

STATE OF MINNESOTA

# Journal of the Senate

EIGHTY-FIFTH LEGISLATURE

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FIFTY-SIXTH DAY

St. Paul, Minnesota, Thursday, April 26, 2007

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

## CALL OF THE SENATE

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

Prayer was offered by Senator Gary W. Kubly.

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

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

The President declared a quorum present.

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

## REPORTS OF COMMITTEES

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

### Senator Cohen from the Committee on Finance, to which was re-referred

**S.F. No. 1015:** A bill for an act relating to children's environmental health; allowing filter paper testing for blood lead levels; lowering the blood lead level threshold for reporting and risk assessments; requiring medical assistance coverage to cover environmental investigations for children with elevated blood lead levels; amending Minnesota Statutes 2006, sections 144.9501,

by adding a subdivision; 144.9502, subdivisions 3, 4, 8; 144.9503, subdivision 2; 144.9504, subdivision 2; 144.9507, by adding a subdivision; 256B.0625, subdivision 14, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 144.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 144.9507, is amended by adding a subdivision to read:

Subd. 6. **Medical assistance.** Medical assistance reimbursement for lead risk assessment services under section 256B.0625, subdivision 49, shall not be used to replace or decrease existing state or local funding for lead services and lead-related activities.

Sec. 2. Minnesota Statutes 2006, section 144.9512, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) The definitions in section 144.9501 and in this subdivision apply to this section.

(b) "Eligible organization" means a ~~lead contractor,~~ city, board of health, community health department, community action agency as defined in section 256E.30, ~~or~~ community development corporation, or nonprofit organization.

(c) "Commissioner" means the commissioner of health, ~~or the commissioner of the Minnesota Housing Finance Agency as authorized by section 462A.05, subdivision 15e.~~

Sec. 3. Minnesota Statutes 2006, section 144.9512, subdivision 2, is amended to read:

Subd. 2. **Grants; administration.** Within the limits of the available appropriation, the commissioner ~~must develop a swab team services program which may make demonstration and training grants to eligible organizations to train workers to provide swab team services and swab team services for residential property. Grants may be awarded to nonprofit organizations to provide technical assistance and training to ensure quality and consistency within the statewide program. Grants must be awarded to help ensure full-time employment to workers providing swab team services and must be awarded for a two-year period.~~

~~Grants awarded under this section must be made in consultation with the commissioner of the Housing Finance Agency and representatives of neighborhood groups from areas at high risk for toxic lead exposure, a labor organization, the lead coalition, community action agencies, and the legal aid society. The consulting team must review grant applications and recommend awards to eligible organizations that meet requirements for receiving a grant under this section.~~

Sec. 4. Minnesota Statutes 2006, section 144.9512, subdivision 3, is amended to read:

Subd. 3. **Applicants.** (a) Interested eligible organizations may apply to the commissioner for grants under this section. Two or more eligible organizations may jointly apply for a grant. Priority shall be given to community action agencies in greater Minnesota and to either community action agencies or neighborhood based nonprofit organizations in cities of the first class. Of the total annual appropriation, 12.5 percent may be used for administrative purposes. The commissioner may deviate from this percentage if a grantee can justify the need for a larger administrative allowance. Of this amount, up to five percent may be used by the commissioner for state administrative

purposes. Applications must provide information requested by the commissioner, including at least the information required to assess the factors listed in paragraph (d).

(b) The commissioner must consult with boards of health to provide swab team services for purposes of secondary prevention. The priority for swab teams created by grants to eligible organizations under this section must be work assigned by the commissioner of health, or by a board of health if so designated by the commissioner of health, to provide secondary prevention swab team services to fulfill the requirements of section 144.9504, subdivision 6, in response to a lead order. Swab teams assigned work under this section by the commissioner, that are not engaged daily in fulfilling the requirements of section 144.9504, subdivision 6, must deliver swab team services in response to elevated blood lead levels as defined in section 144.9501, subdivision 9, where lead orders were not issued, and for purposes of primary prevention in census tracts known to be in areas at high risk for toxic lead exposure as described in section 144.9503, subdivision 2.

(c) Any additional money must be used for grants to establish swab teams for primary prevention under section 144.9503, in census tracts in areas at high risk for toxic lead exposure as determined under section 144.9503, subdivision 2.

(d) In evaluating grant applications, the commissioner must consider the following criteria:

- (1) the use of lead contractors and lead workers for residential swab team services;
- (2) the participation of neighborhood groups and individuals, as swab team workers, in areas at high risk for toxic lead exposure;
- (3) plans for the provision of swab team services for primary and secondary prevention as required under subdivision 4;
- (4) plans for supervision, training, career development, and postprogram placement of swab team members; and
- ~~(5) plans for resident and property owner education on lead safety;~~
- ~~(6) plans for distributing cleaning supplies to area residents and educating residents and property owners on cleaning techniques;~~
- ~~(7) sources of other funding and cost estimates for training, lead inspections, swab team services, equipment, monitoring, testing, and administration;~~
- ~~(8) measures of program effectiveness;~~
- ~~(9) coordination of program activities with other federal, state, and local public health, job training, apprenticeship, and housing renovation programs including programs under sections 116L.86 to 116L.881; and~~
- (10) prior experience in providing swab team services.

Sec. 5. Minnesota Statutes 2006, section 144.9512, subdivision 10, is amended to read:

Subd. 10. **Requirements of organizations receiving grants.** An eligible organization that is awarded a ~~training and demonstration~~ grant under this section must prepare and submit a quarterly progress report to the commissioner beginning three months after receipt of the grant.

Sec. 6. Minnesota Statutes 2006, section 256B.0625, is amended by adding a subdivision to read:

Subd. 49. **Lead risk assessments.** (a) Effective October 1, 2007, or six months after federal approval, whichever is later, medical assistance covers lead risk assessments provided by a lead risk assessor who is licensed by the commissioner of health under section 144.9505 and employed by an assessing agency as defined in section 144.9501. Medical assistance covers a onetime on-site investigation of a recipient's home or primary residence to determine the existence of lead so long as the recipient is under the age of 21 and has a venous blood lead level specified in section 144.9504, subdivision 2, paragraph (a).

(b) Medical assistance reimbursement covers the lead risk assessor's time to complete the following activities:

(1) gathering samples;

(2) interviewing family members;

(3) gathering data, including meter readings; and

(4) providing a report with the results of the investigation and options for reducing lead-based paint hazards.

Medical assistance coverage of lead risk assessment does not include testing of environmental substances such as water, paint, or soil or any other laboratory services. Medical assistance coverage of lead risk assessments is not included in the capitated services for children enrolled in health plans through the prepaid medical assistance program and the MinnesotaCare program.

(c) Payment for lead risk assessment must be cost-based and must meet the criteria for federal financial participation under the Medicaid program. The rate must be based on allowable expenditures from cost information gathered. Under section 144.9507, subdivision 5, federal medical assistance funds may not replace existing funding for lead-related activities. The nonfederal share of costs for services provided under this subdivision must be from state or local funds and is the responsibility of the agency providing the risk assessment. When the risk assessment is conducted by the commissioner of health, the state share must be from appropriations to the commissioner of health for lead programs under sections 144.9502 and 144.9508. Eligible expenditures for the nonfederal share of costs may not be made from federal funds or funds used to match other federal funds. Any federal disallowances are the responsibility of the agency providing risk assessment services.

**Sec. 7. STUDY OF BLOOD LEAD TESTING METHODS.**

(a) The commissioner of health, in consultation with the commissioner of human services, cities of the first class, health care providers, and other interested parties, shall conduct a study to evaluate blood lead testing methods used to confirm elevated blood lead status. The study shall examine:

(1) the false positive rate of capillary tests for children who are younger than 72 months old;

(2) current protocols for conducting capillary testing, including filter paper methodology; and

(3) existing guidelines and regulations from other states and federal agencies regarding lead testing.

(b) The commissioner shall make recommendations on:

(1) the use of capillary tests to initiate environmental investigations and case management, including number and timing of tests and fiscal implications for state and local lead programs; and

(2) reducing the state mandatory intervention to ten micrograms of lead per deciliter of whole blood.

(c) The commissioner shall submit the results of the study and recommendations, including any necessary legislative changes, to the legislature by January 15, 2008.

Sec. 8. **REPEALER.**

Minnesota Statutes 2006, section 144.9512, subdivisions 4, 6, 7, and 8, are repealed."

Delete the title and insert:

"A bill for an act relating to children's environmental health; modifying the lead abatement program; requiring medical assistance coverage to cover environmental investigations for children with elevated blood lead levels; amending Minnesota Statutes 2006, sections 144.9507, by adding a subdivision; 144.9512, subdivisions 1, 2, 3, 10; 256B.0625, by adding a subdivision; repealing Minnesota Statutes 2006, section 144.9512, subdivisions 4, 6, 7, 8."

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

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

**S.F. No. 442:** A bill for an act relating to housing; adjusting deed tax percentage; providing rental housing assistance; establishing a housing account for leverage opportunity; appropriating money; amending Minnesota Statutes 2006, sections 287.21, subdivision 1; 462A.201, by adding a subdivision; 462A.33, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 462A.

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

Delete everything after the enacting clause and insert:

"Section 1. **HOUSING SOLUTIONS ACT.**

Sections 2 to 5 shall be known as the Housing Solutions Act.

Sec. 2. Minnesota Statutes 2006, section 287.21, subdivision 1, is amended to read:

Subdivision 1. **Determination of tax.** (a) A tax is imposed on each deed or instrument by which any real property in this state is granted, assigned, transferred, or otherwise conveyed. The tax applies against the net consideration. For purposes of the tax, the conversion of a corporation to a limited liability company, a limited liability company to a corporation, a partnership to a limited partnership, a limited partnership to another limited partnership or other entity, or a similar conversion of one entity to another does not grant, assign, transfer, or convey real property.

(b) The tax is determined in the following manner: (1) when transfers are made by instruments pursuant to (i) consolidations or mergers, or (ii) designated transfers, the tax is \$1.65; (2) when there is no consideration or when the consideration, exclusive of the value of any lien or encumbrance

remaining thereon at the time of sale, is \$500 or less, the tax is \$1.65; or (3) when the consideration, exclusive of the value of any lien or encumbrance remaining at the time of sale, exceeds \$500, the tax is ~~.0033~~ .005 of the net consideration.

(c) If, within six months from the date of a designated transfer, an ownership interest in the grantee entity is transferred by an initial owner to any person or entity with the result that the designated transfer would not have been a designated transfer if made to the grantee entity with its subsequent ownership, then a tax is imposed at .0033 of the net consideration for the designated transfer. If the subsequent transfer of ownership interests was reasonably expected at the time of the designated transfer, the applicable penalty under section 287.31, subdivision 1, must be paid. The deed tax imposed under this paragraph is due within 30 days of the subsequent transfer that caused the tax to be imposed under this paragraph. Involuntary transfers of ownership shall not be considered transfers of ownership under this paragraph. The commissioner may adopt rules defining the types of transfers to be considered involuntary.

(d) The tax is due at the time a taxable deed or instrument is presented for recording, except as provided in paragraph (c). The commissioner may require the tax to be documented in a manner prescribed by the commissioner, and may require that the documentation be attached to and recorded as part of the deed or instrument. The county recorder or registrar of titles shall accept the attachment for recording as part of the deed or instrument and may not require, as a condition of recording a deed or instrument, evidence that a transfer is a designated transfer in addition to that required by the commissioner. Such an attachment shall not, however, provide actual or constructive notice of the information contained therein for purposes of determining any interest in the real property. The commissioner shall prescribe the manner in which the tax due under paragraph (c) is to be paid and may require grantees of designated transfers to file with the commissioner subsequent statements verifying that the tax provided under paragraph (c) does not apply.

Sec. 3. Minnesota Statutes 2006, section 462A.201, is amended by adding a subdivision to read:

Subd. 8. **Appropriation.** An amount equal to the proceeds of the deed tax under section 287.21, subdivision 1, paragraph (b), clause (3), on .000688 of the net consideration is appropriated from the general fund to the commissioner of finance for transfer to the housing development fund and credit to the housing trust fund account to be used for rental assistance. No more than ten percent of this appropriation may be used to operate rental housing under this section. This appropriation to the housing trust fund account must not be used to supplant appropriation levels for housing in effect on June 30, 2007.

Sec. 4. Minnesota Statutes 2006, section 462A.33, is amended by adding a subdivision to read:

Subd. 9. **Appropriation.** An amount equal to the proceeds of the deed tax under section 287.21, subdivision 1, paragraph (b), clause (3), on .000549 of the net consideration is appropriated from the general fund to the commissioner of finance for transfer to the housing development fund to be used for the economic development and housing challenge program. This appropriation to the housing development fund must not be used to supplant appropriation levels for housing in effect on June 30, 2007.

Sec. 5. **[462A.35] HOUSING ACCOUNT FOR LEVERAGE OPPORTUNITY.**

Subdivision 1. **Creation.** The housing account for leverage opportunity is created in the housing development fund. The account must be administered by the agency to provide matching grants to

eligible recipients to preserve, renovate, or develop affordable home ownership or rental housing.

Subd. 2. **Eligible recipients.** Eligible recipients are a county; a city, as defined in section 462A.03, subdivision 21; a housing and redevelopment authority or public housing agency established under sections 469.001 to 469.047; an economic development authority established under sections 469.090 to 469.1082; a community development agency established under section 383D.41; a neighborhood land trust; or a federally recognized American Indian tribe located in this state.

Subd. 3. **Income limits.** Households served through the grant must not have incomes at the time of initial occupancy that exceed, for home ownership projects, 115 percent of the greater of state or area median income as determined by the United States Department of Housing and Urban Development, and for rental housing projects, 60 percent of the greater of state or area median income as determined by the United States Department of Housing and Urban Development.

Preference among comparable proposals must be given to those that provide housing opportunities for the broadest range of incomes within the development.

Subd. 4. **Matching requirements.** (a) A grant from the account must be matched on a dollar-for-dollar basis by money or the value of the land provided by eligible recipients.

(b) The minimum grant is \$50,000. The maximum grant to an eligible recipient each year is \$1,000,000.

(c) The local match may not include money from any other state or federal program for the same project.

Subd. 5. **Distribution requirements.** (a) Except as provided in paragraph (b), not less than 40 percent of the money granted from the account must be for project applications submitted by eligible recipients outside of the seven-county metropolitan area as defined in section 473.121, subdivision 2, and outside of community development entitlement areas as defined by the United States Department of Housing and Urban Development.

(b) In any biennial funding cycle, money not committed to eligible recipients for affordable housing projects by March 1 of any odd-numbered year is available to provide grants for projects of eligible recipients without regard to the limitation established in paragraph (a).

(c) Only one matching grant may be awarded within the jurisdictional boundaries of an eligible recipient each year.

Subd. 6. **Appropriation.** An amount equal to the proceeds of the deed tax under section 287.21, subdivision 1, paragraph (b), clause (3), on .000412 of the net consideration is appropriated from the general fund to the commissioner of finance for transfer to the account established by subdivision 1. This appropriation must not be used to supplant appropriation levels for housing in effect on June 30, 2007."

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

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

**S.F. No. 1346:** A bill for an act relating to the Office of the Secretary of State; regulating registrations, filings, and dissolutions of certain entities; providing fees; regulating foreign limited partnership name changes; regulating notaries public; amending Minnesota Statutes 2006, sections 5.12, subdivision 1; 302A.821, subdivision 4; 308A.995, subdivisions 1, 4; 308B.121, subdivisions 1, 4; 308B.215, subdivision 2; 317A.823, subdivision 1; 321.0206; 321.0210; 323A.1003; 336.1-110; 336.9-516; 336.9-525; 358.41; 358.42; 358.50; 359.085, subdivisions 2, 3; proposing coding for new law in Minnesota Statutes, chapters 308B; 321; repealing Minnesota Statutes 2006, sections 69.051, subdivision 1c; 359.085, subdivision 8.

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

Page 1, delete sections 1 and 2

Page 5, delete section 10

Page 9, delete section 14

Page 11, delete section 16

Page 12, line 18, delete "Sections 10 and 16 are effective July 1, 2007." and delete "2 to 6" and insert "1 to 4"

Page 12, line 19, delete "11 and 13" and insert "8 and 10"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "providing fees;"

Amend the title numbers accordingly

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

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

**S.F. No. 1387:** A bill for an act relating to human services; allowing incarcerated individuals remain eligible for medical assistance until conviction; amending Minnesota Statutes 2006, section 256B.055, subdivision 14.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 256B.055, subdivision 14, is amended to read:

Subd. 14. **Persons detained by law.** (a) Medical assistance may be paid for an inmate of a correctional facility who is conditionally released as authorized under section 241.26, 244.065, or 631.425, if the individual does not require the security of a public detention facility and is housed in a halfway house or community correction center, or under house arrest and monitored by electronic surveillance in a residence approved by the commissioner of corrections, and if the individual meets the other eligibility requirements of this chapter.



(b) An individual who is enrolled in medical assistance, and who is charged with a crime and incarcerated in a local jail, workhouse, or local juvenile correctional facility for less than 12 months shall be suspended from eligibility at the time of incarceration until the individual is released. Upon release, medical assistance eligibility is reinstated, without reapplication, if the individual is otherwise eligible.

(c) An individual, regardless of age, who is considered an inmate of a public institution as defined in Code of Federal Regulations, title 42, section 435.1009, is not eligible for medical assistance."

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

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

**S.F. No. 1242:** A bill for an act relating to corrections; clarifying and updating law governing MINNCOR prison industries; adjusting the date for community corrections counties to submit expenditure and cost statements; authorizing access by the Department of Corrections to the Department of Employment and Economic Development database relating to employment status information; amending Minnesota Statutes 2006, sections 16A.72; 16B.181, subdivision 2; 16C.23, subdivision 2; 241.27, subdivisions 1, 2, 3, 4; 241.278; 268.19, subdivision 1; 401.15, subdivision 1; repealing Minnesota Statutes 2006, sections 241.021, subdivision 5; 241.85, subdivision 2.

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

Page 2, line 10, after "industries" insert a comma

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

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

**S.F. No. 1449:** A bill for an act relating to public safety; modifying requirements for 911 emergency communication fees; amending Minnesota Statutes 2006, section 403.11, by adding subdivisions.

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

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

**S.F. No. 2067:** A bill for an act relating to health-related licensing boards; modifying fees for licensed professional counselors; establishing fees for licensed professional clinical counselors; amending Minnesota Statutes 2006, sections 148B.53, subdivision 3; 148C.12, by adding subdivisions.

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

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

**S.F. No. 1823:** A bill for an act relating to health professions; changing licensing requirements for physical therapists; imposing penalties; amending Minnesota Statutes 2006, sections 148.65, subdivisions 2, 3, by adding a subdivision; 148.67, subdivision 1; 148.70; 148.705; 148.706; 148.71; 148.73; 148.735; 148.736, subdivision 1; 148.74; 148.75; 148.754; 148.755; 148.76,

subdivision 1; 148.78; proposing coding for new law in Minnesota Statutes, chapter 148; repealing Minnesota Statutes 2006, sections 148.691, subdivision 3; 148.71, subdivision 1; 148.72; 148.745; 148.775; Minnesota Rules, parts 5601.0200; 5601.0300; 5601.0400; 5601.0500; 5601.0600; 5601.0700; 5601.0800; 5601.1400; 5601.1500; 5601.1600; 5601.2800; 5601.2900; 5601.3000; 5601.3105; 5601.3110; 5601.3115; 5601.3120; 5601.3125; 5601.3130; 5601.3135; 5601.3140; 5601.3145; 5601.3150; 5601.3155; 5601.3160; 5601.3165.

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

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

**S.F. No. 1229:** A bill for an act relating to health; changing provisions for well contractor's license; amending Minnesota Statutes 2006, sections 103I.525, subdivision 5; 103I.531, subdivision 6.

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

Senator Pogemiller, from the Committee on Rules and Administration, to which was referred

**H.F. No. 854** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>GENERAL ORDERS</b>		<b>CONSENT CALENDAR</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
854	235				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 854 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 854, the fourth engrossment; and insert the language after the enacting clause of S.F. No. 235, the fourth engrossment; further, delete the title of H.F. No. 854, the fourth engrossment; and insert the title of S.F. No. 235, the fourth engrossment.

And when so amended H.F. No. 854 will be identical to S.F. No. 235, and further recommends that H.F. No. 854 be given its second reading and substituted for S.F. No. 235, 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.

**SECOND READING OF SENATE BILLS**

S.F. Nos. 1015, 1346, 1387, 1242, 1449, 2067, 1823 and 1229 were read the second time.

**SECOND READING OF HOUSE BILLS**

H.F. No. 854 was read the second time.

**MOTIONS AND RESOLUTIONS****Senator Dibble introduced –**

**Senate Resolution No. 82:** A Senate resolution congratulating the Minneapolis Southwest High School chess team on winning its second consecutive national championship.

Referred to the Committee on Rules and Administration.

**Senators Metzen, Pogemiller and Senjem introduced –**

**Senate Resolution No. 83:** A Senate resolution honoring the members of the Minnesota Association of Occupational Health Nurses for 25 years of volunteer work.

Referred to the Committee on Rules and Administration.

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

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time.

**Senator Wergin introduced–**

**S.F. No. 2266:** A bill for an act relating to retirement; Minnesota public pension plan benefits; requiring the selection of a joint and survivor annuity benefit if provided for under the plan; amending Minnesota Statutes 2006, section 356.46.

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

**Senators Lynch and Wergin introduced–**

**S.F. No. 2267:** A bill for an act relating to retirement; providing for certain pension benefits upon privatization of the Oakland Park Nursing Home; amending Minnesota Statutes 2006, section 353F.02, subdivision 4.

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

**Senators Marty, Lourey and Prettner Solon introduced–**

**S.F. No. 2268:** A bill for an act relating to health; requiring the disclosure of financial information and arrangements related to prescription drug purchasing; requiring rulemaking; providing civil

penalties; amending Minnesota Statutes 2006, section 151.061, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 151A.

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

**Senator Johnson introduced—**

**S.F. No. 2269:** A bill for an act relating to taxation; providing that property located within certain tax increment financing districts in the city of Centerville is not commercial industrial property for purposes of metropolitan revenue distribution.

Referred to the Committee on Taxes.

**Senator Johnson introduced—**

**S.F. No. 2270:** A bill for an act relating to taxation; providing a sales tax exemption for construction materials and equipment used to construct improvements in certain tax increment financing districts in the city of Centerville; amending Minnesota Statutes 2006, section 297A.71, by adding a subdivision.

Referred to the Committee on Taxes.

**Senator Tomassoni introduced—**

**S.F. No. 2271:** A bill for an act relating to housing; appropriating money for a grant to HOME Line for the tenant hotline services program.

Referred to the Committee on Finance.

**Senator Koering introduced—**

**S.F. No. 2272:** A bill for an act relating to capital improvements; appropriating money for a veterans nursing home on the Brainerd Regional Treatment Center site; authorizing the sale and issuance of state bonds.

Referred to the Committee on Finance.

**Senators Moua, Langseth, Pogemiller, Frederickson and Dille introduced—**

**S.F. No. 2273:** A bill for an act relating to capital improvements; appropriating money for an Asian Pacific Cultural Center; authorizing the sale and issuance of state bonds.

Referred to the Committee on Finance.

**MOTIONS AND RESOLUTIONS - CONTINUED**

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of General Orders.

**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. Nos. 1429, 868, 1302, 596 and H.F. No. 532, which the committee recommends to pass.

S.F. No. 514, which the committee recommends to pass, after the following motions:

Senator Wergin moved to amend S.F. No. 514 as follows:

Page 1, after line 11, insert:

"Sec. 2. Minnesota Statutes 2006, section 256.9862, subdivision 2, is amended to read:

Subd. 2. **Transaction fee.** The commissioner ~~may~~ must charge transaction fees in accordance with this subdivision ~~up to a maximum of \$10 in transaction fees per cardholder per month. In a given month, the first four cash withdrawals made by an individual cardholder are free. For subsequent cash withdrawals, \$1 may be charged. No transaction fee can be charged if the card is used to purchase goods or services on a point-of-sale basis~~ to cardholders. A transaction fee subsequently set by the federal government may supersede a fee established under this subdivision. The fees shall be appropriated to the commissioner and used for electronic benefit purposes.

Sec. 3. Minnesota Statutes 2006, section 256J.39, is amended by adding a subdivision to read:

Subd. 1a. **Prohibited purchases.** MFIP recipients are prohibited from using MFIP monthly cash assistance payments issued in the form of an electronic benefits transfer to purchase tobacco products or alcohol."

Amend the title accordingly

Senator Betzold questioned whether the amendment was germane.

The Chair ruled that the amendment was not germane.

Senator Wergin appealed the decision of the Chair.

The question was taken on "Shall the decision of the Chair be the judgment of the Committee?"

The roll was called, and there were yeas 38 and nays 19, as follows:

Those who voted in the affirmative were:

Anderson	Erickson Ropes	Lourey	Pogemiller	Skogen
Bakk	Foley	Lynch	Prettner Solon	Sparks
Berglin	Frederickson	Marty	Rummel	Tomassoni
Betzold	Higgins	Metzen	Saltzman	Torres Ray
Bonoff	Kubly	Moua	Scheid	Vickerman
Carlson	Langseth	Olseen	Sheran	Wiger
Chaudhary	Larson	Olson, M.	Sieben	
Clark	Latz	Pappas	Skoe	

Those who voted in the negative were:

Day	Dille	Fischbach	Gerlach	Gimse
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Hann  
Ingebrigtsen  
Johnson

Koch  
Koering  
Limmer

Michel  
Neuville  
Ortman

Pariseau  
Robling  
Rosen

Vandev eer  
Wergin

So the decision of the Chair was sustained.

Senator Neuville moved to amend S.F. No. 514 as follows:

Page 1, line 7, after "work" insert "for more hours than the quotient of the cash assistance divided by the minimum wage,"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 34, as follows:

Those who voted in the affirmative were:

Day  
Dille  
Erickson Ropes  
Fischbach  
Frederickson

Gerlach  
Gimse  
Hann  
Ingebrigtsen  
Johnson

Jungbauer  
Koch  
Koering  
Kubly  
Limmer

Michel  
Neuville  
Ortman  
Pariseau  
Robling

Rosen  
Saltzman  
Vandev eer  
Wergin

Those who voted in the negative were:

Anderson  
Bakk  
Berglin  
Betzold  
Bonoff  
Carlson  
Chaudhary

Clark  
Foley  
Higgins  
Langseth  
Larson  
Latz  
Lourey

Lynch  
Marty  
Metzen  
Moua  
Olseen  
Olson, M.  
Pappas

Pogemiller  
Prettner Solon  
Rummel  
Scheid  
Sheran  
Sieben  
Skoe

Skogen  
Sparks  
Tomassoni  
Torres Ray  
Vickerman  
Wiger

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

Senator Rosen moved to amend S.F. No. 514 as follows:

Page 1, after line 11, insert:

"Sec. 2. Minnesota Statutes 2006, section 256J.15, is amended by adding a subdivision to read:

Subd. 3. **Drug testing.** (a) Beginning July 1, 2007, in order to be eligible for assistance under this chapter, applicants must pass a drug test at the time of application for assistance. Persons receiving assistance prior to July 1, 2007, must pass a drug test at the next time of recertification of eligibility under section 256J.32, subdivision 6, as a condition of continued eligibility and following any positive test for an illegal controlled substance are subject to the sanctions under section 256J.26, subdivision 1, paragraph (a), clauses (2) and (3).

(b) MFIP applicants and participants must pay for the cost of the drug test required under paragraph (a), either up front or through an offset of future assistance under this chapter."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Tomassoni questioned whether the amendment was germane.

The Chair ruled that the amendment was not germane.

Senator Rosen appealed the decision of the Chair.

The question was taken on "Shall the decision of the Chair be the judgment of the Committee?"

The roll was called, and there were yeas 40 and nays 19, as follows:

Those who voted in the affirmative were:

Anderson	Dille	Larson	Olson, M.	Sieben
Bakk	Erickson Ropes	Latz	Pappas	Skoe
Berglin	Foley	Lourey	Pogemiller	Skogen
Betzold	Frederickson	Lynch	Prettner Solon	Sparks
Bonoff	Higgins	Marty	Rummel	Tomassoni
Carlson	Koering	Metzen	Saltzman	Torres Ray
Chaudhary	Kubly	Moua	Scheid	Vickerman
Clark	Langseth	Olseen	Sheran	Wiger

Those who voted in the negative were:

Day	Hann	Koch	Ortman	Senjem
Fischbach	Ingebrigtsen	Limmer	Pariseau	Vandever
Gerlach	Johnson	Michel	Robling	Wergin
Gimse	Jungbauer	Neuville	Rosen	

So the decision of the Chair was sustained.

The question was taken on the recommendation to pass S.F. No. 514.

The roll was called, and there were yeas 34 and nays 24, as follows:

Those who voted in the affirmative were:

Anderson	Clark	Latz	Pogemiller	Skogen
Bakk	Erickson Ropes	Lourey	Prettner Solon	Sparks
Berglin	Foley	Lynch	Rummel	Tomassoni
Betzold	Higgins	Marty	Scheid	Torres Ray
Bonoff	Kubly	Metzen	Sheran	Vickerman
Carlson	Langseth	Moua	Sieben	Wiger
Chaudhary	Larson	Olson, M.	Skoe	

Those who voted in the negative were:

Day	Gimse	Koch	Ortman	Saltzman
Dille	Hann	Koering	Pappas	Senjem
Fischbach	Ingebrigtsen	Limmer	Pariseau	Vandever
Frederickson	Johnson	Michel	Robling	Wergin
Gerlach	Jungbauer	Neuville	Rosen	

The motion prevailed. So S.F. No. 514 was recommended to pass.

S.F. No. 802, which the committee recommends to pass with the following amendment offered by Senator Koering:

Page 18, delete section 39

Page 30, line 4, after "pouch" insert "and placed on a tray rigid enough for handling with ease"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 1791, which the committee recommends to pass with the following amendment offered by Senator Robling:

Page 2, line 17, delete "each of"

Page 2, line 19, delete "2007-2008" and insert "2008-2009"

The motion prevailed. So the amendment was adopted.

S.F. No. 988, which the committee recommends to pass with the following amendment offered by Senator Higgins:

Page 2, after line 4, insert:

"Sec. 2. Minnesota Statutes 2006, section 58.02, is amended by adding a subdivision to read:

Subd. 28. **Negative amortization.** "Negative amortization" occurs when the borrower's compliance with any repayment option offered pursuant to the terms of the residential mortgage loan is insufficient to satisfy the interest accruing on the loan, resulting in an increase in the loan balance. Negative amortization does not occur when a residential mortgage loan is originated, subsidized, or guaranteed by or through a state, tribal, or local government, or nonprofit organization, and bears one or more of the following nonstandard payment terms that substantially benefit the borrower: payments vary with income; payments of principal and interest are deferred until the maturity date of the loan or the sale of the residence; principal or interest is forgivable under specified conditions; or where no interest or an annual interest rate of two percent or less is charged in connection with the loan."

Page 7, delete section 6

Page 8, line 22, delete "or"

Page 8, line 27, delete the period and insert "; or"

Page 8, after line 27, insert:

"(3) conspires to violate clause (1) or (2)."

Page 8, line 33, after the period, insert "However, the maximum sentence of imprisonment for the offense may not exceed two years. A person convicted of a violation of this section shall be ordered to pay restitution to persons aggrieved by the violation. Restitution shall be ordered in addition to a fine or imprisonment but not in lieu of a fine or imprisonment."

Page 9, delete subdivision 5

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

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



**MOTIONS AND RESOLUTIONS - CONTINUED**

Senator Pogemiller, for Senator Rest, moved that S.F. No. 2126, No. 32 on General Orders, be stricken and re-referred to the Committee on Rules and Administration. The motion prevailed.

Senator Prettner Solon moved that S.F. No. 140, No. 11 on the Calendar, be stricken and placed on General Orders. The motion prevailed.

**MEMBERS EXCUSED**

Senators Cohen, Saxhaug and Stumpf were excused from the Session of today. Senators Olson, G. and Rest were excused from the Session of today at 10:30 a.m. Senator Jungbauer was excused from the Session of today from 10:30 to 11:30 a.m. Senator Doll was excused from the Session of today from 11:10 to 11:55 a.m. Senator Dibble was excused from the Session of today at 11:15 a.m. Senator Senjem was excused from the Session of today from 11:20 to 11:35 a.m. Senator Limmer was excused from the Session of today from 11:30 a.m to 12:00 noon.

**ADJOURNMENT**

Senator Pogemiller moved that the Senate do now adjourn until 10:00 a.m., Friday, April 27, 2007. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate



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