer stands to be erected and left unattended on public lands during deer season; amending Minnesota Statutes 2008, section 97B.326.

Referred to the Committee on Environment and Natural Resources.

Senators Olseen, Bonoff, Wiger, Johnson and Saxhaug introduced—

S.F. No. 2584: A bill for an act relating to health; limiting the Board of Medical Practice implementing disciplinary act against a physician for dispensing long-term antibiotic therapy for chronic Lyme disease.

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

Senators Higgins, Scheid, Moua, Dibble and Torres Ray introduced—

S.F. No. 2585: A bill for an act relating to transportation; directing commissioner of transportation to require bids for federally assisted contracts to include information on inclusion of disadvantaged business enterprises; requiring commissioner of transportation to provide training for disadvantaged business enterprises; imposing reporting requirements; requiring application for waiver; proposing coding for new law in Minnesota Statutes, chapters 161; 174; repealing Minnesota Statutes 2008, section 174.03, subdivision 11.

Referred to the Committee on Transportation.

Senators Murphy, Vickerman, Erickson Ropes, Frederickson and Dille introduced—

S.F. No. 2586: A bill for an act relating to the legislature; proposing an amendment to the Minnesota Constitution, article IV, section 4; providing for temporary successors to members of the legislature called into active military service; providing for implementing statutory language; proposing coding for new law in Minnesota Statutes, chapter 3.

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

Senators Anderson, Sieben, Metzen, Jungbauer and Torres Ray introduced—

S.F. No. 2587: A bill for an act relating to capital improvements; authorizing issuance of state bonds; appropriating money to the Metropolitan Council for regional park and open-space land acquisition and improvements.

Referred to the Committee on Finance.

Senators Anderson, Chaudhary, Torres Ray, Bakk and Frederickson introduced—

S.F. No. 2588: A bill for an act relating to natural resources; removing certain acquisition restrictions for Lake Vermilion State Park; amending Laws 2008, chapter 365, section 25.

Referred to the Committee on Environment and Natural Resources.

Senators Prettner Solon, Dahle and Koch introduced—

S.F. No. 2589: A bill for an act relating to utilities; regulating the granting of route permits for high-voltage transmission lines; amending Minnesota Statutes 2008, section 216E.03, by adding a subdivision.

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

Senators Scheid, Prettner Solon, Rest, Robling and Sparks introduced–

S.F. No. 2590: A bill for an act relating to local government; providing for securities lending agreements and holding of municipal funds; amending Minnesota Statutes 2008, sections 118A.05, subdivision 3; 118A.06.

Referred to the Committee on Commerce and Consumer Protection.

Senators Dibble, Higgins, Vandever, Moua and Jungbauer introduced–

S.F. No. 2591: A bill for an act relating to occupational licensing; changing certification for interior designers to licensing requirements; amending Minnesota Statutes 2008, section 326.02, subdivision 4b.

Referred to the Committee on Commerce and Consumer Protection.

Senators Sieben, Metzen and Carlson introduced–

S.F. No. 2592: A bill for an act relating to insurance; allowing certain minors to contract for automobile insurance; proposing coding for new law in Minnesota Statutes, chapter 65B.

Referred to the Committee on Commerce and Consumer Protection.

Senators Torres Ray, Anderson, Saxhaug, Frederickson and Sieben introduced–

S.F. No. 2593: A bill for an act relating to environment; requiring public buildings to use environmentally sensitive cleaning products; establishing guidelines and a task force; proposing coding for new law in Minnesota Statutes, chapter 116.

Referred to the Committee on Environment and Natural Resources.

Senators Kubly and Lynch introduced–

S.F. No. 2594: A bill for an act relating to city and county employees; exempting employees of a city-owned or county-owned hospital from certain reporting requirements; amending Minnesota Statutes 2008, section 471.701.

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

Senator Dibble introduced–

S.F. No. 2595: A bill for an act relating to landlord and tenant; modifying certain procedures related to expungement in eviction cases; adding certain residential covenants; specifying procedures for handling applicant screening fees; providing certain rights to tenants of foreclosed properties; amending Minnesota Statutes 2008, sections 484.014, subdivision 3, by adding a subdivision; 504B.161, subdivision 1; 504B.173; 504B.178, subdivision 7; 504B.285, by adding a subdivision; Minnesota Statutes 2009 Supplement, section 504B.285, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 504B.

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

Senators Prettner Solon, Higgins, Marty, Erickson Ropes and Lynch introduced—

S.F. No. 2596: A bill for an act relating to health occupations; modifying licensure requirements for psychologists; amending Minnesota Statutes 2008, sections 148.915; 148.916, subdivision 1; 148.96, subdivision 3.

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

Senator Scheid introduced—

S.F. No. 2597: A bill for an act relating to alcohol; allowing the state fair to issue liquor licenses; amending Minnesota Statutes 2008, sections 37.21; 340A.404, subdivision 5; 461.12, subdivision 1.

Referred to the Committee on Commerce and Consumer Protection.

Senators Saxhaug, Stumpf and Anderson introduced—

S.F. No. 2598: A bill for an act relating to education finance; clarifying legislative intent; adding language to the collaborative urban educator appropriation; amending Laws 2009, chapter 96, article 2, section 67, subdivision 14.

Referred to the Committee on Finance.

Senators Erickson Ropes, Prettner Solon, Bakk and Rest introduced—

S.F. No. 2599: A bill for an act relating to individual income taxation; extending the reciprocity agreement with the state of Wisconsin and permitting its termination only by legislative action; amending Minnesota Statutes 2008, section 290.081.

Referred to the Committee on Taxes.

Senators Erickson Ropes, Vickerman and Olseen introduced—

S.F. No. 2600: A resolution urging payment of the Federal Respite Leave Benefit for members of the 1st of the 34th Brigade of the Minnesota National Guard who served in Iraq during the Troop Surge of 2007.

Referred to the Committee on Agriculture and Veterans.

Senators Bonoff, Moua, Torres Ray, Robling and Anderson introduced—

S.F. No. 2601: A bill for an act relating to education; allowing school boards to offer a continuing contract to a teacher during the probationary period; amending Minnesota Statutes 2008, sections 122A.40, subdivision 5; 122A.41, subdivision 2.

Referred to the Committee on Education.

Senators Kubly, Dille, Bakk, Robling and Olseen introduced—

S.F. No. 2602: A bill for an act relating to eminent domain; providing for discharge of a portion of an easement acquired by condemnation; amending Minnesota Statutes 2008, section 117.225.

Referred to the Committee on Judiciary.

Senators Dahle, Lourey and Lynch introduced—

S.F. No. 2603: A bill for an act relating to human services; directing the ombudsman for long-term care to expand the volunteer ombudsman program; appropriating money.

Referred to the Committee on Finance.

Senators Skogen, Lynch and Senjem introduced—

S.F. No. 2604: A bill for an act relating to solid waste; amending mercury testing requirements for certain new incinerator units; amending Minnesota Statutes 2008, section 116.85, subdivision 1a.

Referred to the Committee on Environment and Natural Resources.

Senators Skogen, Vickerman, Kubly and Koering introduced—

S.F. No. 2605: A resolution calling on the Congressional Delegation of the Great State of Minnesota to fully support and fund passage of the Agent Orange Equity Act of 2009.

Referred to the Committee on Agriculture and Veterans.

Senators Bonoff, Dibble and Ortman introduced—

S.F. No. 2606: A bill for an act relating to taxation; sales and use; extending a construction exemption for a hydrogenerating facility; amending Minnesota Statutes 2008, section 297A.71, subdivision 39.

Referred to the Committee on Taxes.

Senator Fischbach introduced—

S.F. No. 2607: A bill for an act relating to traffic regulations; authorizing protective agents to use flashing lights in certain traffic situations; amending Minnesota Statutes 2008, sections 169.64, subdivision 3, by adding a subdivision; 326.338, subdivision 4.

Referred to the Committee on Transportation.

Senator Fischbach introduced—

S.F. No. 2608: A bill for an act relating to public safety; allowing use of flashing red light on protective agent vehicle while escorting oversized vehicle; amending Minnesota Statutes 2008, section 169.64, by adding a subdivision.

Referred to the Committee on Transportation.

Senators Kubly, Erickson Ropes and Rosen introduced—

S.F. No. 2609: A bill for an act relating to traffic regulations; modifying restrictions governing disability parking; making technical changes; amending Minnesota Statutes 2008, section 169.345, as amended.

Referred to the Committee on Transportation.

Senators Anderson, Wiger, Betzold, Rummel and Olson, G. introduced—

S.F. No. 2610: A bill for an act relating to education; allowing students who do not pass the reading and language arts GRAD to retake the test in paper-and-pencil format; amending Minnesota Statutes 2009 Supplement, section 120B.30, subdivision 1.

Referred to the Committee on Education.

Senator Parry introduced—

S.F. No. 2611: A bill for an act relating to capital investment; appropriating money for acquisition of a segment of the Stagecoach Trail in Steele County; authorizing the sale and issuance of state bonds.

Referred to the Committee on Finance.

Senators Skogen, Scheid, Wiger, Betzold and Robling introduced—

S.F. No. 2612: A bill for an act relating to insurance; regulating dental insurance provider agreements; amending Minnesota Statutes 2008, section 62Q.76, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 62Q.

Referred to the Committee on Commerce and Consumer Protection.

Senators Latz, Betzold and Jungbauer introduced—

S.F. No. 2613: A bill for an act relating to public safety; recodifying and consolidating certain forfeiture provisions while making numerous substantive and technical changes; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 2008, sections 169A.63; 609.531, subdivisions 1, 1a, 4, 5, 5a, 6a; 609.5311; 609.5312; 609.5313; 609.5314; 609.5315; 609.5316; 609.5317; 609.5318; 609.762, subdivisions 2, 3, 4, 5; Minnesota Statutes 2009 Supplement, section 609.762, subdivision 1.

Referred to the Committee on Judiciary.

Senators Skoe, Sparks, Olseen and Jungbauer introduced—

S.F. No. 2614: A bill for an act relating to motor vehicles; clarifying definition of motor vehicle; amending Minnesota Statutes 2008, sections 65B.43, subdivision 2; 169.09, subdivision 5a.

Referred to the Committee on Transportation.

Senator Saxhaug introduced–

S.F. No. 2615: A bill for an act relating to state lands; creating a pilot land exchange process for tax-forfeited lands in Itasca County.

Referred to the Committee on Environment and Natural Resources.

Senators Sheran and Sparks introduced–

S.F. No. 2616: A bill for an act relating to telecommunications; regulating private shared services; proposing coding for new law in Minnesota Statutes, chapter 237.

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

Senators Fobbe, Olseen, Erickson Ropes, Dahle and Skogen introduced–

S.F. No. 2617: A bill for an act relating to taxation; providing a state-paid refund of certain property tax increases on agricultural property; temporarily reducing the percentage of rent constituting property taxes; appropriating money; amending Minnesota Statutes 2008, sections 290A.03, subdivision 11; 290A.04, by adding a subdivision.

Referred to the Committee on Taxes.

Senators Moua, Sheran, Sieben, Anderson and Carlson introduced–

S.F. No. 2618: A bill for an act relating to public safety; expanding the open alcohol container law to apply to off-road recreational vehicles; amending Minnesota Statutes 2008, section 169A.35, subdivision 1.

Referred to the Committee on Judiciary.

Senators Ingebrigtsen, Gimse and Rosen introduced–

S.F. No. 2619: A bill for an act relating to taxation; job opportunity building zones; allowing amendments to agreements under certain circumstances; amending Minnesota Statutes 2008, section 469.3192.

Referred to the Committee on Taxes.

Senators Bonoff, Sheran, Rest and Saltzman introduced–

S.F. No. 2620: A bill for an act relating to state and local government; establishing the Commission on Service Innovation.

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

Senator Sieben introduced–

S.F. No. 2621: A bill for an act relating to natural resources; prohibiting watershed district boundary changes to be reconsidered until one year has passed if the request is made via citizen petition; amending Minnesota Statutes 2008, section 103D.251, by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

Senator Sieben introduced–

S.F. No. 2622: A bill for an act relating to elections; requiring use of a ballot board to process absentee ballots; permitting absentee ballots to be counted starting on the fourth day prior to an election; modifying other absentee ballot processing procedures; amending Minnesota Statutes 2008, sections 201.061, subdivision 4; 203B.04, subdivision 1; 203B.05, subdivision 1; 203B.07, subdivisions 2, 3; 203B.08, subdivisions 2, 3; 203B.125; 203B.23, subdivisions 1, 2; 203B.24, subdivision 1; 203B.26; 204B.45, subdivision 2; 204C.32, subdivision 1; 204C.33, subdivisions 1, 3; 205.065, subdivision 5; 205.185, subdivision 3; 205A.03, subdivision 4; 205A.10, subdivision 3; 206.89, subdivision 2; 208.05; Minnesota Statutes 2009 Supplement, section 204B.46; proposing coding for new law in Minnesota Statutes, chapter 203B; repealing Minnesota Statutes 2008, sections 203B.10; 203B.12, subdivisions 1, 2, 3, 4, 6; 203B.13, subdivisions 1, 2, 3, 4; 203B.25.

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

MOTIONS AND RESOLUTIONS

Senator Kubly moved that the name of Senator Sheran be added as a co-author to S.F. No. 2224. The motion prevailed.

Senator Prettner Solon moved that the name of Senator Sheran be added as a co-author to S.F. No. 2254. The motion prevailed.

Senator Rest moved that the name of Senator Sheran be added as a co-author to S.F. No. 2516. The motion prevailed.

Senator Scheid moved that the name of Senator Latz be added as a co-author to S.F. No. 2538. The motion prevailed.

Senator Scheid moved that the name of Senator Chaudhary be added as a co-author to S.F. No. 2565. The motion prevailed.

Senator Bakk moved that the name of Senator Saltzman be added as a co-author to S.F. No. 2568. The motion prevailed.

Senator Erickson Ropes introduced –

Senate Resolution No. 146: A Senate resolution honoring Les Ladewig, Nancy Benson, Larry Johnson, and Laura Deering for their extraordinary service and leadership to the City of Rushford.

Referred to the Committee on Rules and Administration.

RECESS

Senator Pogemiller moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

CALL OF THE SENATE

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

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Senator Metzen in the chair.

After some time spent therein, the committee arose, and Senator Metzen reported that the committee had considered the following:

S.F. No. 2251, which the committee recommends to pass.

On motion of Senator Pogemiller, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

RECESS

Senator Pogemiller moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

MEMBERS EXCUSED

Senator Saxhaug was excused from the Session of today. Senator Pappas was excused from the Session of today from 11:00 to 11:55 a.m. Senator Rosen was excused from the Session of today from 11:00 a.m. to 12:20 p.m. Senator Cohen was excused from the Session of today at 11:40 a.m. Senator Koch was excused from the Session of today at 12:05 p.m.

ADJOURNMENT

Senator Pogemiller moved that the Senate do now adjourn until 11:30 a.m., Tuesday, February 16, 2010. The motion prevailed.

Peter S. Wattson, Secretary of the Senate (Legislative)