

STATE OF MINNESOTA

# Journal of the Senate

EIGHTY-THIRD LEGISLATURE

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ONE HUNDRED NINTH DAY

St. Paul, Minnesota, Friday, May 14, 2004

The Senate met at 10:00 a.m. and was called to order by the President.

## CALL OF THE SENATE

Senator Johnson, D.E. 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. Craig Richter.

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

Anderson	Gaither	Langseth	Olson	Scheid
Bachmann	Hann	Larson	Ortman	Senjem
Bakk	Higgins	LeClair	Ourada	Skoe
Belanger	Hottinger	Limmer	Pappas	Skoglund
Berglin	Johnson, D.E.	Lourey	Pariseau	Solon
Betzold	Johnson, D.J.	Marko	Pogemiller	Sparks
Chaudhary	Jungbauer	Marty	Ranum	Stumpf
Cohen	Kelley	McGinn	Reiter	Tomassoni
Day	Kierlin	Metzen	Rest	Vickerman
Dibble	Kiscaden	Michel	Robling	Wergin
Dille	Kleis	Moua	Rosen	Wiger
Fischbach	Knutson	Murphy	Ruud	
Foley	Koering	Neuville	Sams	
Frederickson	Kubly	Nienow	Saxhaug	

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 and referred to the committee indicated.

April 21, 2004

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:

### BOARD OF ANIMAL HEALTH

Holly Jane Neaton, 11549 Highway 25, Watertown, in the county of Wright, effective April 27, 2004, for a term that expires on January 7, 2008.

(Referred to the Committee on Agriculture, Veterans and Gaming.)

Sincerely,  
Tim Pawlenty, Governor

May 12, 2004

The Honorable James P. Metzen  
President of the Senate

Dear President Metzen:

On behalf of the people of Minnesota, I am honored to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. No. 2453.

Sincerely,  
Tim Pawlenty, Governor

May 13, 2004

The Honorable James P. Metzen  
President of the Senate

Dear President Metzen:

On behalf of the people of Minnesota, I am honored to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 1946, 2437, 1192, 2065, 1604 and 2222.

Sincerely,  
Tim Pawlenty, Governor

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

**S.F. No. 2177:** A bill for an act relating to metropolitan government; clarifying the authority of municipalities' subdivision regulations; modifying the method for determining each municipality's affordable and life-cycle housing opportunities amount; modifying the basis on which nonparticipating municipalities may elect to participate; making conforming changes; amending Minnesota Statutes 2002, sections 462.358, subdivision 11; 473.254, subdivisions 2, 3, 4, 6, 7, 8, by adding a subdivision.

Senate File No. 2177 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 12, 2004

Senator Higgins moved that the Senate do not concur in the amendments by the House to S.F. No. 2177, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 2181, and repassed said bill in accordance with the report of the Committee, so adopted.

**S.F. No. 2181:** A bill for an act relating to the State Lottery; amending provisions relating to the director; creating a task force and requiring a report; amending Minnesota Statutes 2002, section 349A.02, subdivision 1; repealing Minnesota Statutes 2002, section 349A.02, subdivision 2.

Senate File No. 2181 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 2004

### REPORTS OF COMMITTEES

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

**Senator Johnson, D.E., from the Committee on Rules and Administration, to which was referred**

**H.F. No. 2000** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2000	1900				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 2000 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2000 and insert the language after the enacting clause of S.F. No. 1900, the first engrossment; further, delete the title of H.F. No. 2000 and insert the title of S.F. No. 1900, the first engrossment.

And when so amended H.F. No. 2000 will be identical to S.F. No. 1900, and further recommends that H.F. No. 2000 be given its second reading and substituted for S.F. No. 1900, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

**Senator Johnson, D.E., from the Committee on Rules and Administration, to which was referred**

**H.F. No. 2087** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2087	1889				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 2087 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2087 and insert the language after the enacting clause of S.F. No. 1889, the first engrossment; further, delete the title of H.F. No. 2087 and insert the title of S.F. No. 1889, the first engrossment.

And when so amended H.F. No. 2087 will be identical to S.F. No. 1889, and further

recommends that H.F. No. 2087 be given its second reading and substituted for S.F. No. 1889, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

**Senator Wiger from the Committee on Elections**, to which were referred the following appointments as reported in the Journal for May 3, 2004:

**CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD**

A. Hilda Bettermann  
Felicia J. Boyd

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

Senator Johnson, D.E. moved that the foregoing committee report be laid on the table. The motion prevailed.

**SECOND READING OF HOUSE BILLS**

H.F. Nos. 2000 and 2087 were read the second time.

**MOTIONS AND RESOLUTIONS**

Senator Foley moved that S.F. No. 388 be taken from the table. The motion prevailed.

**S.F. No. 388:** A bill for an act relating to vehicle forfeiture; clarifying and modifying certain definitions, standards, and procedures for vehicle forfeitures associated with driving while impaired; amending Minnesota Statutes 2002, sections 169A.60, subdivisions 1, 14; 169A.63, subdivisions 1, 2, 6, 7, 8, 9, 10, 11.

**CONCURRENCE AND REPASSAGE**

Senator Foley moved that the Senate concur in the amendments by the House to S.F. No. 388 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 388 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gaither	Larson	Olson	Senjem
Bachmann	Hann	LeClair	Ourada	Skoe
Bakk	Higgins	Limmer	Pappas	Skoglund
Belanger	Hottinger	Lourey	Pariseau	Solon
Berglin	Johnson, D.E.	Marko	Pogemiller	Sparks
Betzold	Jungbauer	Marty	Ranum	Stumpf
Chaudhary	Kelley	McGinn	Reiter	Tomassoni
Cohen	Kierlin	Metzen	Rest	Vickerman
Day	Kiscaden	Michel	Robling	Wergin
Dibble	Kleis	Moua	Ruud	Wiger
Fischbach	Knutson	Murphy	Sams	
Foley	Kubly	Neuville	Saxhaug	
Frederickson	Langseth	Nienow	Scheid	

So the bill, as amended, was repassed and its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

Senator Vickerman moved that S.F. No. 2274 be taken from the table. The motion prevailed.

**S.F. No. 2274:** A bill for an act relating to zoning; providing certain limitations on municipal interim ordinances; amending Minnesota Statutes 2002, section 462.355, subdivision 4.

Senator Vickerman moved that the Senate do not concur in the amendments by the House to S.F. No. 2274, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

### SPECIAL ORDERS

Pursuant to Rule 26, Senator Johnson, D.E., Chair of the Committee on Rules and Administration, designated the following bills a Special Orders Calendar to be heard immediately:

S.F. No. 2114 and H.F. No. 2050.

### SPECIAL ORDER

**S.F. No. 2114:** A bill for an act relating to education; authorizing a public body to close a meeting to negotiate the purchase or sale of real or personal property; amending Minnesota Statutes 2002, section 13D.05, subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gaither	Langseth	Nienow	Senjem
Bachmann	Hann	Larson	Olson	Skoe
Bakk	Higgins	LeClair	Ourada	Skoglund
Belanger	Hottinger	Limmer	Pappas	Solon
Berglin	Johnson, D.E.	Lourey	Pariseau	Sparks
Betzold	Jungbauer	Marko	Pogemiller	Stumpf
Chaudhary	Kelley	Marty	Ranum	Tomassoni
Cohen	Kierlin	McGinn	Reiter	Vickerman
Day	Kiscaden	Metzen	Rest	Wergin
Dibble	Kleis	Michel	Robling	Wiger
Fischbach	Knutson	Moua	Ruud	
Foley	Koering	Murphy	Sams	
Frederickson	Kubly	Neuville	Scheid	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

**H.F. No. 2050:** A bill for an act relating to health occupations; authorizing a physician application fee; requiring certain foreign medical school graduates to use a credentials verification service; amending Minnesota Statutes 2002, sections 147.01, by adding a subdivision; 147.037, subdivision 1.

Senator Kelley moved that H.F. No. 2050 be laid on the table. The motion prevailed.

### 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 Senate Files, herewith returned: S.F. Nos. 1922 and 2241.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 2004

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

**S.F. No. 2869:** A bill for an act relating to health; modifying fees for radioactive and nuclear material; approving state agreement with the Nuclear Regulatory Commission; amending Minnesota Statutes 2002, section 144.1205, subdivisions 2, 4, 8, 9; repealing Minnesota Statutes 2003 Supplement, section 144.1202, subdivision 4.

Senate File No. 2869 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 2004

### CONCURRENCE AND REPASSAGE

Senator Kiscaden moved that the Senate concur in the amendments by the House to S.F. No. 2869 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 2869 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gaither	Langseth	Nienow	Saxhaug
Bachmann	Hann	Larson	Olson	Scheid
Bakk	Higgins	LeClair	Ortman	Senjem
Belanger	Hottinger	Limmer	Ourada	Skoe
Berglin	Johnson, D.E.	Lourey	Pappas	Skoglund
Betzold	Jungbauer	Marko	Pariseau	Solon
Chaudhary	Kelley	Marty	Pogemiller	Sparks
Cohen	Kierlin	McGinn	Ranum	Stumpf
Day	Kiscaden	Metzen	Reiter	Tomassoni
Dibble	Kleis	Michel	Rest	Vickerman
Fischbach	Knutson	Moua	Robling	Wergin
Foley	Koering	Murphy	Ruud	Wiger
Frederickson	Kubly	Neuville	Sams	

So the bill, as amended, was repassed and its title was agreed to.

**MESSAGES FROM THE HOUSE - CONTINUED**

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1006:

**H.F. No. 1006:** A bill for an act relating to elections; providing for conformity with the federal Help America Vote Act; creating a complaint process; requiring a report; imposing a penalty; appropriating money; amending Minnesota Statutes 2002, sections 201.021; 201.022; 201.061, subdivisions 1, 3, by adding subdivisions; 201.071, subdivisions 1, 3, by adding subdivisions; 201.091, subdivisions 1, 4, 5, by adding a subdivision; 201.121, subdivision 1; 201.13, subdivision 1; 201.15; 201.155; 201.161; 201.171; 201.221, subdivisions 2, 3; 203B.06, subdivision 4; 203B.08, subdivision 3; 203B.12, subdivision 2; 203B.16, by adding a subdivision; 203B.17; 203B.19; 203B.24, subdivision 2; 203B.26; 204B.47; 204C.10; 206.57, by adding subdivisions; 206.81; proposing coding for new law in Minnesota Statutes, chapters 5; 200; 201; 204C.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Boudreau, Lipman and Hilty have been appointed as such committee on the part of the House.

House File No. 1006 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 13, 2004

Senator Higgins moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1006, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2151.

**H.F. No. 2151:** A bill for an act relating to telecommunications; regulating certain payments, credits, and interest charges; changing various cable system provisions; establishing consumer protections for wireless customers; expanding call areas; providing alternative regulation plans for telephone companies; amending Minnesota Statutes 2002, sections 237.01, subdivision 3; 237.06; 237.766; 237.773, subdivision 3; 238.02, subdivision 3; 238.03; 238.08, subdivisions 3, 4; 238.081; 238.083, subdivisions 2, 4; 238.084, subdivision 1; 238.11, subdivision 2; 238.22, subdivision 13; 238.23; 238.24, subdivisions 3, 4, 6, 9, 10; 238.242, subdivisions 1, 3; 238.25, subdivisions 5, 10; 238.35, subdivisions 1, 4; 238.36, subdivision 2; 238.39; 238.40; 238.43, subdivision 1; 325E.02; proposing coding for new law in Minnesota Statutes, chapters 237; 325F; repealing Minnesota Statutes 2002, sections 238.01; 238.02, subdivisions 2, 17, 18, 19, 25; 238.082; 238.083, subdivisions 3, 5; 238.084, subdivisions 2, 3, 5; 238.12, subdivision 1a; 238.36, subdivision 1.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Westrom, Beard and Hoppe have been appointed as such committee on the part of the House.

House File No. 2151 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 13, 2004

Senator Kelley moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2151, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 2069, 2453, 2640, 2867 and 2212.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 13, 2004

### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred as indicated.

**H.F. No. 2069:** A bill for an act relating to game and fish; requiring fisheries committee meetings to be open to certain attendees; amending Minnesota Statutes 2002, section 97C.401, by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

**H.F. No. 2453:** A bill for an act relating to civil actions; authorizing the recovery of attorney fees by funeral providers in actions to recover costs of services; proposing coding for new law in Minnesota Statutes, chapter 149A.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2219, now on General Orders.

**H.F. No. 2640:** A bill for an act relating to commerce; creating a law enforcement agency to deal with insurance fraud; prescribing its powers and duties; establishing insurance assessments to fund the insurance fraud prevention account; providing for disclosure of certain data to the Department of Commerce; transferring the automobile theft prevention program to the Department of Commerce; modifying provisions relating to barbers and cosmetologists; creating a Board of Barber and Cosmetologist Examiners; appropriating money; amending Minnesota Statutes 2002, sections 13.82, subdivision 1; 45.0135, subdivision 6, by adding subdivisions; 154.01; 154.02; 154.03; 154.04; 154.06; 154.07, as amended; 154.08; 154.11; 154.12; 154.161, subdivisions 2, 4, 5, 7; 154.18; 154.19; 154.21; 154.22; 154.23; 154.24; 154.25; 155A.01; 155A.02; 155A.03, subdivisions 1, 2, 7, by adding subdivisions; 155A.045, subdivision 1; 155A.05; 155A.07, subdivisions 2, 8, by adding a subdivision; 155A.08, subdivisions 1, 2, 3; 155A.09; 155A.095; 155A.10; 155A.135; 155A.14; 155A.15; 155A.16; 299A.75, subdivisions 1, 2, 3; 626.84, subdivision 1; Minnesota Statutes 2003 Supplement, sections 116J.70, subdivision 2a; 268.19, subdivision 1; repealing Minnesota Statutes 2002, section 45.0135, subdivisions 1, 2.

Senator Johnson, D.E. moved that H.F. No. 2640 be laid on the table. The motion prevailed.

**H.F. No. 2867:** A bill for an act relating to state government; appropriating money for prekindergarten through grade 12 education, including general education, education excellence, special programs, and facilities and technology; early childhood and family education, including prevention and self-sufficiency and lifelong learning; and health and human services; amending Minnesota Statutes 2003 Supplement, section 123B.54; Laws 2003, First Special Session chapter 9, article 1, section 53, subdivisions 2, 3, 5, 6, 11, 12; Laws 2003, First Special Session chapter 9, article 2, section 55, subdivisions 2, 3, 4, 5, 7, 9, 12; Laws 2003, First Special Session chapter 9, article 3, section 20, subdivisions 4, 5, 6, 7, 8, 9; Laws 2003, First Special Session chapter 9, article 4, section 31, subdivisions 2, 3; Laws 2003, First Special Session chapter 9, article 5, section 35, subdivisions 2, 3; Laws 2003, First Special Session chapter 9, article 7, section 11,

subdivision 3; Laws 2003, First Special Session chapter 9, article 8, section 7, subdivisions 2, 5; Laws 2003, First Special Session chapter 9, article 9, section 9, subdivision 2; Laws 2003, First Special Session chapter 14, article 13C, sections 1; 2, subdivisions 1, 3, 6, 7, 9, 11; 10, subdivisions 1, 2.

Senator Johnson, D.E. moved that H.F. No. 2867 be laid on the table. The motion prevailed.

**H.F. No. 2212:** A bill for an act relating to natural resources; modifying varying public facility lease, rental, and usage provisions; providing for contractual and grant agreements for certain natural resource services and facilities; modifying electronic licensing provisions; clarifying certain wild rice provisions; modifying disposition of certain proceeds; providing for accounts; modifying snowmobile training and operating requirements; regulating operation of all-terrain vehicles and off-highway vehicles; modifying certain fee provisions; eliminating RIM work plan requirement; modifying reporting requirements; modifying motorboat equipment and noise provisions; modifying provisions for cross-country ski passes; providing for certain refunds, fees, and commissions; modifying authority to issue and sell licenses and appoint agents; regulating the taking of turkeys; modifying nonresident minnow transport requirements; prescribing powers relating to Lake Minnetonka; extending availability of appropriations for certain natural resource projects; including specific area in metropolitan regional recreation open space system; removing provision setting the fee for live bait retailer license; removing prohibition on taking albino deer; providing for rulemaking; requiring a report and a study; appropriating money; amending Minnesota Statutes 2002, sections 84.027, subdivision 15; 84.091, subdivision 1; 84.8205, subdivision 5; 84.83, subdivision 2; 84.86, subdivision 1; 84.862, subdivisions 1, 3; 84.872, subdivision 1; 84.9257; 84.928, subdivision 2; 85.052, subdivision 4; 85.054, subdivision 7, by adding a subdivision; 85.22, subdivision 2a; 85.34, by adding subdivisions; 85.41, subdivisions 2, 4, 5; 85.43; 86B.321, subdivision 2; 86B.521, subdivisions 1, 2; 97A.055, subdivision 4; 97A.311, by adding a subdivision; 97A.434, subdivision 3; 97A.4742, subdivision 4; 97A.485, subdivisions 3, 4, 5, 7, 11; 97B.721, as amended; 97C.501, subdivision 4; 97C.525, subdivisions 3, 5; 103B.611, subdivision 3; Minnesota Statutes 2003 Supplement, sections 16B.24, subdivision 5; 84.026; 84.773; 84.862, subdivision 2a; 97A.475, subdivision 26; 97A.485, subdivision 6; 103G.222, subdivision 1; 103G.615, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 84; repealing Minnesota Statutes 2002, sections 84.862, subdivision 2; 84.95, subdivision 3; 85.34, subdivision 4; 97A.485, subdivisions 2, 8, 10; Minnesota Statutes 2003 Supplement, section 97A.475, subdivision 28.

Senator Johnson, D.E. moved that H.F. No. 2212 be laid on the table. The motion prevailed.

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

S.F. No. 1530 and the Conference Committee Report thereon were reported to the Senate.

#### **CONFERENCE COMMITTEE REPORT ON S.F. NO. 1530**

A bill for an act relating to animals; imposing limits on ownership and possession of certain dangerous animals; requiring registration; providing criminal penalties; proposing coding for new law in Minnesota Statutes, chapter 346.

May 13, 2004

The Honorable James P. Metzen  
President of the Senate

The Honorable Steve Sviggum  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1530, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 1530 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [346.155] [POSSESSING REGULATED ANIMALS.]

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

(b) "Person" means any natural person, firm, partnership, corporation, or association, however organized.

(c) "Wildlife sanctuary" means a 501(c)(3) nonprofit organization that:

(1) operates a place of refuge where abused, neglected, unwanted, impounded, abandoned, orphaned, or displaced wildlife are provided care for their lifetime;

(2) does not conduct any commercial activity with respect to any animal of which the organization is an owner; and

(3) does not buy, sell, trade, auction, lease, loan, or breed any animal of which the organization is an owner, except as an integral part of the species survival plan of the American Zoo and Aquarium Association.

(d) "Possess" means to own, care for, have custody of, or control.

(e) "Regulated animal" means:

(1) all members of the Felidae family including, but not limited to, lions, tigers, cougars, leopards, cheetahs, ocelots, and servals, but not including domestic cats or cats recognized as a domestic breed, registered as a domestic breed, and shown as a domestic breed by a national or international multibreed cat registry association;

(2) bears; and

(3) all nonhuman primates, including, but not limited to, lemurs, monkeys, chimpanzees, gorillas, orangutans, marmosets, lorises, and tamarins.

Regulated animal includes any hybrid or cross between an animal listed in clause (1), (2), or (3) and a domestic animal and offspring from all subsequent generations of those crosses or hybrids.

(f) "Local animal control authority" means an agency of the state, county, municipality, or other governmental subdivision of the state that is responsible for animal control operations in its jurisdiction.

Subd. 2. [POSSESSION OF REGULATED ANIMALS.] (a) Except as provided in this section, it is unlawful for a person to possess a regulated animal.

(b) A person who possesses a regulated animal on the effective date of this section has 90 days to come into compliance with regulations promulgated by the United States Department of Agriculture for regulated animals under the Animal Welfare Act, Public Law 89-544, and its subsequent amendments, and the regulations adopted under that act relating to facilities and operations, animal health and husbandry, and veterinary care for regulated animals.

(c) Except as provided in paragraph (e), a person must not take possession of a regulated animal after the effective date of this section.

(d) Except as provided in paragraph (e), a person must not allow regulated animals in their possession to breed after the effective date of this section.

(e) Except as provided in paragraph (g), a person who possesses a valid United States Department of Agriculture license and is in compliance with the United States Department of

Agriculture Animal Welfare Act regulations and standards on the effective date of this section may breed, purchase, or otherwise acquire new regulated animals after the effective date of this section in order to:

- (1) maintain the number of regulated animals possessed on the effective date of this section;
- (2) sell regulated animals to other United States Department of Agriculture licensed and compliant facilities within Minnesota for replacement purposes as provided in clause (1);
- (3) sell regulated animals outside Minnesota; or
- (4) sell regulated animals to persons eligible under paragraph (f). Offspring under six months of age shall not be counted for the purpose of determining the number of replacement animals that can be possessed under this paragraph.

(f) Except as provided in paragraph (g), a person who does not hold a United States Department of Agriculture license for regulated animals, possesses a regulated animal on the effective date of this section, and has properly registered the animal may replace the regulated animal if it dies, but may replace it only once.

(g) If a regulated animal dies of neglect or cruelty, is seized pursuant to subdivision 5, or if the person is involved in illegal activities, the person cannot acquire a replacement animal.

Subd. 3. [REGISTRATION.] (a) Within 60 days after the effective date of this section, a person who possesses a regulated animal must notify in writing the local animal control authority using a registration form prepared by the Minnesota Animal Control Association and approved by the Board of Animal Health. The notification shall include the person's name, address, telephone number, and a complete inventory of each regulated animal that the person possesses. The inventory shall include the following information: number and species of each regulated animal; the microchip number and manufacturer for each regulated animal if available; the exact location where each regulated animal is kept; and age, sex, color, weight, scars, and any distinguishing marks of each regulated animal.

(b) If a person who possesses a regulated animal has a microchip implanted in the animal for identification, the name of the microchip manufacturer and the identification number of the microchip must be provided to the local animal control authority. If a regulated animal is sedated for any reason and the animal does not have a microchip implanted, a microchip must be implanted in the regulated animal. Within 30 days after the microchip is implanted, the name of the microchip manufacturer and the identification number of the microchip must be provided to the local animal control authority. A person selling or transferring ownership of offspring under six months of age as provided in subdivision 2, paragraph (e), is encouraged to have a microchip implanted in the animal prior to the sale or transfer. Within 30 days of acquisition, a person acquiring ownership of an offspring with a microchip implanted shall comply with microchip information reporting requirements under this section.

(c) If a local animal control authority performs an initial site inspection, a fee of up to \$50 may be charged. An annual fee of \$25 per animal to register regulated animals up to a maximum of \$250 annually per person may be charged. The local animal control authority may charge an additional site inspection fee of \$50 if the person acquires and possesses another type of regulated animal. A certificate of registration must be issued by the local animal control authority to the person upon payment of the fee.

Subd. 4. [REQUIREMENTS.] (a) A person who possesses a regulated animal must maintain health and ownership records on each animal and must maintain the records for the life of the animal. If possession of the regulated animal is transferred to another person, a copy of the health and ownership records must accompany the animal.

(b) A person who possesses a regulated animal must maintain an ongoing program of veterinary care which includes a veterinary visit to the premises at least annually.

(c) A person who possesses a regulated animal must notify the local animal control authority in writing within ten days of a change in address or location where the regulated animal is kept.

(d) A person with a United States Department of Agriculture license for regulated animals shall forward a copy of their United States Department of Agriculture inspection report to the local animal control authority within 30 days of receipt of the inspection report.

(e) A person who possesses a regulated animal shall prominently display a sign on the structure where the animal is housed indicating that a regulated animal is on the premises.

(f) A person who possesses a regulated animal must notify, as soon as practicable, local law enforcement officials of any escape of a regulated animal. The person who possesses the regulated animal is liable for any costs incurred by any person, city, county, or state agency resulting from the escape of a regulated animal unless the escape is due to a criminal act by another person or a natural event.

(g) A person who possesses a regulated animal must maintain a written recovery plan in the event of the escape of a regulated animal. The person must maintain live traps, or other equipment necessary to assist in the recovery of the regulated animal.

(h) If requested by the local animal control authority, a person may not move a regulated animal from its location unless the person notifies the local animal control authority prior to moving the animal. The notification must include the date and the location where the animal is moved. This paragraph does not apply to a regulated animal transported to a licensed veterinarian.

(i) If a person who possesses a regulated animal can no longer care for the animal, the person shall take steps to find long-term placement for the regulated animal.

Subd. 5. [SEIZURE.] (a) The local animal control authority, upon issuance of a notice of inspection, must be granted access at reasonable times to sites where the local animal control authority has reason to believe a violation of this chapter is occurring or has occurred.

(b) If a person who possesses a regulated animal is not in compliance with the requirements of this section, the local animal control authority shall take possession of the animal for custody and care, provided that the procedures in this subdivision are followed.

(c) Upon request of a person possessing a regulated animal, the local animal control authority may allow the animal to remain in the physical custody of the owner for 30 days, during which time the owner shall take all necessary actions to come in compliance with this section. During the 30-day period, the local animal control authority may inspect, at any reasonable time, the premises where the animal is kept.

(d) If a person who possesses a regulated animal is not in compliance with this section following the 30-day period described in paragraph (c), the local animal control authority shall seize the animal and place it in a holding facility that is appropriate for the species for up to ten days. The authority taking custody of an animal under this section shall provide a notice of the seizure by delivering or mailing it to the owner, by posting a copy of it at the place where the animal is taken into custody, or by delivering it to a person residing on the property. The notice must include:

(1) a description of the animal seized; the authority for and purpose of the seizure; the time, place, and circumstances under which the animal was seized; and a contact person and telephone number;

(2) a statement that a person from whom a regulated animal was seized may post security to prevent disposition of the animal and may request a hearing concerning the seizure and that failure to do so within five business days of the date of the notice will result in disposition of the animal;

(3) a statement that actual costs of the care, keeping, and disposal of the regulated animal are the responsibility of the person from whom the animal was seized, except to the extent that a court or hearing officer finds that the seizure or impoundment was not substantially justified by law; and

(4) a form that can be used by a person from whom a regulated animal was seized for requesting a hearing under this subdivision.

(e) If a person from whom the regulated animal was seized makes a request within five business days of the seizure, a hearing must be held within five business days of the request to determine the validity of the seizure and disposition of the animal. The judge or hearing officer may authorize the return of the animal to the person from whom the animal was seized if the judge or hearing officer finds:

- (1) that the person can and will provide the care required by law for the regulated animal; and
- (2) the regulated animal is physically fit.

(f) If a judge or hearing officer orders a permanent disposition of the regulated animal, the local animal control authority may take steps to find long-term placement for the animal with a wildlife sanctuary, persons authorized by the Department of Natural Resources, or an appropriate United States Department of Agriculture licensed facility.

(g) A person from whom a regulated animal is seized is liable for all actual costs of care, keeping, and disposal of the animal, except to the extent that a court or hearing officer finds that the seizure was not substantially justified by law. The costs must be paid in full or a mutually satisfactory arrangement for payment must be made between the local animal control authority and the person claiming an interest in the animal before return of the animal to the person.

(h) A person from whom a regulated animal has been seized under this subdivision may prevent disposition of the animal by posting security in the amount sufficient to provide for the actual costs of care and keeping of the animal. The security must be posted within five business days of the seizure, inclusive of the day of the seizure.

(i) If circumstances exist threatening the life of a person or the life of any animal, local law enforcement or the local animal control authority shall seize a regulated animal without an opportunity for hearing or court order, or destroy the animal.

Subd. 6. [DISPOSAL OF ANIMALS.] Upon proper determination by a Minnesota licensed veterinarian, any regulated animal taken into custody under this section may be immediately disposed of when the regulated animal is suffering and is beyond cure through reasonable care and treatment. The authority taking custody of the regulated animal may recover all costs incurred under this section.

Subd. 7. [EXEMPTIONS.] This section does not apply to:

- (1) institutions accredited by the American Zoo and Aquarium Association;
- (2) a wildlife sanctuary;
- (3) fur-bearing animals, as defined in section 97A.015, possessed by a game farm that is licensed under section 97A.105, or bears possessed by a game farm that is licensed under section 97A.105;
- (4) the Department of Natural Resources, or a person authorized by permit issued by the commissioner of natural resources pursuant to section 97A.401, subdivision 3;
- (5) a licensed or accredited research or medical institution; or
- (6) a United States Department of Agriculture licensed exhibitor while transporting or displaying regulated animals as part of a temporary circus, carnival, rodeo, or county fair.

Subd. 8. [REPORT TO THE BOARD OF ANIMAL HEALTH.] By July 1 each year, a local animal control authority shall report to the Board of Animal Health on regulated animals registered with the local animal control authority. The report shall include all registration information submitted to the local animal control authority under subdivision 3, paragraph (a), and information on enforcement actions taken under this section.

Subd. 9. [PENALTY.] A person who knowingly violates subdivision 2, 3, or 4 is guilty of a misdemeanor."

Amend the title as follows:

Page 1, line 3, delete "dangerous"

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

Senate Conferees: (Signed) Don Betzold, Sheila M. Kiscaden

House Conferees: (Signed) Steve Strachan, Mary Murphy

Senator Betzold moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1530 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 1530 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 48 and nays 14, as follows:

Those who voted in the affirmative were:

Anderson	Hann	Larson	Ortman	Scheid
Bachmann	Higgins	LeClair	Pappas	Skoglund
Berglin	Hottinger	Marko	Pariseau	Solon
Betzold	Johnson, D.E.	Marty	Pogemiller	Sparks
Chaudhary	Jungbauer	McGinn	Ranum	Stumpf
Cohen	Kelley	Michel	Reiter	Tomassoni
Dibble	Kierlin	Moua	Rest	Vickerman
Foley	Kiscaden	Neuville	Robling	Wiger
Frederickson	Knutson	Nienow	Sams	
Gaither	Kubly	Olson	Saxhaug	

Those who voted in the negative were:

Bakk	Fischbach	Limmer	Ourada	Skoe
Belanger	Kleis	Lourey	Ruud	Wergin
Day	Koering	Metzen	Senjem	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

## RECESS

Senator Johnson, D.E. 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 Johnson, D.E. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

## APPOINTMENTS

Senator Johnson, D.E. from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

S.F. No. 2274: Senators Vickerman, Scheid and Tomassoni.

H.F. No. 2151: Senators Kelley, Anderson and Gaither.

S.F. No. 2177: Senators Higgins, Dibble and Senjem.

S.F. No. 1006: Senators Higgins, Marty and Limmer.

Senator Johnson, D.E. moved that the foregoing appointments be approved.

Senator Johnson, D.E. then moved to amend the foregoing appointments as follows:

H.F. No. 1006: Delete Limmer and insert Kleis. The motion did not prevail.

The question recurred on the Johnson, D.E. motion to approve the foregoing appointments. The motion prevailed.

### 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, Reports of Committees, Second Reading of Senate Bills and Second Reading of House Bills.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

**S.F. No. 2342:** A bill for an act relating to county recorders; providing that the county recorder may accept security deposits to guarantee payment of charges; making conforming changes; amending Minnesota Statutes 2002, section 386.78.

Senate File No. 2342 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 2004

Senator Dibble moved that the Senate do not concur in the amendments by the House to S.F. No. 2342, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

**S.F. No. 2696:** A bill for an act relating to liquor; providing for conformity in license fees and production levels for brewpubs and small brewers; authorizing issuance of temporary licenses to small brewers; authorizing off-sale of growlers by small brewers; clarifying restrictions on location of retail licenses in proximity to certain institutions; providing for uniform off-sale hours statewide; regulating Sunday on-sales; modifying sampling provisions; providing that the on-sale license for Elko Speedway authorizes sales on all days of the week; changing the issuer of a certain license at the state fair; authorizing the city of Duluth to issue a liquor license for Wade Municipal Stadium; authorizing the city of St. Paul to issue a liquor license for special events at the State Capitol; amending Minnesota Statutes 2002, sections 340A.404, subdivision 10; 340A.412, subdivision 4; 340A.504, subdivision 4; 340A.702; Minnesota Statutes 2003

Supplement, sections 340A.301, subdivisions 6, 7; 340A.504, subdivisions 1, 3; 340A.510, subdivision 2; Laws 2003, chapter 126, section 28; Laws 2003, chapter 126, section 29; proposing coding for new law in Minnesota Statutes, chapter 340A.

Senate File No. 2696 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 2004

### CONCURRENCE AND REPASSAGE

Senator Pappas moved that the Senate concur in the amendments by the House to S.F. No. 2696 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 2696 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 57 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Gaither	Koering	Pappas	Senjem
Bakk	Hann	Kubly	Pariseau	Skoe
Belanger	Higgins	Langseth	Pogemiller	Solon
Berglin	Hottinger	Larson	Ranum	Sparks
Betzold	Johnson, D.E.	LeClair	Reiter	Stumpf
Chaudhary	Johnson, D.J.	Lourey	Rest	Tomassoni
Cohen	Jungbauer	Marko	Robling	Vickerman
Day	Kelley	McGinn	Rosen	Wergin
Dibble	Kierlin	Michel	Ruud	Wiger
Fischbach	Kiscaden	Moua	Sams	
Foley	Kleis	Neuville	Saxhaug	
Frederickson	Knutson	Nienow	Scheid	

Those who voted in the negative were:

Limmer	Ortman	Ourada
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So the bill, as amended, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

**S.F. No. 1790:** A bill for an act relating to local government; increasing the flexibility of local government contracting; increasing the purchasing authority of city managers in plan B cities; increasing the competitive bidding threshold for small cities; authorizing the use of reverse auction and electronic bidding and selling; amending Minnesota Statutes 2002, sections 373.01, subdivision 1; 412.691; 429.041, subdivisions 1, 2; 469.015, subdivisions 1, 3; 471.345, subdivisions 3, 4, by adding subdivisions; Minnesota Statutes 2003 Supplement, section 16C.10, subdivision 7.

Senate File No. 1790 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 2004

Senator Dibble moved that the Senate do not concur in the amendments by the House to S.F. No. 1790, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

## REPORTS OF COMMITTEES

Senator Johnson, D.E. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

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

**S.F. No. 2304:** A bill for an act relating to taxation; providing that special service districts may be managed by nonprofit corporations; amending Minnesota Statutes 2002, sections 428A.02, subdivision 1; 428A.03, subdivision 1.

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

Delete everything after the enacting clause and insert:

"Section 1. [PURPOSE.]

The purpose of this act is to manage the natural growth in gaming that is occurring in this state due to population growth and other factors in a manner that will provide benefits to all people of the state, while maintaining trust with the parties to existing tribal-state gaming compacts entered into in recognition of the sovereignty of the parties.

Sec. 2. Minnesota Statutes 2002, section 3.9221, subdivision 2, is amended to read:

Subd. 2. [NEGOTIATIONS AUTHORIZED.] (a) The governor or the governor's designated representatives shall, pursuant to section 11 of the act, negotiate in good faith a tribal-state compact regulating the conduct of class III gambling, as defined in section 4 of the act, on Indian lands of a tribe requesting negotiations.

(b) In addition to the compacts negotiated under paragraph (a), the governor or the governor's designated representatives shall, pursuant to section 11 of the act, negotiate in good faith identical state-tribal compacts with all Indian tribes that request negotiations under this paragraph. The additional compacts are to regulate the conduct of class III gambling, as defined in section 4 of the act, on land that has been acquired for the purpose of being a site for an Indian gambling facility, subject to the following requirements:

(1) the compacts must demonstrate respect for tribal sovereignty and must not seek to renegotiate existing compacts;

(2) the facility and the gaming to be conducted there must be operated in a manner that keeps gaming within its current contours;

(3) the governor or the governor's designee must negotiate compacts that provide that at least 20 percent and not more than 50 percent of the adjusted gross revenues from operation of the facility must be remitted to the state in order to capture the growth in gaming revenue attributable to the new facility to be used for the benefit of all people of Minnesota and tribal nations that are parties to the compact;

(4) the compacts must have a termination date no later than 20 years after the date of their inception, provided that they may be renewed under the same terms or revised terms, which must be the same for all compacts, for additional periods not to exceed 20 years with the consent of both parties to each compact;

(5) the tribes and the governor are encouraged to make efforts to obtain a determination by the

United States Secretary of the Interior that a gaming establishment on newly acquired land located in the metropolitan area as defined in section 473.121, subdivision 2, would be in the best interest of the Indian tribes that enter into compacts under this paragraph and their members and would not be detrimental to the surrounding community;

(6) if the land on which the facility is to be located is not acquired in trust, the compacts may not include any term that would provide a tax exemption for the property or for any transactions occurring there that would otherwise be subject to taxation; and

(7) compacts negotiated under this paragraph are not effective until at least nine tribal governments of reservations located in Minnesota have entered into identical compacts under this section. Negotiations for all such compacts must be concluded by December 31, 2004.

(c) The agreement may include any provision authorized under section 11(d)(3)(C) of the act. The attorney general is the legal counsel for the governor or the governor's representatives in regard to negotiating a compact under this section. If the governor appoints designees to negotiate under this subdivision, the designees must include at least two members of the senate and two members of the house of representatives, two of whom must be the chairs of the senate and house of representatives standing committees with jurisdiction over gambling policy.

Sec. 3. Minnesota Statutes 2002, section 240.13, subdivision 6, is amended to read:

Subd. 6. [SIMULCASTING.] (a) The commission may permit an authorized licensee to conduct simulcasting at the licensee's facility on any day authorized by the commission. All simulcasts must comply with the Interstate Horse Racing Act of 1978, United States Code, title 15, sections 3001 to 3007.

(b) The commission may not authorize any day for simulcasting at a class A facility during the racing season, and a licensee may not be allowed to transmit out-of-state telecasts of races the licensee conducts, unless the licensee has obtained the approval of the horsepersons' organization representing the majority of the horsepersons racing the breed involved at the licensed racetrack during the preceding 12 months. In the case of a class A facility at which the class A license has been in effect for less than 12 months, the approval must be obtained from the horsepersons' organization that represents the majority of the horsepersons who are racing or who will race the breed at the facility.

(c) The licensee may pay fees and costs to an entity transmitting a telecast of a race to the licensee for purposes of conducting pari-mutuel wagering on the race. The licensee may deduct fees and costs related to the receipt of televised transmissions from a pari-mutuel pool on the televised race, provided that one-half of any amount recouped in this manner must be added to the amounts required to be set aside for purses.

(d) With the approval of the commission and subject to the provisions of this subdivision, a licensee may transmit telecasts of races it conducts, for wagering purposes, to locations outside the state, and the commission may allow this to be done on a commingled pool basis.

(e) Except as otherwise provided in this section, simulcasting may be conducted on a separate pool basis or, with the approval of the commission, on a commingled pool basis. All provisions of law governing pari-mutuel betting apply to simulcasting except as otherwise provided in this subdivision or in the commission's rules. If pools are commingled, wagering at the licensed facility must be on equipment electronically linked with the equipment at the licensee's class A facility or with the sending racetrack via the totalizator computer at the licensee's class A facility. Subject to the approval of the commission, the types of betting, takeout, and distribution of winnings on commingled pari-mutuel pools are those in effect at the sending racetrack. Breakage for pari-mutuel pools on a televised race must be calculated in accordance with the law or rules governing the sending racetrack for these pools, and must be distributed in a manner agreed to between the licensee and the sending racetrack. Notwithstanding subdivision 7 and section 240.15, subdivision 5, the commission may approve procedures governing the definition and disposition of unclaimed tickets that are consistent with the law and rules governing unclaimed tickets at the sending racetrack. For the purposes of this section, "sending racetrack" is either the racetrack

outside of this state where the horse race is conducted or, with the consent of the racetrack, an alternative facility that serves as the racetrack for the purpose of commingling pools.

~~(f) If there is more than one class B licensee conducting racing within the seven-county metropolitan area, simulcasting may be conducted only on races run by a breed that ran at the licensee's class A facility within the 12 months preceding the event.~~

Sec. 4. Minnesota Statutes 2002, section 240.30, subdivision 5, is amended to read:

Subd. 5. [LIMITATION.] Except in the case of a licensee who has held a class B license for less than 12 months, the commission shall not authorize a licensee to operate a card club unless the licensee has conducted at least 50 days of live racing at a class A facility within the past 12 months or during the preceding calendar year. In the case of a licensee who has held a class B license for less than 12 months, the commission shall not authorize the licensee to operate a card club unless the licensee has been granted at least 50 racing days by the commission in the year in which the card club begins operations.

Sec. 5. Minnesota Statutes 2002, section 240.30, subdivision 8, is amended to read:

Subd. 8. [LIMITATIONS.] The commission may not approve any plan of operation under subdivision 6 that exceeds any of the following limitations:

(1) the maximum number of tables used for card playing at the card club at any one time, other than tables used for instruction, demonstrations, or tournament play, may not exceed 50 100. The table limit exception for tournament play is allowed for only one tournament per year that lasts for no longer than 14 days;

(2) except as provided in clause (3), no wager may exceed \$60;

(3) for games in which each player is allowed to make only one wager or has a limited opportunity to change that wager, no wager may exceed \$300.

Sec. 6. Minnesota Statutes 2002, section 240.30, is amended by adding a subdivision to read:

Subd. 11. [FRANCHISE FEE.] As a condition of operating a card club under this section, the licensee must pay a fee to the commission equal to 6.5 percent of the gross revenues, less any refunds, for charges imposed under subdivision 4. Payment, collection, and administration of the fee must be made in the same manner and under the terms provided under section 240.15 for the tax on pari-mutuel pools. The commission shall deposit all of the revenues from the fee in the state treasury and amounts deposited must be credited to the general fund. The amount of the fee under this subdivision does not reduce the obligation to set aside revenues from the card club under section 240.135.

**[EFFECTIVE DATE.]** This section is effective for charges and revenues received after June 30, 2004.

Sec. 7. [COMMISSIONER OF REVENUE; STUDY OF GAMBLING TAXATION.]

The commissioner of revenue shall study the taxation of all forms of gambling in Minnesota. In conducting the study the commissioner shall consider:

(1) revenue received by all types of gambling operations in the state and amounts received for each type;

(2) current uses of such revenue;

(3) existing taxes paid on gambling operations; and

(4) taxation of gambling in other states.

The commissioner shall report on the study to the chairs of the legislative committees having jurisdiction over taxation and gambling policy by January 15, 2005. The report must contain the commissioner's recommendations for a fair and equitable tax system for gambling revenues."

Delete the title and insert:

"A bill for an act relating to gambling; authorizing additional state-tribal compact negotiations; providing for the operations and taxation of certain card clubs; authorizing simulcasting; amending Minnesota Statutes 2002, sections 3.9221, subdivision 2; 240.13, subdivision 6; 240.30, subdivisions 5, 8, by adding a subdivision."

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

**Senator Cohen from the Committee on Finance, to which was referred**

**H.F. No. 2446:** A bill for an act relating to state government finance; authorizing principles, criteria, and procedures for consolidating and eliminating certain funds and accounts; requiring reports; making technical and clarifying changes to provisions related to the budget process; amending Minnesota Statutes 2002, sections 3.23; 3.98, subdivision 3; 15.16, subdivision 5; 16A.102, subdivision 2, by adding a subdivision; 16A.53, subdivision 1, by adding subdivisions; 16A.531, by adding a subdivision; 16A.641, subdivision 2; 16B.24, subdivision 3; 16B.31, subdivision 3; 85A.02, subdivision 5a; 115A.557, subdivision 4; 116O.071, subdivision 3; 116P.08, subdivision 3; 144.701, subdivision 4; 245.90; 270.063, subdivision 1; 270.71; Minnesota Statutes 2003 Supplement, sections 16A.102, subdivision 1; 84.026; 116J.966, subdivision 1.

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

Pages 2 and 3, delete section 4 and insert:

"Sec. 4. [SPECIAL REVENUE FUND ACCOUNTS.]

Beginning in fiscal year 2005, the commissioner of finance shall review one-quarter of the accounts in the accounting special revenue fund. Each following year, the commissioner shall review an additional one-quarter of the accounts until they have all been evaluated. This review must categorize the accounts by type and include a legislative history of each account, a financial history of each account, and a rationale for the existence of the account under generally accepted accounting principles. The review must explain why the account should not be in the general fund. Beginning with the 2005 regular session, the commissioner shall report to the legislature on the accounts reviewed and recommend any accounts that should be terminated. The commissioner shall work with house and senate fiscal staff to determine the categorization of accounts and other standards for the review."

Page 3, lines 31 and 32, strike ", within the meaning of this section and section 3.24,"

Pages 4 and 5, delete sections 4 and 5

Page 5, after line 30, insert:

"Sec. 5. Minnesota Statutes 2003 Supplement, section 16A.11, subdivision 3, is amended to read:

Subd. 3. [PART TWO: DETAILED BUDGET.] (a) Part two of the budget, the detailed budget estimates both of expenditures and revenues, must contain any statements on the financial plan which the governor believes desirable or which may be required by the legislature. The detailed estimates shall include the governor's budget arranged in tabular form.

(b) Tables listing expenditures for the next biennium must show the appropriation base for each year as well as the governor's total recommendation for that year for each expenditure line. The appropriation base is the amount appropriated for the second year of the current biennium, adjusted in accordance with any provisions of law that specify changes to the base. The tables must separately show any adjustments to the base required by current law or policies of the commissioner of finance. For forecasted programs, the tables must also show the amount of the

forecast adjustments, based on the most recent forecast prepared by the commissioner of finance under section 16A.103. For all programs, the tables must show the amount of appropriation changes recommended by the governor, after adjustments to the base and forecast adjustments, and the total recommendation of the governor for that year.

(c) The detailed estimates must include a separate line listing the total cost of professional and technical service contracts for the prior biennium and the projected costs of those contracts for the current and upcoming biennium. They must also include a summary of the personnel employed by the agency, reflected as full-time equivalent positions.

(d) The detailed estimates for internal service funds must include the number of full-time equivalents by program; detail on any loans from the general fund, including dollar amounts by program; proposed investments in technology or equipment of \$100,000 or more; an explanation of any operating losses or increases in retained earnings; and a history of the rates that have been charged, with an explanation of any rate changes and the impact of the rate changes on affected agencies."

Page 13, after line 32, insert:

"Sec. 19. [REVISOR'S INSTRUCTION.]

The revisor of statutes shall renumber Minnesota Statutes, section 3.23, as section 16A.011, subdivision 14a.

Sec. 20. [REPEALER.]

Minnesota Statutes 2002, section 3.24, is repealed."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, delete "subdivision 2,"

Page 1, lines 10 and 11, delete "16A.531, by adding a subdivision;"

Page 1, line 16, delete "16A.102," and insert "16A.11, subdivision 3"

Page 1, line 17, delete the first "subdivision 1" and before the period, insert "; repealing Minnesota Statutes 2002, section 3.24"

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

**Senator Johnson, D.E. from the Committee on Rules and Administration, to which was re-referred**

**S.F. No. 2305:** A bill for an act relating to health; proposing an amendment to the Minnesota Constitution by adding a section to article XIII; requiring the legislature to establish a universal health care system that guarantees health care access to all citizens.

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

Delete everything after the enacting clause and insert:

"Section 1. [CONSTITUTIONAL AMENDMENT.]

An amendment to the Minnesota Constitution is proposed to the people. If the amendment is adopted, a section shall be added to article XIII, to read:

Sec. 13. All people have a right to access affordable health care for the prevention and treatment of disease and disability. The legislature and governor shall guarantee the right to affordable health care for all Minnesota residents. The legislature and governor shall provide

funding and payment mechanisms that will secure an efficient public and private system of health care throughout the state by October 1, 2006.

Sec. 2. [QUESTION.]

The proposed amendment shall be submitted to the people at the 2004 general election. The question submitted shall be:

"Shall the Minnesota Constitution be amended to guarantee the right to affordable health care for all Minnesota residents through laws to be enacted by the legislature and governor?"

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

Delete the title and insert:

"A bill for an act relating to health; proposing an amendment to the Minnesota Constitution by adding a section to article XIII; requiring the legislature and governor to guarantee the right to affordable health care for all Minnesota residents."

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

**Senator Johnson, D.E. from the Committee on Rules and Administration, to which was referred**

**S.F. No. 1546:** A bill for an act relating to legislative enactments; correcting miscellaneous oversights, inconsistencies, ambiguities, unintended results, and technical errors; amending Minnesota Statutes 2002, section 298.22, subdivision 1.

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

Page 2, after line 10, insert:

"Sec. 2 [CORR04-1] Laws 2004, chapter 149, section 2, is amended to read:

Sec. 2. [EFFECTIVE DATE; APPLICATION.]

Section 1 is effective August 1, ~~2003~~ 2004, and applies to causes of action arising on or after that date."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, before the period, insert "; Laws 2004, chapter 149, section 2"

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

## SECOND READING OF SENATE BILLS

S.F. Nos. 2305 and 1546 were read the second time.

## SECOND READING OF HOUSE BILLS

H.F. No. 2446 was read the second the time.

**RECESS**

Senator Johnson, D.E. 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.

**APPOINTMENTS**

Senator Johnson, D.E. from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

S.F. No. 2342: Senators Dibble, Marty and Senjem.

H.F. No. 1793: Senators Kelley, Skoe, Tomassoni, Marko and Neuville.

S.F. No. 1790: Senators Dibble, Wiger and Frederickson.

Senator Johnson, D.E. moved that the foregoing appointments be approved. The motion prevailed.

**MOTIONS AND RESOLUTIONS - CONTINUED**

Senator Kleis moved that H.F. No. 1961 be taken from the table.

The President ruled the Kleis motion was not in order.

**MEMBERS EXCUSED**

Senators Dille; Johnson, D.J. and Rosen were excused from the Session of today from 10:00 to 10:50 a.m. Senator Koering was excused from the Session of today from 10:20 to 10:30 a.m. Senator Bachmann was excused from the Session of today at 8:15 p.m.

**ADJOURNMENT**

Senator Johnson, D.E. moved that the Senate do now adjourn until 10:00 a.m., Saturday, May 15, 2004. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate



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