STATE OF MINNESOTA

EIGHTY-SEVENTH SESSION — 2011

THIRTEENTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, FEBRUARY 9, 2011

The House of Representatives convened at 11:30 a.m. and was called to order by Kurt Zellers, Speaker of the House.

Prayer was offered by the Reverend Grady St. Dennis, House Chaplain.

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

The roll was called and the following members were present:

Abeler	Dean	Hansen	Lanning	Murphy, E.	Shimanski
Anderson, B.	Dettmer	Hausman	Leidiger	Murphy, M.	Simon
Anderson, D.	Dill	Hayden	LeMieur	Murray	Slawik
Anderson, P.	Dittrich	Hilstrom	Lenczewski	Myhra	Slocum
Anderson, S.	Doepke	Hilty	Lesch	Nelson	Smith
Anzelc	Downey	Holberg	Liebling	Nornes	Stensrud
Atkins	Drazkowski	Hoppe	Lillie	Norton	Swedzinski
Banaian	Eken	Hornstein	Loeffler	O'Driscoll	Thissen
Barrett	Erickson	Hortman	Lohmer	Paymar	Tillberry
Beard	Fabian	Hosch	Loon	Pelowski	Torkelson
Benson, J.	Falk	Howes	Mack	Peppin	Urdahl
Benson, M.	Franson	Huntley	Mariani	Persell	Vogel
Bills	Fritz	Johnson	Marquart	Petersen, B.	Wagenius
Brynaert	Garofalo	Kahn	Mazorol	Peterson, S.	Ward
Carlson	Gauthier	Kath	McDonald	Poppe	Wardlow
Champion	Gottwalt	Kelly	McElfatrick	Quam	Westrom
Clark	Greene	Kieffer	McFarlane	Rukavina	Winkler
Cornish	Greiling	Kiel	McNamara	Runbeck	Woodard
Crawford	Gruenhagen	Kiffmeyer	Moran	Sanders	Spk. Zellers
Daudt	Gunther	Knuth	Morrow	Scalze	
Davids	Hamilton	Koenen	Mullery	Schomacker	
Davnie	Hancock	Kriesel	Murdock	Scott	

A quorum was present.

Laine was excused.

Buesgens, Hackbarth and Mahoney were excused until 4:30 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. There being no objection, further reading of the Journal was dispensed with and the Journal was approved as corrected by the Chief Clerk.

REPORTS OF CHIEF CLERK

S. F. No. 40 and H. F. No. 63, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Garofalo moved that the rules be so far suspended that S. F. No. 40 be substituted for H. F. No. 63 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 139 and H. F. No. 166, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Clark moved that S. F. No. 139 be substituted for H. F. No. 166 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Smith from the Committee on Judiciary Policy and Finance to which was referred:

H. F. No. 141, A bill for an act relating to public safety; increasing penalties for injuring public safety dogs; amending Minnesota Statutes 2010, section 609.596.

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

The report was adopted.

Erickson from the Committee on Education Reform to which was referred:

H. F. No. 206, A bill for an act relating to the permanent school fund; modifying the membership of the advisory committee; amending Minnesota Statutes 2010, section 127A.30, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 24, after "superintendents" insert "and the member with expertise on school finance matters"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Government Operations and Elections.

The report was adopted.

Westrom from the Committee on Civil Law to which was referred:

H. F. No. 292, A bill for an act relating to families; requiring parenting plans; amending Minnesota Statutes 2010, section 518.1705, subdivisions 3, 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 2010, section 518.1705, subdivision 2, is amended to read:
- Subd. 2. **Plan elements.** (a) A parenting plan must include the following:
- (1) a schedule of the time each parent spends with the child;
- (2) a designation of decision-making responsibilities regarding the child; and
- (3) a method of dispute resolution.
- (b) A parenting plan may include other issues and matters the parents agree to regarding the child.
- (c) Parents voluntarily agreeing to parenting plans A parenting plan or order may substitute other terms for physical and legal custody, including designations of joint or sole custody, provided that the terms used in the substitution are defined in the parenting plan or order.
 - Sec. 2. Minnesota Statutes 2010, section 518.1705, subdivision 3, is amended to read:
- Subd. 3. Creating parenting plan; restrictions on creation; alternative. (a) Upon the request of both parents, a parenting plan must be created in lieu of an order for child custody and parenting time The court shall adopt a parenting plan proposed by both parents unless the court makes detailed findings that the proposed plan is not in the best interests of the child.
- (b) If both parents do not agree to a parenting plan, the court may create one shall issue a parenting order on its own motion, except that the court must not do so if it unless the court:
 - (1) makes detailed findings that use of a parenting order is not feasible; or
- (2) finds that a parent has committed domestic abuse against a parent or child who is a party to, or subject of, the matter before the court. If the court creates a parenting plan on its own motion, it must not use alternative terminology unless the terminology is agreed to by the parties.
- (c) If an existing order does not contain a parenting plan, the parents must not be required to create a parenting plan as part of a modification order under section 518A.39.
 - (d) A parenting plan must not be required during an action under section 256.87.
- (e) If the parents do not agree to a parenting plan and the court does not create one on its own motion, orders for custody and parenting time must be entered under sections 518.17 and 518.175 or section 257.541, as applicable.
 - Sec. 3. Minnesota Statutes 2010, section 518.1705, subdivision 4, is amended to read:
- Subd. 4. **Custody designation.** A final judgment and decree that includes a parenting plan using alternate terms to designate decision making responsibilities or allocation of residential time between the parents must designate whether the parents have joint legal custody or joint physical custody or which parent has sole legal custody or sole physical custody, or both. This designation is solely for enforcement of the final judgment and decree where this designation is required for that enforcement and has no effect under the laws of this state, any other state, or another country that do not require this designation. If the parenting plan or order does not designate legal and physical custody and such a designation is necessary for enforcement of the plan or order for any purpose, it must be presumed that the parents have joint legal and joint physical custody."

Delete the title and insert:

"A bill for an act relating to families; requiring parenting plans; amending Minnesota Statutes 2010, section 518.1705, subdivisions 2, 3, 4."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary Policy and Finance.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. No. 141 was read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 40 and 139 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Poppe introduced:

H. F. No. 409, A bill for an act relating to retirement; specifying coverage for certain Minnesota State Colleges and Universities employees; requiring employer to provide certain notices; amending Minnesota Statutes 2010, section 354B.21, subdivision 3, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Government Operations and Elections.

Lohmer, Buesgens, Swedzinski, McElfatrick and Drazkowski introduced:

H. F. No. 410, A bill for an act relating to taxation; income; allowing a subtraction for social security benefits; amending Minnesota Statutes 2010, sections 290.01, subdivision 19b; 290.091, subdivision 2.

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

Morrow, Koenen, Swedzinski and Beard introduced:

H. F. No. 411, A bill for an act relating to capital investment; appropriating money to the Minnesota Valley Regional Rail Authority; authorizing sale and issuance of general obligation bonds.

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

Gruenhagen, Barrett, Lohmer, McDonald and McElfatrick introduced:

H. F. No. 412, A bill for an act relating to human services; requiring increases in managed care and county-based purchasing plan provider payment rates; requiring plans to use generally accepted accounting principles; amending Minnesota Statutes 2010, section 256B.69, subdivision 9, by adding a subdivision.

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

Gruenhagen, Runbeck, Lohmer, Quam and Drazkowski introduced:

H. F. No. 413, A bill for an act relating to environment; repealing state goals for greenhouse gas emission reductions; amending Minnesota Statutes 2010, sections 3.8851, subdivision 3; 116J.437, subdivision 1; 216H.021, subdivision 1; repealing Minnesota Statutes 2010, sections 216C.055; 216H.02; 216H.07.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

Hoppe, Atkins, Johnson, Loon and Anderson, S., introduced:

H. F. No. 414, A bill for an act relating to telecommunications; prohibiting access stimulation charges; proposing coding for new law in Minnesota Statutes, chapter 237.

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform.

Kath introduced:

H. F. No. 415, A bill for an act relating to transportation; appropriating funds for marked Trunk Highway 14 construction.

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

Kath introduced:

H. F. No. 416, A bill for an act relating to transportation; establishing certain requirements concerning construction on marked Trunk Highway 14.

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

Smith introduced:

H. F. No. 417, A bill for an act relating to public health; providing regulation of commercial breeders to protect public health and animal welfare; requiring registration; establishing fees; requiring rulemaking; providing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

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

Downey, Mazorol, Dettmer, Hancock and Sanders introduced:

H. F. No. 418, A bill for an act relating to state government; proposing the Back Office Consolidation Act; centralizing accounting, financial reporting, procurement, fleet services, human resources, and payroll functions in the Department of Administration; proposing coding for new law in Minnesota Statutes, chapter 16B.

The bill was read for the first time and referred to the Committee on Government Operations and Elections.

Downey, Mazorol, Dettmer, Urdahl and Hancock introduced:

H. F. No. 419, A bill for an act relating to state government; reducing the number of departments in the executive branch; amending Minnesota Statutes 2010, sections 15.01; 15.06, subdivision 1; 15A.0815, subdivisions 2, 3; 43A.08, subdivision 1a.

The bill was read for the first time and referred to the Committee on Government Operations and Elections.

Woodard and Greiling introduced:

H. F. No. 420, A bill for an act relating to education finance; streamlining the health and safety revenue program; amending Minnesota Statutes 2010, section 123B.57.

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

Rukavina, Eken and Hornstein introduced:

H. F. No. 421, A bill for an act relating to motor vehicles; establishing special plates for retired firefighters; amending Minnesota Statutes 2010, section 168.12, subdivision 2b, by adding a subdivision.

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

Rukavina, Eken and Hornstein introduced:

H. F. No. 422, A bill for an act relating to motor vehicles; providing standards for issuing any special license plates for vehicles; authorizing special eagle scout plates; proposing coding for new law in Minnesota Statutes, chapter 168.

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

Dill introduced:

H. F. No. 423, A bill for an act relating to natural resources; appropriating money for an all-terrain vehicle trail in Lake County.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

Scott introduced:

H. F. No. 424, A bill for an act relating to civil actions; providing certain remedies for neglect, abuse, and other actions against incapacitated and vulnerable adults; proposing coding for new law in Minnesota Statutes, chapter 604.

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

Peppin, Erickson, Gottwalt and Kiffmeyer introduced:

H. F. No. 425, A bill for an act relating to human services; modifying MFIP work activities; amending Minnesota Statutes 2010, section 256J.49, subdivision 13.

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

Peppin, Erickson, Gottwalt and Kiffmeyer introduced:

H. F. No. 426, A bill for an act relating to insurance; establishing a moratorium on implementation of new mandated health benefits; amending Minnesota Statutes 2010, section 62J.26, by adding a subdivision.

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

Cornish, Hamilton, Gunther and Kath introduced:

H. F. No. 427, A bill for an act relating to history and cultural heritage; appropriating money for the Minnesota Agricultural Interpretive Center.

The bill was read for the first time and referred to the Legacy Funding Division.

Anderson, P., and Swedzinski introduced:

H. F. No. 428, A bill for an act relating to taxation; individual income; conforming to the federal extension of marriage penalty relief in the standard deduction; amending Minnesota Statutes 2010, section 290.01, subdivision 19.

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

Dettmer; Tillberry; Sanders; Knuth; Dittrich; Petersen, B.; Daudt; Abeler; Hortman and Scott introduced:

H. F. No. 429, A bill for an act relating to local government; expanding authority of Anoka County to finance costs of countywide public safety improvements; amending Minnesota Statutes 2010, section 383E.21.

The bill was read for the first time and referred to the Committee on Government Operations and Elections.

McElfatrick; Drazkowski; Wardlow; Fabian; Anderson, B.; Shimanski; Gruenhagen; Lohmer; Dean; Dill and Franson introduced:

H. F. No. 430, A bill for an act relating to state government; proposing an amendment to the Minnesota Constitution by adding a section to article I; providing for right of individuals to keep and bear arms.

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

Beard and Westrom introduced:

H. F. No. 431, A bill for an act relating to game and fish; eliminating magnification restriction for scopes on muzzleloaders used by visually impaired hunters; amending Minnesota Statutes 2010, section 97B.031, subdivision 5.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

Smith, Paymar, Cornish and Johnson introduced:

H. F. No. 432, A bill for an act relating to public safety; establishing local correctional officers disciplinary interview rights; proposing coding for new law in Minnesota Statutes, chapter 641.

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

Smith, Paymar and Johnson introduced:

H. F. No. 433, A bill for an act relating to public safety; requiring sheriffs to report injuries to jailers to the Bureau of Criminal Apprehension; proposing coding for new law in Minnesota Statutes, chapter 641.

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

Hackbarth, Hilty and Hoppe introduced:

H. F. No. 434, A bill for an act relating to environment; modifying eligibility for reimbursement from petroleum tank release cleanup fund; extending sunset date; amending Minnesota Statutes 2010, sections 115C.09, subdivision 3c; 115C.13.

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform.

Dittrich; Downey; Rukavina; Persell; Brynaert; Anderson, P.; Murphy, M.; Winkler; Ward; Anzelc; Morrow; Scalze; Loeffler and Lenczewski introduced:

H. F. No. 435, A bill for an act relating to the permanent school fund; creating an independent authority to manage, supervise, and administer Minnesota's permanent school trust lands; amending Minnesota Statutes 2010, sections 16A.06, subdivision 11; 16A.125, subdivision 5; 84.027, subdivision 18; 84.085, subdivision 1; 92.121, subdivision 1; 92.121; 92.13; 93.2236; 94.342, subdivision 5; proposing coding for new law as Minnesota Statutes, chapter 128E.

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

Smith and Greene introduced:

H. F. No. 436, A bill for an act relating to evidence; limiting the availability of certain evidence arising from a collaborative law process; amending Minnesota Statutes 2010, section 595.02, subdivision 1.

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

Rukavina, Howes, Nornes and Anzelc introduced:

H. F. No. 437, A bill for an act relating to capital investment; appropriating money for facilities for the Iron Range engineering program at Mesabi Range Community and Technical College; authorizing the sale and issuance of state bonds.

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

Dean moved that the House recess subject to the call of the Chair for the purpose of meeting with the Senate in Joint Convention to hear the address by the Governor. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

The Sergeant at Arms announced the arrival of the members of the Senate and they were escorted to the seats reserved for them at the front of the Chamber.

JOINT CONVENTION

The Speaker of the House as President of the Joint Convention called the Joint Convention to order.

Prayer was offered by the Reverend Grady St. Dennis, House Chaplain.

The roll being called the following Senators answered to their names: Anderson, Bakk and Benson.

Senator Koch moved that further proceedings of the roll call be dispensed with. The motion prevailed and a quorum was declared present.

The Sergeant at Arms announced the arrival of the Honorable Lorie Skjerven Gildea, Chief Justice of the Supreme Court, and the Honorable Associate Justices of the Supreme Court, and the Honorable Matthew E. Johnson, Chief Judge of the Court of Appeals of the State of Minnesota. They were escorted to the seats reserved for them near the rostrum.

The Sergeant at Arms announced the arrival of the Constitutional Officers of the State of Minnesota: Mark Ritchie, Secretary of State; Rebecca Otto, State Auditor and Lori Swanson, Attorney General. The Constitutional Officers were escorted to the seats reserved for them.

The Sergeant at Arms announced the arrival of the following former Governors: the Honorable Wendell R. Anderson and the Honorable Albert H. Quie. The distinguished guests were escorted to the seats reserved for them.

The Sergeant at Arms announced the arrival of the Honorable Yvonne Prettner Solon, Lieutenant Governor of the State of Minnesota. The Lieutenant Governor was escorted to the seat reserved for her at the rostrum.

The Sergeant at Arms announced the arrival of the Honorable Mark Dayton, Governor of the State of Minnesota, and his official party. The Governor was escorted to the rostrum by the appointed committees.

ADDRESS BY THE GOVERNOR

As President of the Joint Convention, the Honorable Kurt Zellers presented the Honorable Mark Dayton, Governor of the State of Minnesota, to deliver his "State of the State Address" to the members of the Joint Convention and their guests.

Following the address, Senator Koch moved that the Joint Convention adjourn. The motion prevailed and the President declared the Joint Convention adjourned.

Dean moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

Winkler was excused between the hours of 4:30 p.m. and 5:00 p.m.

The following Conference Committee Report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 130

A bill for an act relating to state government finance; making appropriation reductions for fiscal year 2011, policy changes, and appropriation reductions for fiscal years 2012 and 2013; making changes to tax aids and credits and reducing payments; amending Minnesota Statutes 2010, sections 256B.766; 270A.03, subdivision 7; 273.1384, subdivision 6, by adding a subdivision; 289A.02, subdivision 7; 289A.50, subdivision 1; 290.01, subdivisions 6, 19, 19a, 19c, 31; 290A.03, subdivisions 11, 13, 15; 290C.07; 477A.0124, by adding a subdivision; 477A.013, subdivision 9, by adding a subdivision; 477A.03; Laws 2010, First Special Session chapter 1, article 5, sections 4; 5; proposing coding for new law in Minnesota Statutes, chapter 43A; repealing Minnesota Statutes 2010, sections 10A.322, subdivision 4; 13.4967, subdivision 2; 290.06, subdivision 23.

February 7, 2011

The Honorable Kurt Zellers
Speaker of the House of Representatives

The Honorable Michelle L. Fischbach President of the Senate

We, the undersigned conferees for H. F. No. 130 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 130 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1 HIGHER EDUCATION

Section 1. Laws 2010, First Special Session chapter 1, article 5, section 4, is amended to read:

Sec. 4. BOARD OF TRUSTEES OF THE MINNESOTA STATE COLLEGES AND UNIVERSITIES

\$-0-

\$(50,000,000)

\$2,079,000 of the reduction in 2011 is from the central offices and shared services unit appropriation. None of these reductions may be charged back or allocated to the campuses.

\$47,921,000 of the reduction in 2011 is from the operations and maintenance appropriation.

For fiscal years 2012 and 2013, the base for operations and maintenance is \$580,802,000 \$532,881,000 each year.

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

Sec. 2. Laws 2010, First Special Session chapter 1, article 5, section 5, is amended to read:

Sec. 5. BOARD OF REGENTS OF THE UNIVERSITY OF MINNESOTA

Subdivision 1. Total Appropriation	\$-0-	\$ (50,000,000)
The appropriation reductions for each purpose are shown in the following subdivisions.		
Subd. 2. Operations and Maintenance	-0-	(44,606,000)
For fiscal years 2012 and 2013, the base for operations and maintenance is \$578,370,000 \$533,764,000 each year.		
Subd. 3. Special Appropriations		
(a) Agriculture and Extension Service	-0-	(3,858,000)
(b) Health Sciences	-0-	(389,000)
\$26,000 of the 2011 reduction is from the St. Cloud family practice residency program.		
(c) Institute of Technology	-0-	(102,000)
(d) System Special	-0-	(454,000)
(e) University of Minnesota and Mayo Foundation Partnership	-0-	(591,000)

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

ARTICLE 2 HUMAN SERVICES

Section 1. Minnesota Statutes 2010, section 256B.766, is amended to read:

256B.766 REIMBURSEMENT FOR BASIC CARE SERVICES.

- (a) Effective for services provided on or after July 1, 2009, total payments for basic care services, shall be reduced by three percent, except that for the period July 1, 2009, through June 30, 2011, total payments shall be reduced by 4.5 percent for the medical assistance and general assistance medical care programs, prior to third-party liability and spenddown calculation. Effective July 1, 2010, the commissioner shall classify physical therapy services, occupational therapy services, and speech-language pathology and related services as basic care services. The reduction in this paragraph shall apply to physical therapy services, occupational therapy services, and speech-language pathology and related services provided on or after July 1, 2010.
- (b) Payments made to managed care plans and county-based purchasing plans shall be reduced for services provided on or after October 1, 2009, to reflect the reduction effective July 1, 2009, and payments made to the plans shall be reduced effective October 1, 2010, to reflect the reduction effective July 1, 2010.

(c) This section does not apply to physician and professional services, inpatient hospital services, family planning services, mental health services, dental services, prescription drugs, medical transportation, federally qualified health centers, rural health centers, Indian health services, and Medicare cost-sharing.

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

Sec. 2. **DEPARTMENT OF HUMAN SERVICES**

APPROPRIATIONS
Available for the Year
Ending June 30
2012 2013

Subdivision 1. Total Appropriation.

\$(19,659,000)

\$(19,659,000)

The appropriation reductions for each purpose are shown in the following subdivisions. The appropriation reductions shown are to previously established general fund bases for the following programs.

Subd. 2. Children and Economic Assistance Grants

(a) Children and Community Services Grants

(13,659,000)

(13,659,000)

(b) General Assistance Grants

(5,267,000)

(5,267,000)

<u>Emergency General Assistance.</u> This reduction is to reduce the general fund base for emergency general assistance in fiscal years 2012 and 2013.

(c) Minnesota Supplemental Aid Grants

(733,000)

(733,000)

<u>Emergency Minnesota Supplemental Aid.</u> <u>This reduction is to reduce the general fund base for emergency Minnesota supplemental aid in fiscal years 2012 and 2013.</u>

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

ARTICLE 3 2011 REDUCTIONS

Section 1. **FISCAL YEAR 2011 REDUCTIONS.**

(a) By March 31, 2011, the commissioner of management and budget must allocate a reduction of \$100,000,000 for the fiscal year ending June 30, 2011, to general fund appropriations made to executive branch agencies as defined in Minnesota Statutes, section 16A.011, subdivision 12a. Reductions in fiscal year 2011 appropriations cancel to the general fund. Executive branch agencies must cooperate with the commissioner of management and budget in developing and implementing these reductions.

(b) The commissioner may not reduce appropriations for:

- (1) general education programs under Minnesota Statutes, section 126C.10, and special education programs under Minnesota Statutes, sections 125A.76 and 125A.79;
 - (2) enlistment incentives provided by the adjutant general;
 - (3) the state soldiers' assistance program under Minnesota Statutes, section 197.03;
 - (4) the county veterans service office grant program under Minnesota Statutes, section 197.608;
 - (5) the higher education grant program under Minnesota Statutes, section 136A.121;
- (6) flood and tornado disaster relief in Laws 2010, Second Special Session chapter 1, article 1, section 3, and article 2, section 3, for use by the commissioner of public safety;
 - (7) local government flood relief grants in Laws 2010, Second Special Session chapter 1, article 1, section 5;
 - (8) the job skills partnership program under Minnesota Statutes, chapter 116L;
 - (9) the vocational rehabilitation program under Minnesota Statutes, chapter 268A; and
 - (10) the facilities division of the Department of Corrections.

The commissioner may not further reduce appropriations to the Board of Trustees of the Minnesota State Colleges and Universities or to the Board of Regents of the University of Minnesota below the reduction in Laws 2010, First Special Session chapter 1, article 5, sections 4 and 5. In allocating the reductions the commissioner must consider appropriation amounts carried forward from fiscal 2010 into fiscal year 2011. The commissioner must report to the chairs and ranking minority members of the senate Finance Committee and the house of representatives Ways and Means Committee regarding the amount of reductions in spending by each agency and program under this section.

(c) Reductions in this section apply to fiscal year 2011 only.

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

Sec. 2. <u>REDUCTIONS, LEGISLATURE, CONSTITUTIONAL OFFICERS.</u>

Subdivision 1. Reductions. Appropriations for fiscal year 2011 made in Laws 2009, chapter 101, article 1, are reduced by the amount listed in this section. Reductions in this section apply to fiscal year 2011 only.

- Subd. 2. **Senate.** \$72,000.
- Subd. 3. House of representatives. \$96,000.
- Subd. 4. **State auditor.** \$41,000.
- Subd. 5. Attorney general. \$500,000.
- Subd. 6. Secretary of state. \$127,000.

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

ARTICLE 4 TAX AIDS AND CREDITS

- Section 1. Minnesota Statutes 2010, section 270A.03, subdivision 7, is amended to read:
- Subd. 7. **Refund.** "Refund" means an individual income tax refund or political contribution refund, pursuant to chapter 290, or a property tax credit or refund, pursuant to chapter 290A, or a sustainable forest tax payment to a claimant under chapter 290C.

For purposes of this chapter, lottery prizes, as set forth in section 349A.08, subdivision 8, and amounts granted to persons by the legislature on the recommendation of the joint senate-house of representatives Subcommittee on Claims shall be treated as refunds.

In the case of a joint property tax refund payable to spouses under chapter 290A, the refund shall be considered as belonging to each spouse in the proportion of the total refund that equals each spouse's proportion of the total income determined under section 290A.03, subdivision 3. In the case of a joint income tax refund under chapter 289A, the refund shall be considered as belonging to each spouse in the proportion of the total refund that equals each spouse's proportion of the total taxable income determined under section 290.01, subdivision 29. The commissioner shall remit the entire refund to the claimant agency, which shall, upon the request of the spouse who does not owe the debt, determine the amount of the refund belonging to that spouse and refund the amount to that spouse. For court fines, fees, and surcharges and court-ordered restitution under section 611A.04, subdivision 2, the notice provided by the commissioner of revenue under section 270A.07, subdivision 2, paragraph (b), serves as the appropriate legal notice to the spouse who does not owe the debt.

EFFECTIVE DATE. This section is effective for refund claims based on contributions made after June 30, 2011.

- Sec. 2. Minnesota Statutes 2010, section 273.1384, subdivision 6, is amended to read:
- Subd. 6. Credit reduction: towns. In 2011 and each year thereafter, the market value credit reimbursement amount for each taxing jurisdiction town determined under this section is reduced by the dollar amount of the reduction in market value credit reimbursements for that taxing jurisdiction town in 2010 due to the reductions under section 477A.0133. No taxing jurisdiction's town's market value credit reimbursements are reduced to less than zero under this subdivision. The commissioner of revenue shall pay the annual market value credit reimbursement amounts, after reduction under this subdivision, to the affected taxing jurisdictions towns as provided in this section.

EFFECTIVE DATE. This section is effective for credit reimbursements in 2011 and thereafter.

- Sec. 3. Minnesota Statutes 2010, section 273.1384, is amended by adding a subdivision to read:
- Subd. 7. Credit reductions and limitation; counties and cities. (a) In 2011 and 2012, the market value credit reimbursement payment to each county and city authorized under subdivision 4 may not exceed the reimbursement payment received by the county or city for taxes payable in 2010.
- (b) In 2013 and each year thereafter, the market value credit reimbursement amount for each city and county determined under this section is reduced by the dollar amount of the reduction in market value credit reimbursements for that city or county in 2010 due to the reductions under section 477A.0133. No taxing jurisdiction's market value credit reimbursements are reduced to less than zero under this subdivision. The commissioner of revenue shall pay the annual market value credit reimbursement amounts, after reduction under this subdivision, to the affected city or county as provided in this section.

EFFECTIVE DATE. This section is effective for credit reimbursements in 2011 and thereafter.

- Sec. 4. Minnesota Statutes 2010, section 289A.50, subdivision 1, is amended to read:
- Subdivision 1. **General right to refund.** (a) Subject to the requirements of this section and section 289A.40, a taxpayer who has paid a tax in excess of the taxes lawfully due and who files a written claim for refund will be refunded or credited the overpayment of the tax determined by the commissioner to be erroneously paid.
- (b) The claim must specify the name of the taxpayer, the date when and the period for which the tax was paid, the kind of tax paid, the amount of the tax that the taxpayer claims was erroneously paid, the grounds on which a refund is claimed, and other information relative to the payment and in the form required by the commissioner. An income tax, estate tax, or corporate franchise tax return, or amended return claiming an overpayment constitutes a claim for refund.
- (c) When, in the course of an examination, and within the time for requesting a refund, the commissioner determines that there has been an overpayment of tax, the commissioner shall refund or credit the overpayment to the taxpayer and no demand is necessary. If the overpayment exceeds \$1, the amount of the overpayment must be refunded to the taxpayer. If the amount of the overpayment is less than \$1, the commissioner is not required to refund. In these situations, the commissioner does not have to make written findings or serve notice by mail to the taxpayer.
- (d) If the amount allowable as a credit for withholding, estimated taxes, or dependent care exceeds the tax against which the credit is allowable, the amount of the excess is considered an overpayment. The requirements of section 270C.33 do not apply to the refunding of such an overpayment shown on the original return filed by a taxpayer.
- (e) If the entertainment tax withheld at the source exceeds by \$1 or more the taxes, penalties, and interest reported in the return of the entertainment entity or imposed by section 290.9201, the excess must be refunded to the entertainment entity. If the excess is less than \$1, the commissioner need not refund that amount.
- (f) If the surety deposit required for a construction contract exceeds the liability of the out-of-state contractor, the commissioner shall refund the difference to the contractor.
- (g) An action of the commissioner in refunding the amount of the overpayment does not constitute a determination of the correctness of the return of the taxpayer.
- (h) There is appropriated from the general fund to the commissioner of revenue the amount necessary to pay refunds allowed under this section.

EFFECTIVE DATE. This section is effective for refund claims based on contributions made after June 30, 2011.

- Sec. 5. Minnesota Statutes 2010, section 290.01, subdivision 6, is amended to read:
- Subd. 6. **Taxpayer.** The term "taxpayer" means any person or corporation subject to a tax imposed by this chapter. For purposes of section 290.06, subdivision 23, the term "taxpayer" means an individual eligible to vote in Minnesota under section 201.014.

EFFECTIVE DATE. This section is effective for refund claims based on contributions made after June 30, 2011.

- Sec. 6. Minnesota Statutes 2010, section 290A.03, subdivision 11, is amended to read:
- Subd. 11. **Rent constituting property taxes.** "Rent constituting property taxes" means <u>49</u> <u>15</u> percent of the gross rent actually paid in cash, or its equivalent, or the portion of rent paid in lieu of property taxes, in any calendar year by a claimant for the right of occupancy of the claimant's Minnesota homestead in the calendar year, and which rent constitutes the basis, in the succeeding calendar year of a claim for relief under this chapter by the claimant.

EFFECTIVE DATE. This section is effective for claims based on rent paid in 2010 and following years.

- Sec. 7. Minnesota Statutes 2010, section 290A.03, subdivision 13, is amended to read:
- Subd. 13. Property taxes payable. "Property taxes payable" means the property tax exclusive of special assessments, penalties, and interest payable on a claimant's homestead after deductions made under sections 273.135, 273.1384, 273.1391, 273.42, subdivision 2, and any other state paid property tax credits in any calendar year, and after any refund claimed and allowable under section 290A.04, subdivision 2h, that is first payable in the year that the property tax is payable. In the case of a claimant who makes ground lease payments, "property taxes payable" includes the amount of the payments directly attributable to the property taxes assessed against the parcel on which the house is located. No apportionment or reduction of the "property taxes payable" shall be required for the use of a portion of the claimant's homestead for a business purpose if the claimant does not deduct any business depreciation expenses for the use of a portion of the homestead in the determination of federal adjusted gross income. For homesteads which are manufactured homes as defined in section 273.125, subdivision 8, and for homesteads which are park trailers taxed as manufactured homes under section 168.012, subdivision 9, "property taxes payable" shall also include 49 15 percent of the gross rent paid in the preceding year for the site on which the homestead is located. When a homestead is owned by two or more persons as joint tenants or tenants in common, such tenants shall determine between them which tenant may claim the property taxes payable on the homestead. If they are unable to agree, the matter shall be referred to the commissioner of revenue whose decision shall be final. Property taxes are considered payable in the year prescribed by law for payment of the taxes.

In the case of a claim relating to "property taxes payable," the claimant must have owned and occupied the homestead on January 2 of the year in which the tax is payable and (i) the property must have been classified as homestead property pursuant to section 273.124, on or before December 15 of the assessment year to which the "property taxes payable" relate; or (ii) the claimant must provide documentation from the local assessor that application for homestead classification has been made on or before December 15 of the year in which the "property taxes payable" were payable and that the assessor has approved the application.

EFFECTIVE DATE. This section is effective for claims based on rent paid in 2010 and following years.

Sec. 8. Minnesota Statutes 2010, section 290C.07, is amended to read:

290C.07 CALCULATION OF INCENTIVE PAYMENT.

An approved claimant under the sustainable forest incentive program is eligible to receive an annual payment. The payment shall equal the greater of:

(1) the difference between the property tax that would be paid on the land using the previous year's statewide average total township tax rate and a class rate of one percent, if the land were valued at (i) the average statewide managed forest land market value per acre calculated under section 290C.06, and (ii) the average statewide managed forest land current use value per acre calculated under section 290C.02, subdivision 5; or

(2) two thirds of the property tax amount determined by using the previous year's statewide average total township tax rate, the estimated market value per acre as calculated in section 290C.06, and a class rate of one percent, provided that the payment shall be no less than \$7 \undersection \undersection \undersection \undersection acre enrolled in the sustainable forest incentive program.

EFFECTIVE DATE. This section is effective for payments in calendar year 2011 and thereafter.

- Sec. 9. Minnesota Statutes 2010, section 477A.0124, is amended by adding a subdivision to read:
- Subd. 6. Aid payments in 2011 and 2012. Notwithstanding total aids calculated or certified for 2011 under subdivisions 3, 4, and 5, for 2011 and 2012, each county shall receive an aid distribution under this section equal to the lesser of (1) the total amount of aid it received under this section in 2010 after the reductions under Minnesota Statutes, sections 477A.0133 and 477A.0134, or (2) the total amount the county is certified to receive in 2011 under subdivisions 3 to 5.

EFFECTIVE DATE. This section is effective for aids payable in calendar year 2011 and 2012.

- Sec. 10. Minnesota Statutes 2010, section 477A.013, subdivision 9, is amended to read:
- Subd. 9. **City aid distribution.** (a) In calendar year 2009 and thereafter, each city shall receive an aid distribution equal to the sum of (1) the city formula aid under subdivision 8, and (2) its city aid base.
- (b) For aids payable in 2011 2013 only, the total aid in the previous year for any city shall mean the amount of aid it was certified to receive for aids payable in 2010 2011 under this section minus the amount of its aid reduction under section 477A.0134. For aids payable in 2012 2014 and thereafter, the total aid in the previous year for any city means the amount of aid it was certified to receive under this section in the previous payable year.
- (c) For aids payable in 2010 and thereafter, the total aid for any city shall not exceed the sum of (1) ten percent of the city's net levy for the year prior to the aid distribution plus (2) its total aid in the previous year. For aids payable in 2009 and thereafter, the total aid for any city with a population of 2,500 or more may not be less than its total aid under this section in the previous year minus the lesser of \$10 multiplied by its population, or ten percent of its net levy in the year prior to the aid distribution.
- (d) For aids payable in 2010 and thereafter, the total aid for a city with a population less than 2,500 must not be less than the amount it was certified to receive in the previous year minus the lesser of \$10 multiplied by its population, or five percent of its 2003 certified aid amount. For aids payable in 2009 only, the total aid for a city with a population less than 2,500 must not be less than what it received under this section in the previous year unless its total aid in calendar year 2008 was aid under section 477A.011, subdivision 36, paragraph (s), in which case its minimum aid is zero.
- (e) A city's aid loss under this section may not exceed \$300,000 in any year in which the total city aid appropriation under section 477A.03, subdivision 2a, is equal or greater than the appropriation under that subdivision in the previous year, unless the city has an adjustment in its city net tax capacity under the process described in section 469.174, subdivision 28.
- (f) If a city's net tax capacity used in calculating aid under this section has decreased in any year by more than 25 percent from its net tax capacity in the previous year due to property becoming tax-exempt Indian land, the city's maximum allowed aid increase under paragraph (c) shall be increased by an amount equal to (1) the city's tax rate in the year of the aid calculation, multiplied by (2) the amount of its net tax capacity decrease resulting from the property becoming tax exempt.

EFFECTIVE DATE. This section is effective for aids payable in calendar year 2012 and thereafter.

- Sec. 11. Minnesota Statutes 2010, section 477A.013, is amended by adding a subdivision to read:
- Subd. 11. Aid payments in 2011 and 2012. Notwithstanding aids calculated or certified for 2011 under subdivision 9, for 2011 and 2012, each city shall receive an aid distribution under this section equal to the lesser of (1) the total amount of aid it received under this section in 2010 after the reductions under sections 477A.0133 and 477A.0134, and reduced by the amount of payments made under section 477A.011, subdivision 36, paragraphs (y) and (z), or (2) the amount it was certified to receive in 2011 under subdivision 9. In 2011 only, a city that qualifies for the aid base adjustment under section 477A.011, subdivision 36, paragraph (aa), shall receive the amount that it was certified to receive in 2011. In 2012, a city that qualifies for the aid base adjustment under section 477A.011, subdivision 36, paragraph (aa), shall receive the amount that it was certified to receive in 2011, minus the aid base adjustment provided under section 477A.011, subdivision 36, paragraph (aa).

EFFECTIVE DATE. This section is effective for aids payable in calendar years 2011 and 2012.

Sec. 12. Minnesota Statutes 2010, section 477A.03, is amended to read:

477A.03 APPROPRIATION.

- Subd. 2. **Annual appropriation.** A sum sufficient to discharge the duties imposed by sections 477A.011 to 477A.014 is annually appropriated from the general fund to the commissioner of revenue.
- Subd. 2a. **Cities.** For aids payable in 2011 2013 and thereafter, the total aid paid under section 477A.013, subdivision 9, is \$527,100,646.
- Subd. 2b. **Counties.** (a) For aids payable in 2011 2013 and thereafter, the total aid payable under section 477A.0124, subdivision 3, is \$96,395,000. Each calendar year, \$500,000 shall be retained by the commissioner of revenue to make reimbursements to the commissioner of management and budget for payments made under section 611.27. For calendar year 2004, the amount shall be in addition to the payments authorized under section 477A.0124, subdivision 1. For calendar year 2005 and subsequent years, the amount shall be deducted from the appropriation under this paragraph. The reimbursements shall be to defray the additional costs associated with court-ordered counsel under section 611.27. Any retained amounts not used for reimbursement in a year shall be included in the next distribution of county need aid that is certified to the county auditors for the purpose of property tax reduction for the next taxes payable year.
- (b) For aids payable in 2011 2013 and thereafter, the total aid under section 477A.0124, subdivision 4, is \$101,309,575. The commissioner of management and budget shall bill the commissioner of revenue for the cost of preparation of local impact notes as required by section 3.987, not to exceed \$207,000 in fiscal year 2004 and thereafter. The commissioner of education shall bill the commissioner of revenue for the cost of preparation of local impact notes for school districts as required by section 3.987, not to exceed \$7,000 in fiscal year 2004 and thereafter. The commissioner of revenue shall deduct the amounts billed under this paragraph from the appropriation under this paragraph. The amounts deducted are appropriated to the commissioner of management and budget and the commissioner of education for the preparation of local impact notes.

EFFECTIVE DATE. This section is effective for aids payable in calendar year 2012 and thereafter.

Sec. 13. ADMINISTRATION OF PROPERTY TAX REFUND CLAIMS; 2011.

In administering sections 6 and 7 for claims for refunds submitted using 19 percent of gross rent as rent constituting property taxes under prior law, the commissioner shall recalculate and pay the refund amounts using 15 percent of gross rent. The commissioner shall notify the claimant that the recalculation was mandated by action of the 2011 Legislature.

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

Sec. 14. **REPEALER.**

- (a) Minnesota Statutes 2010, sections 10A.322, subdivision 4; and 13.4967, subdivision 2, are repealed.
- (b) Minnesota Statutes 2010, section 290.06, subdivision 23, is repealed.

EFFECTIVE DATE. Paragraph (a) is effective the day following final enactment. Paragraph (b) is effective for refund claims based on contributions made after June 30, 2011.

ARTICLE 5 FEDERAL UPDATE

- Section 1. Minnesota Statutes 2010, section 289A.02, subdivision 7, is amended to read:
- Subd. 7. **Internal Revenue Code.** Unless specifically defined otherwise, <u>for taxable years beginning before January 1, 2010, and after December 31, 2010,</u> "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended through <u>March 18, 2010</u> <u>September 27, 2010; and for taxable years beginning after December 31, 2009, and before January 1, 2011, "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended through December 17, 2010.</u>

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

- Sec. 2. Minnesota Statutes 2010, section 290.01, subdivision 19, is amended to read:
- Subd. 19. **Net income.** The term "net income" means the federal taxable income, as defined in section 63 of the Internal Revenue Code of 1986, as amended through the date named in this subdivision, incorporating the federal effective dates of changes to the Internal Revenue Code and any elections made by the taxpayer in accordance with the Internal Revenue Code in determining federal taxable income for federal income tax purposes, and with the modifications provided in subdivisions 19a to 19f.

In the case of a regulated investment company or a fund thereof, as defined in section 851(a) or 851(g) of the Internal Revenue Code, federal taxable income means investment company taxable income as defined in section 852(b)(2) of the Internal Revenue Code, except that:

- (1) the exclusion of net capital gain provided in section 852(b)(2)(A) of the Internal Revenue Code does not apply;
- (2) the deduction for dividends paid under section 852(b)(2)(D) of the Internal Revenue Code must be applied by allowing a deduction for capital gain dividends and exempt-interest dividends as defined in sections 852(b)(3)(C) and 852(b)(5) of the Internal Revenue Code; and
- (3) the deduction for dividends paid must also be applied in the amount of any undistributed capital gains which the regulated investment company elects to have treated as provided in section 852(b)(3)(D) of the Internal Revenue Code.

The net income of a real estate investment trust as defined and limited by section 856(a), (b), and (c) of the Internal Revenue Code means the real estate investment trust taxable income as defined in section 857(b)(2) of the Internal Revenue Code.

The net income of a designated settlement fund as defined in section 468B(d) of the Internal Revenue Code means the gross income as defined in section 468B(b) of the Internal Revenue Code.

The Internal Revenue Code of 1986, as amended through March 18, 2010 September 27, 2010, shall be in effect for taxable years beginning after December 31, 1996. The provisions of the act of January 22, 2010, Public Law 111-126, to accelerate the benefits for charitable cash contributions for the relief of victims of the Haitian earthquake, are effective at the same time it became effective for federal purposes and apply to the subtraction under subdivision 19b, clause (6).

Except as otherwise provided, references to the Internal Revenue Code in subdivisions 19 to 19f mean the code in effect for purposes of determining net income for the applicable year. For taxable years beginning after December 31, 2009, and before January 1, 2011, the provisions of the act of December 17, 2010, Public Law 111-312, are effective at the same time they became effective for federal purposes.

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

- Sec. 3. Minnesota Statutes 2010, section 290.01, subdivision 19a, is amended to read:
- Subd. 19a. **Additions to federal taxable income.** For individuals, estates, and trusts, there shall be added to federal taxable income:
- (1)(i) interest income on obligations of any state other than Minnesota or a political or governmental subdivision, municipality, or governmental agency or instrumentality of any state other than Minnesota exempt from federal income taxes under the Internal Revenue Code or any other federal statute; and
 - (ii) exempt-interest dividends as defined in section 852(b)(5) of the Internal Revenue Code, except:
 - (A) the portion of the exempt-interest dividends exempt from state taxation under the laws of the United States; and
- (B) the portion of the exempt-interest dividends derived from interest income on obligations of the state of Minnesota or its political or governmental subdivisions, municipalities, governmental agencies or instrumentalities, but only if the portion of the exempt-interest dividends from such Minnesota sources paid to all shareholders represents 95 percent or more of the exempt-interest dividends, including any dividends exempt under subitem (A), that are paid by the regulated investment company as defined in section 851(a) of the Internal Revenue Code, or the fund of the regulated investment company as defined in section 851(g) of the Internal Revenue Code, making the payment; and
- (iii) for the purposes of items (i) and (ii), interest on obligations of an Indian tribal government described in section 7871(c) of the Internal Revenue Code shall be treated as interest income on obligations of the state in which the tribe is located;
- (2) the amount of income, sales and use, motor vehicle sales, or excise taxes paid or accrued within the taxable year under this chapter and the amount of taxes based on net income paid, sales and use, motor vehicle sales, or excise taxes paid to any other state or to any province or territory of Canada, to the extent allowed as a deduction under section 63(d) of the Internal Revenue Code, but the addition may not be more than the amount by which the itemized deductions as allowed under section 63(d) of the Internal Revenue Code exceeds the amount of the standard deduction as defined in section 63(c) of the Internal Revenue Code, disregarding the amounts allowed under sections 63(c)(1)(C) and 63(c)(1)(E) of the Internal Revenue Code. For the purpose of this paragraph, the disallowance of itemized deductions under section 68 of the Internal Revenue Code of 1986, income, sales and use, motor vehicle sales, or excise taxes are the last itemized deductions disallowed:
- (3) the capital gain amount of a lump-sum distribution to which the special tax under section 1122(h)(3)(B)(ii) of the Tax Reform Act of 1986, Public Law 99-514, applies;

- (4) the amount of income taxes paid or accrued within the taxable year under this chapter and taxes based on net income paid to any other state or any province or territory of Canada, to the extent allowed as a deduction in determining federal adjusted gross income. For the purpose of this paragraph, income taxes do not include the taxes imposed by sections 290.0922, subdivision 1, paragraph (b), 290.9727, 290.9728, and 290.9729;
- (5) the amount of expense, interest, or taxes disallowed pursuant to section 290.10 other than expenses or interest used in computing net interest income for the subtraction allowed under subdivision 19b, clause (1);
- (6) the amount of a partner's pro rata share of net income which does not flow through to the partner because the partnership elected to pay the tax on the income under section 6242(a)(2) of the Internal Revenue Code;
- (7) 80 percent of the depreciation deduction allowed under section 168(k) of the Internal Revenue Code. For purposes of this clause, if the taxpayer has an activity that in the taxable year generates a deduction for depreciation under section 168(k) and the activity generates a loss for the taxable year that the taxpayer is not allowed to claim for the taxable year, "the depreciation allowed under section 168(k)" for the taxable year is limited to excess of the depreciation claimed by the activity under section 168(k) over the amount of the loss from the activity that is not allowed in the taxable year. In succeeding taxable years when the losses not allowed in the taxable year are allowed, the depreciation under section 168(k) is allowed;
- (8) <u>for taxable years beginning before January 1, 2011,</u> 80 percent of the amount by which the deduction allowed by section 179 of the Internal Revenue Code exceeds the deduction allowable by section 179 of the Internal Revenue Code of 1986, as amended through December 31, 2003;
- (9) to the extent deducted in computing federal taxable income, the amount of the deduction allowable under section 199 of the Internal Revenue Code;
- (10) <u>for taxable years beginning before January 1, 2013</u>, the exclusion allowed under section 139A of the Internal Revenue Code for federal subsidies for prescription drug plans;
 - (11) the amount of expenses disallowed under section 290.10, subdivision 2;
- (12) the amount deducted for qualified tuition and related expenses under section 222 of the Internal Revenue Code, to the extent deducted from gross income;
- (13) the amount deducted for certain expenses of elementary and secondary school teachers under section 62(a)(2)(D) of the Internal Revenue Code, to the extent deducted from gross income;
- (14) the additional standard deduction for property taxes payable that is allowable under section 63(c)(1)(C) of the Internal Revenue Code;
- (15) the additional standard deduction for qualified motor vehicle sales taxes allowable under section 63(c)(1)(E) of the Internal Revenue Code;
- (16) discharge of indebtedness income resulting from reacquisition of business indebtedness and deferred under section 108(i) of the Internal Revenue Code; and
 - (17) the amount of unemployment compensation exempt from tax under section 85(c) of the Internal Revenue Code.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2009.

- Sec. 4. Minnesota Statutes 2010, section 290.01, subdivision 19c, is amended to read:
- Subd. 19c. Corporations; additions to federal taxable income. For corporations, there shall be added to federal taxable income:
- (1) the amount of any deduction taken for federal income tax purposes for income, excise, or franchise taxes based on net income or related minimum taxes, including but not limited to the tax imposed under section 290.0922, paid by the corporation to Minnesota, another state, a political subdivision of another state, the District of Columbia, or any foreign country or possession of the United States;
- (2) interest not subject to federal tax upon obligations of: the United States, its possessions, its agencies, or its instrumentalities; the state of Minnesota or any other state, any of its political or governmental subdivisions, any of its municipalities, or any of its governmental agencies or instrumentalities; the District of Columbia; or Indian tribal governments;
 - (3) exempt-interest dividends received as defined in section 852(b)(5) of the Internal Revenue Code;
- (4) the amount of any net operating loss deduction taken for federal income tax purposes under section 172 or 832(c)(10) of the Internal Revenue Code or operations loss deduction under section 810 of the Internal Revenue Code;
- (5) the amount of any special deductions taken for federal income tax purposes under sections 241 to 247 and 965 of the Internal Revenue Code;
- (6) losses from the business of mining, as defined in section 290.05, subdivision 1, clause (a), that are not subject to Minnesota income tax;
- (7) the amount of any capital losses deducted for federal income tax purposes under sections 1211 and 1212 of the Internal Revenue Code;
- (8) the exempt foreign trade income of a foreign sales corporation under sections 921(a) and 291 of the Internal Revenue Code;
 - (9) the amount of percentage depletion deducted under sections 611 through 614 and 291 of the Internal Revenue Code;
- (10) for certified pollution control facilities placed in service in a taxable year beginning before December 31, 1986, and for which amortization deductions were elected under section 169 of the Internal Revenue Code of 1954, as amended through December 31, 1985, the amount of the amortization deduction allowed in computing federal taxable income for those facilities;
- (11) the amount of any deemed dividend from a foreign operating corporation determined pursuant to section 290.17, subdivision 4, paragraph (g). The deemed dividend shall be reduced by the amount of the addition to income required by clauses (20), (21), (22), and (23);
- (12) the amount of a partner's pro rata share of net income which does not flow through to the partner because the partnership elected to pay the tax on the income under section 6242(a)(2) of the Internal Revenue Code;
 - (13) the amount of net income excluded under section 114 of the Internal Revenue Code;
- (14) any increase in subpart F income, as defined in section 952(a) of the Internal Revenue Code, for the taxable year when subpart F income is calculated without regard to the provisions of Division C, title III, section 303(b) of Public Law 110-343;

- (15) 80 percent of the depreciation deduction allowed under section 168(k)(1)(A) and (k)(4)(A) of the Internal Revenue Code. For purposes of this clause, if the taxpayer has an activity that in the taxable year generates a deduction for depreciation under section 168(k)(1)(A) and (k)(4)(A) and the activity generates a loss for the taxable year that the taxpayer is not allowed to claim for the taxable year, "the depreciation allowed under section 168(k)(1)(A) and (k)(4)(A)" for the taxable year is limited to excess of the depreciation claimed by the activity under section 168(k)(1)(A) and (k)(4)(A) over the amount of the loss from the activity that is not allowed in the taxable year. In succeeding taxable years when the losses not allowed in the taxable year are allowed, the depreciation under section 168(k)(1)(A) and (k)(4)(A) is allowed;
- (16) <u>for taxable years beginning before January 1, 2011,</u> 80 percent of the amount by which the deduction allowed by section 179 of the Internal Revenue Code exceeds the deduction allowable by section 179 of the Internal Revenue Code of 1986, as amended through December 31, 2003;
- (17) to the extent deducted in computing federal taxable income, the amount of the deduction allowable under section 199 of the Internal Revenue Code;
- (18) <u>for taxable years beginning before January 1, 2013,</u> the exclusion allowed under section 139A of the Internal Revenue Code for federal subsidies for prescription drug plans;
 - (19) the amount of expenses disallowed under section 290.10, subdivision 2;
- (20) an amount equal to the interest and intangible expenses, losses, and costs paid, accrued, or incurred by any member of the taxpayer's unitary group to or for the benefit of a corporation that is a member of the taxpayer's unitary business group that qualifies as a foreign operating corporation. For purposes of this clause, intangible expenses and costs include:
- (i) expenses, losses, and costs for, or related to, the direct or indirect acquisition, use, maintenance or management, ownership, sale, exchange, or any other disposition of intangible property;
 - (ii) losses incurred, directly or indirectly, from factoring transactions or discounting transactions;
 - (iii) royalty, patent, technical, and copyright fees;
 - (iv) licensing fees; and
 - (v) other similar expenses and costs.

For purposes of this clause, "intangible property" includes stocks, bonds, patents, patent applications, trade names, trademarks, service marks, copyrights, mask works, trade secrets, and similar types of intangible assets.

This clause does not apply to any item of interest or intangible expenses or costs paid, accrued, or incurred, directly or indirectly, to a foreign operating corporation with respect to such item of income to the extent that the income to the foreign operating corporation is income from sources without the United States as defined in subtitle A, chapter 1, subchapter N, part 1, of the Internal Revenue Code;

- (21) except as already included in the taxpayer's taxable income pursuant to clause (20), any interest income and income generated from intangible property received or accrued by a foreign operating corporation that is a member of the taxpayer's unitary group. For purposes of this clause, income generated from intangible property includes:
- (i) income related to the direct or indirect acquisition, use, maintenance or management, ownership, sale, exchange, or any other disposition of intangible property;

- (ii) income from factoring transactions or discounting transactions;
- (iii) royalty, patent, technical, and copyright fees;
- (iv) licensing fees; and
- (v) other similar income.

For purposes of this clause, "intangible property" includes stocks, bonds, patents, patent applications, trade names, trademarks, service marks, copyrights, mask works, trade secrets, and similar types of intangible assets.

This clause does not apply to any item of interest or intangible income received or accrued by a foreign operating corporation with respect to such item of income to the extent that the income is income from sources without the United States as defined in subtitle A, chapter 1, subchapter N, part 1, of the Internal Revenue Code;

- (22) the dividends attributable to the income of a foreign operating corporation that is a member of the taxpayer's unitary group in an amount that is equal to the dividends paid deduction of a real estate investment trust under section 561(a) of the Internal Revenue Code for amounts paid or accrued by the real estate investment trust to the foreign operating corporation;
- (23) the income of a foreign operating corporation that is a member of the taxpayer's unitary group in an amount that is equal to gains derived from the sale of real or personal property located in the United States;
- (24) the additional amount allowed as a deduction for donation of computer technology and equipment under section 170(e)(6) of the Internal Revenue Code, to the extent deducted from taxable income; and
- (25) discharge of indebtedness income resulting from reacquisition of business indebtedness and deferred under section 108(i) of the Internal Revenue Code.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2009.

- Sec. 5. Minnesota Statutes 2010, section 290.01, subdivision 31, is amended to read:
- Subd. 31. **Internal Revenue Code.** Unless specifically defined otherwise, <u>for taxable years beginning before January 1, 2010</u>, and after December 31, 2010, "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended through <u>March 18, 2010 September 27, 2010</u>; and for taxable years beginning after December 31, 2009, and before January 1, 2011, "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended <u>through December 17, 2010</u>. Internal Revenue Code also includes any uncodified provision in federal law that relates to provisions of the Internal Revenue Code that are incorporated into Minnesota law.
- **EFFECTIVE DATE.** This section is effective the day following final enactment except that the changes incorporated by federal changes are effective at the same time as the changes were effective for federal purposes.
 - Sec. 6. Minnesota Statutes 2010, section 290A.03, subdivision 15, is amended to read:
- Subd. 15. **Internal Revenue Code.** For taxable years beginning before January 1, 2010, and after December 31, 2010, "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended through March 18, 2010 September 27, 2010; and for taxable years beginning after December 31, 2009, and before January 1, 2011, "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended through December 17, 2010.
- **EFFECTIVE DATE.** This section is effective for property tax refunds based on property taxes payable on or after December 31, 2010, and rent paid on or after December 31, 2009.

Sec. 7. CORRECTED FORM W-2 NOT REQUIRED.

Employers who have prepared and distributed form W-2, wage and tax statement, for tax year 2010, that reported to employees the amount of health coverage provided to adult children under age 27 includable in net income under prior law, are not required to prepare and distribute corrected tax year 2010 form W-2.

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

Delete the title and insert:

"A bill for an act relating to state government finance; making appropriation reductions for fiscal year 2011, policy changes, and appropriation reductions for fiscal years 2012 and 2013; making changes to tax aids and credits and reducing payments; conforming to certain changes in the Internal Revenue Code; amending Minnesota Statutes 2010, sections 256B.766; 270A.03, subdivision 7; 273.1384, subdivision 6, by adding a subdivision; 289A.02, subdivision 7; 289A.50, subdivision 1; 290.01, subdivisions 6, 19, 19a, 19c, 31; 290A.03, subdivisions 11, 13, 15; 290C.07; 477A.0124, by adding a subdivision; 477A.013, subdivision 9, by adding a subdivision; 477A.03; Laws 2010, First Special Session chapter 1, article 5, sections 4; 5; repealing Minnesota Statutes 2010, sections 10A.322, subdivision 4; 13.4967, subdivision 2; 290.06, subdivision 23."

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

House Conferees: MARY LIZ HOLBERG, GREG DAVIDS, JIM ABELER, BOB DETTMER and BOB GUNTHER.

Senate Conferees: Claire A. Robling, Mike Parry, David W. Hann, Julianne E. Ortman and Michelle L. Fischbach.

Holberg moved that the report of the Conference Committee on H. F. No. 130 be adopted and that the bill be repassed as amended by the Conference Committee.

A roll call was requested and properly seconded.

POINT OF ORDER

Thissen raised a point of order pursuant to Joint Rule 2.06 relating to Conference Committees. The Speaker ruled the point of order not well taken.

Falk moved that the House refuse to adopt the Conference Committee report on H. F. No. 130, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Falk motion and the roll was called. There were 58 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Anzelc	Eken	Hilty	Lenczewski	Murphy, E.	Scalze
Atkins	Falk	Hornstein	Lesch	Murphy, M.	Simon
Benson, J.	Fritz	Hortman	Liebling	Nelson	Slawik
Brynaert	Gauthier	Hosch	Lillie	Norton	Slocum
Carlson	Greene	Huntley	Loeffler	Paymar	Thissen
Champion	Greiling	Johnson	Mahoney	Pelowski	Tillberry
Clark	Hansen	Kahn	Marquart	Persell	Wagenius
Davnie	Hausman	Kath	Moran	Peterson, S.	Ward
Dill	Hayden	Knuth	Morrow	Poppe	
Dittrich	Hilstrom	Koenen	Mullery	Rukavina	

Those who voted in the negative were:

Abeler	Crawford	Gottwalt	Kiffmeyer	McNamara	Shimanski
Anderson, B.	Daudt	Gruenhagen	Kriesel	Murdock	Smith
Anderson, D.	Davids	Gunther	Lanning	Murray	Stensrud
Anderson, P.	Dean	Hackbarth	Leidiger	Myhra	Swedzinski
Anderson, S.	Dettmer	Hamilton	LeMieur	O'Driscoll	Torkelson
Banaian	Doepke	Hancock	Lohmer	Peppin	Urdahl
Barrett	Downey	Holberg	Loon	Petersen, B.	Vogel
Beard	Drazkowski	Hoppe	Mack	Quam	Wardlow
Benson, M.	Erickson	Howes	Mazorol	Runbeck	Woodard
Bills	Fabian	Kelly	McDonald	Sanders	Spk. Zellers
Buesgens	Franson	Kieffer	McElfatrick	Schomacker	
Cornish	Garofalo	Kiel	McFarlane	Scott	

The motion did not prevail.

Davnie, Greiling and Smith were excused for the remainder of today's session.

The question recurred on the Holberg motion that the report of the Conference Committee on H. F. No. 130 be adopted and that the bill be repassed as amended by the Conference Committee and the roll was called. There were 68 yeas and 61 nays as follows:

Those who voted in the affirmative were:

Daudt	Gruenhagen	Lanning	Myhra	Swedzinski
Davids	Gunther	Leidiger	Nornes	Torkelson
Dean	Hackbarth	LeMieur	O'Driscoll	Urdahl
Dettmer	Hamilton	Lohmer	Peppin	Vogel
Doepke	Hancock	Loon	Petersen, B.	Wardlow
Downey	Holberg	Mack	Quam	Westrom
Drazkowski	Hoppe	Mazorol	Runbeck	Woodard
Erickson	Howes	McDonald	Sanders	Spk. Zellers
Fabian	Kelly	McElfatrick	Schomacker	
Franson	Kieffer	McFarlane	Scott	
Garofalo	Kiffmeyer	McNamara	Shimanski	
Gottwalt	Kriesel	Murdock	Stensrud	
	Davids Dean Dettmer Doepke Downey Drazkowski Erickson Fabian Franson Garofalo	Davids Gunther Dean Hackbarth Dettmer Hamilton Doepke Hancock Downey Holberg Drazkowski Hoppe Erickson Howes Fabian Kelly Franson Kieffer Garofalo Kiffmeyer	Davids Gunther Leidiger Dean Hackbarth LeMieur Dettmer Hamilton Lohmer Doepke Hancock Loon Downey Holberg Mack Drazkowski Hoppe Mazorol Erickson Howes McDonald Fabian Kelly McElfatrick Franson Kieffer McFarlane Garofalo Kiffmeyer McNamara	Davids Gunther Leidiger Nornes Dean Hackbarth LeMieur O'Driscoll Dettmer Hamilton Lohmer Peppin Doepke Hancock Loon Petersen, B. Downey Holberg Mack Quam Drazkowski Hoppe Mazorol Runbeck Erickson Howes McDonald Sanders Fabian Kelly McElfatrick Schomacker Franson Kieffer McFarlane Scott Garofalo Kiffmeyer McNamara Shimanski

Those who voted in the negative were:

Anzelc	Falk	Hosch	Lillie	Nelson	Slocum
Atkins	Fritz	Huntley	Loeffler	Norton	Thissen
Banaian	Gauthier	Johnson	Mahoney	Paymar	Tillberry
Benson, J.	Greene	Kahn	Mariani	Pelowski	Wagenius
Brynaert	Hansen	Kath	Marquart	Persell	Ward
Carlson	Hausman	Kiel	Moran	Peterson, S.	Winkler
Champion	Hayden	Knuth	Morrow	Poppe	
Clark	Hilstrom	Koenen	Mullery	Rukavina	
Dill	Hilty	Lenczewski	Murphy, E.	Scalze	
Dittrich	Hornstein	Lesch	Murphy, M.	Simon	
Eken	Hortman	Liebling	Murray	Slawik	

The motion prevailed.

H. F. No. 130, as amended by Conference, was read for the third time.

CALL OF THE HOUSE

On the motion of Thissen and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abeler	Dean	Hansen	Lanning	Murdock	Scott
Anderson, B.	Dettmer	Hausman	Leidiger	Murphy, E.	Shimanski
Anderson, D.	Dill	Hayden	LeMieur	Murphy, M.	Simon
Anderson, P.	Dittrich	Hilstrom	Lenczewski	Murray	Slawik
Anderson, S.	Doepke	Hilty	Lesch	Myhra	Slocum
Anzelc	Downey	Holberg	Liebling	Nelson	Stensrud
Atkins	Drazkowski	Hoppe	Lillie	Nornes	Swedzinski
Banaian	Eken	Hornstein	Loeffler	Norton	Thissen
Barrett	Erickson	Hortman	Lohmer	O'Driscoll	Tillberry
Beard	Fabian	Hosch	Loon	Paymar	Torkelson
Benson, J.	Falk	Howes	Mack	Pelowski	Urdahl
Benson, M.	Franson	Huntley	Mahoney	Peppin	Vogel
Bills	Fritz	Johnson	Mariani	Persell	Wagenius
Brynaert	Garofalo	Kahn	Marquart	Petersen, B.	Ward
Buesgens	Gauthier	Kath	Mazorol	Peterson, S.	Wardlow
Carlson	Gottwalt	Kelly	McDonald	Poppe	Winkler
Champion	Greene	Kieffer	McElfatrick	Quam	Woodard
Clark	Gruenhagen	Kiel	McFarlane	Rukavina	Spk. Zellers
Cornish	Gunther	Kiffmeyer	McNamara	Runbeck	
Crawford	Hackbarth	Knuth	Moran	Sanders	
Daudt	Hamilton	Koenen	Morrow	Scalze	
Davids	Hancock	Kriesel	Mullery	Schomacker	

Dean moved that further proceedings of the roll call be suspended and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

H. F. No. 130, A bill for an act relating to state government finance; making appropriation reductions for fiscal year 2011, policy changes, and appropriation reductions for fiscal years 2012 and 2013; making changes to tax aids and credits and reducing payments; amending Minnesota Statutes 2010, sections 256B.766; 270A.03, subdivision 7; 273.1384, subdivision 6, by adding a subdivision; 289A.02, subdivision 7; 289A.50, subdivision 1; 290.01, subdivisions 6, 19, 19a, 19c, 31; 290A.03, subdivisions 11, 13, 15; 290C.07; 477A.0124, by adding a subdivision;

477A.013, subdivision 9, by adding a subdivision; 477A.03; Laws 2010, First Special Session chapter 1, article 5, sections 4; 5; proposing coding for new law in Minnesota Statutes, chapter 43A; repealing Minnesota Statutes 2010, sections 10A.322, subdivision 4; 13.4967, subdivision 2; 290.06, subdivision 23.

The bill, as amended by Conference, was placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 68 yeas and 61 nays as follows:

Those who voted in the affirmative were:

Abeler	Daudt	Gruenhagen	Lanning	Myhra	Swedzinski
Anderson, B.	Davids	Gunther	Leidiger	Nornes	Torkelson
Anderson, D.	Dean	Hackbarth	LeMieur	O'Driscoll	Urdahl
Anderson, P.	Dettmer	Hamilton	Lohmer	Peppin	Vogel
Anderson, S.	Doepke	Hancock	Loon	Petersen, B.	Wardlow
Barrett	Downey	Holberg	Mack	Quam	Westrom
Beard	Drazkowski	Hoppe	Mazorol	Runbeck	Woodard
Benson, M.	Erickson	Howes	McDonald	Sanders	Spk. Zellers
Bills	Fabian	Kelly	McElfatrick	Schomacker	
Buesgens	Franson	Kieffer	McFarlane	Scott	
Cornish	Garofalo	Kiffmeyer	McNamara	Shimanski	
Crawford	Gottwalt	Kriesel	Murdock	Stensrud	

Those who voted in the negative were:

Anzelc	Falk	Hosch	Lillie	Nelson	Slocum
Atkins	Fritz	Huntley	Loeffler	Norton	Thissen
Banaian	Gauthier	Johnson	Mahoney	Paymar	Tillberry
Benson, J.	Greene	Kahn	Mariani	Pelowski	Wagenius
Brynaert	Hansen	Kath	Marquart	Persell	Ward
Carlson	Hausman	Kiel	Moran	Peterson, S.	Winkler
Champion	Hayden	Knuth	Morrow	Poppe	
Clark	Hilstrom	Koenen	Mullery	Rukavina	
Dill	Hilty	Lenczewski	Murphy, E.	Scalze	
Dittrich	Hornstein	Lesch	Murphy, M.	Simon	
Eken	Hortman	Liebling	Murray	Slawik	

The bill was repassed, as amended by Conference, and its title agreed to.

MOTIONS AND RESOLUTIONS

Banaian moved that the name of Bills be added as an author on H. F. No. 2. The motion prevailed.

Hackbarth moved that the name of Falk be added as an author on H. F. No. 16. The motion prevailed.

Peppin moved that the name of Pelowski be added as an author on H. F. No. 52. The motion prevailed.

Dettmer moved that the name of Mack be added as an author on H. F. No. 82. The motion prevailed.

Anzelc moved that the name of Downey be added as an author on H. F. No. 99. The motion prevailed.

Murray moved that the name of Ward and Atkins be added as authors on H. F. No. 103. The motion prevailed.

Peppin moved that the name of Stensrud be added as an author on H. F. No. 173. The motion prevailed.

Runbeck moved that the name of Downey be added as an author on H. F. No. 202. The motion prevailed.

Benson, J., moved that the name of Dittrich be added as an author on H. F. No. 219. The motion prevailed.

Dettmer moved that the name of Downey be added as an author on H. F. No. 240. The motion prevailed.

Anderson, S., moved that the name of Rukavina be added as an author on H. F. No. 255. The motion prevailed.

Woodard moved that the name of Holberg be added as an author on H. F. No. 297. The motion prevailed.

Kahn moved that the name of Dittrich be added as an author on H. F. No. 304. The motion prevailed.

Peppin moved that the name of Benson, J., be added as an author on H. F. No. 337. The motion prevailed.

Lenczewski moved that the name of Benson, J., be added as an author on H. F. No. 338. The motion prevailed.

Greiling moved that the name of Garofalo be added as an author on H. F. No. 341. The motion prevailed.

Peterson, S., moved that the names of Paymar and Moran be added as authors on H. F. No. 365. The motion prevailed.

Kahn moved that the name of Scalze be added as an author on H. F. No. 375. The motion prevailed.

Anderson, P., moved that the name of Ward be added as an author on H. F. No. 376. The motion prevailed.

Torkelson moved that the name of Fabian be added as an author on H. F. No. 379. The motion prevailed.

Benson, J., moved that the name of Davnie be added as an author on H. F. No. 388. The motion prevailed.

Scott moved that the name of Ward be added as an author on H. F. No. 391. The motion prevailed.

Lenczewski moved that the name of Benson, J., be added as an author on H. F. No. 398. The motion prevailed.

Erickson moved that the name of Myhra be added as an author on H. F. No. 402. The motion prevailed.

Clark moved that the name of Kahn be added as an author on H. F. No. 405. The motion prevailed.

Kriesel moved that the name of Garofalo be added as an author on H. F. No. 407. The motion prevailed.

Lohmer moved that the name of Erickson be added as an author on H. F. No. 410. The motion prevailed.

Dittrich moved that the names of Kiffmeyer and Norton be added as authors on H. F. No. 435. The motion prevailed.

ADJOURNMENT

Dean moved that when the House adjourns today it adjourn until 3:00 p.m., Thursday, February 10, 2011. The motion prevailed.

Dean moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 3:00 p.m., Thursday, February 10, 2011.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives