

Tax Working Group
Saturday, June 25, 2005
Room 15 Capitol
Chair, Senator Pogemiller

Senate Conferees

Pogemiller, Chair
Belanger
Betzold
Moua
Skoe

House Conferees

Krinkie
Abrams
Lanning
Lenczewski
Simpson

Senator Pogemiller called the meeting to order at 9:25 a.m.

A quorum was present.

Agenda Item #1: Budget offers

1. Handout #1 "House offer"
2. Handout #2 "Budget plan bumps property tax"

Agenda Item #2: TNT

1. Handout #3 "Ramsey County TNT info"
2. Explanation of TNT inserts by Nick Riley, Ramsey County and Karen Baker, House Legislative Analyst

Senator Pogemiller calls the Tax Working Group to recess at 9:55 a.m.

Senator Pogemiller calls the Tax Working Group to order at 11:25 a.m.

Agenda Item #3: Budget offers

1. Senate budget proposal
 - a. Handout #1 "Structural balance"
2. House local option income tax offer

Senator Pogemiller calls the Tax Working Group to recess at 11:45 a.m.

Senator Pogemiller calls the Tax Working Group to order at 11:46 a.m.

Agenda Item #4: Hutchinson Technology case

1. Handout #1 "Fiscal impact of the Hutchinson Technologies decision"
2. Overview by Commissioner Dan Salomon, DOR regarding the court decision and its effect on the structural deficit
3. Nancy Homans, Department of Finance, Finance Commissioner's opinion on the court case

Senator Pogemiller recessed the Tax Working Group at 11:50 a.m.

Senator Pogemiller called the Tax Working Group to order at 3:55 p.m.

Agenda Item #5: Budget proposals

1. Overview of the Senate proposal by Anita Nauman, Senate Fiscal Analyst
2. Overview of the House proposal by Marie Zimmerman, House Fiscal Analyst and Paul Wilson, House Fiscal Analyst
3. Handouts
 - a. Handout #1 "Offer comparison sheet"
 - b. Handout #2 "House offer updated 3:15 p.m."
 - c. Handout #3 "Total revenue—all sources"

Agenda Item #6: Discussion of smaller miscellaneous provisions in the Omnibus

Tax bills

1. Salvation Army
2. 4D Housing
3. Air Cargo
4. City of Ramsey Senior Housing TIF

- a. Testimony from Kevin Walli, City of Ramsey
- b. Explanation of general law provision by Joel Michael, House Research
- c. General discussion
- 5. Regional Rail
 - a. Testimony by Lona Schreiber, Anoka County
 - b. Senator Betzold moves to adopted Section 26 (pg. 276) of the Senate Tax bill. Motion not adopted
- 6. Fiscal Disparities Study, Senate Article 8, Section 77
- 7. Bloomington fiscal disparities contributions, Senate Article 22, Section 13 (Tax III)
 - a. Senator Belanger moves Senate Article 22, Section 13 (Tax 3)
 - b. General discussion regarding state and local agreement
 - c. Testimony by Morgan Fleming
 - d. On Senator Belanger's motion. Motion is adopted
 - i. Representative Abrams calls for a division, there being four yeas and one nay from the Senate conferees and one ye and four nays from the House conferees
 - ii. Motion does not prevail
- 8. Residential Homestead Resorts
 - a. Class 1c Homestead Resorts, House provision Article 2, Section 21 and Senate provision Article 8, Section 39
 - i. Handout #4 "Cass County"
 - ii. Senator Skoe moves the House provision Article 2, Section 21 .Motion prevails
 - b. Homestead Resort Assessment, Senate Article 8, Section 29 and House Article 2, Section 14

Senator Pogemiller calls the Tax Working Group to recess at 5:50 p.m.

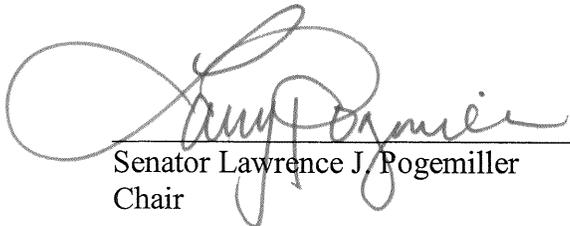
Senator Pogemiller calls the Tax Working Group to order at 7:05 p.m.

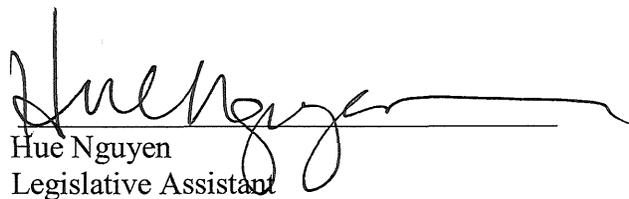
Agenda Item #7: Discussion of Governors budget proposal vs. House and Senate proposals

- 1. Handout #1 "Offer comparison sheet 7:10 p.m. 6/25/05"

Senator Pogemiller adjourned the meeting at 7:15 p.m.

Respectfully Submitted:


 Senator Lawrence J. Pogemiller
 Chair


 Hue Nguyen
 Legislative Assistant