Senate Tax Committee Wednesday, April 27, 2005 Room 15 Capitol Chair Senator Lawrence L Pogemi

Chair, Senator Lawrence J. Pogemiller

<u>Present</u>

Absent

Pogemiller, Chair

Johnson

Tomassoni, Vice Chair

Bakk

Belanger

Betzold

Limmer

Marty

McGinn

Moua

Ortman

Skoe

Senator Pogemiller called the meeting to order at 9:05 a.m.

A quorum was present.

Agenda Item #1: SF 782 (Reiter) Requiring payment by Department of Revenue to City of White Bear Lake

- 1. Presentation by Senator Reiter
- 2. Testimony
 - a. Mark Sather, City Manager, White Bear Lake
 - i. Handout #1 "2004 Local Government Aid"
 - b. Jack Mansun, DOR
- 3. Senator Belanger moved that SF 782 be placed on the C list for Tax 3. Motion adopted

Agenda Item #2: SF 2091 (Day) Personal property tax exemption for utility

- 1. Presentation by Senator Day
- 2. Overview by Kathy Hahne, MALFA
- 3. Senator McGinn moved that the contents of SF 2091 as passed in the Energy subcommittee be placed on the A list for Tax 3. Motion adopted

Agenda Item #3: SF 2163 (Pogemiller) Sales/property tax exemptions for hydroelectric utilities

- 1. Overview by JoAnne Sellner, Senate Counsel
- 2. Senator Skoe moved that SF 2163 be placed on the C list for Tax 3. Motion adopted

Agenda Item #4: SF 2166 (Anderson) Utility property tax modification

- 1. Overview by JoAnne Sellner, Senate Counsel
- 2. Senator Belanger moved the A-1 amendment. Motion adopted
- 3. Testimony
 - a. Grania McKiernan, Xcel Energy
- 4. Senator Belanger moved that the contents of SF 2166, as amended, be placed on the A list for Tax 3. Motion adopted

Agenda Item #5: SF 1962 (Betzold) Transferred judicial employees post-retirement benefit costs payment requirement repeal

- 1. Presentation by Senator Betzold
 - a. Senator Betzold moved the A-1 amendment. Motion adopted
- 2. Testimony
 - a. Terry Johnson
 - b. Molly O'Rourke, Deputy County Administrator, Washington County
 - c. Judy Rehank, State Court Administrators
- 3. General discussion

- a. State take over of courts
- 4. Senator Ortman moved SF 1962, as amended, be placed on the C list for Tax 3. Motion adopted

Agenda Item #6: SF 1743 (Wergin) School districts debt service levies calculation tax base modification

- 1. Presentation by Senator Wergin
- 2. "Is the current ANTC still the Gold Standard" power-point presentation by Fred Nolan, Superintendent, Foley Public Schools
 - a. Handout #1 "2003 School District Sales Ratios"
 - b. Handout #2 "Debt Service Levies under alternative proposals"
- 3. Discussion
 - a. Property taxes under this proposal
 - b. School districts affected
- 4. Senator Skoe moved that SF 1743 be placed on the C list for Tax 3. Motion adopted

Agenda Item #7: SF 1880 (Belanger) Bloomington fiscal disparities payment extension

- 1. Presentation by Senator Belanger
- 2. Senator Belanger moved that SF 1880 be placed on the A list for Tax 3. Motion adopted

Agenda Item #8: Discussion regarding statewide business tax

- 1. Overview of Freezing Statewide Business Tax, Jack Paulson, Tax Committee Legislative Analyst
- 2. Overview of BL01000 amendment, JoAnne Sellner, Senate Counsel
- 3. Testimony
 - a. Jeff Forester, MSRPO
 - b. Tom Hesse, MN Chamber of Commerce
 - c. Kent Warden, BOMA
 - i. Handout #1 "Greater Minneapolis BOMA letter"
 - ii. Handout #2 "Minneapolis Assessor Data"
 - d. Glen Dorfman, MN Association of Realtors
 - e. Mike Hickey, Association of Small Businesses
- 4. Senator Marty moved that the BL01000 amendment be placed on the C list for Tax 3. Motion adopted

Senator Pogemiller adjourned the meeting at 11:30 a.m.

Respectfully Submitted:

Senator Lawrence J. Pogemiller

Chair Chair

Hue Nguyen

Legislative Assistant

Revised 3/22/04

Senate Committee on Taxes Wednesday, April 27, 2005 9:00 a.m., Room 15 State Capitol AGENDA

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SF 782 (REITER) Requiring payment by Dept of Revenue to City of White Bear Lake

Mark Sather, City Manager, White Bear Lake

5th

SF 1962 (BETZOLD) Transferred judicial employees post-retirement benefit costs payment requirement repeal

Molly O'Rourke, Deputy County Administrator, Washington County

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SF 1880 (BELANGER) Bloomington fiscal disparities payment extension

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SF 1743 (WERGIN) School districts debt service levies calculation tax base modification

Fred Nolan, Superintendent, Foley Public Schools

Amendments:

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SF 2091 (DAY) Personal property tax exemption for utility

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SF 2163 (POGEMILLER) Sales/personal property tax exemptions for hydroelectric utilities

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SF 2166 (ANDERSON) Utility property tax modification

Discussion regarding statewide business tax. Kent Warden, BOMA

Senator Lawrence J. Pogemiller Chair

Hue Nguyen Legislative Assistant

Senate Committee Meeting Log

Date: 4/27/	05 Day: Wild Start Time: 917
Agenda (S ⁺ _	Day: Wild Start Time: 917 782 Reitler (See back)
Bill # (or Topic)] 2091
Author	Day
Short Descriptor	personal property tax exemption for utility
Action(s)	general discussion, placed on the a list for
Bill # (or Topic)	2163
Author	Pogemillel
Short Descriptor	Sales/ several property tox exemptions for hydroilectric abilities
Action(s)	general discussion, placed on the Clint
Bill # (or Topic)	a166
Author	anderson
Short Descriptor	Utility property tax modification
Action(s)	general discussion, placed on the A list for
Bill # (or Topic)	NGS 1
Author	Betzold 1
Short Descriptor	transferred judicial employees post- retirement benefit costs payment requires
Action(s)	greed discussion, placed on the Clist