

Senate Taxes Committee
Friday, April 7, 2006
Room 15 Capitol
Chair, Senator Lawrence J. Pogemiller

Present

Pogemiller, Chair
Tomassoni, Vice Chair
Bakk
Belanger
Betzold
Johnson
Limmer
Marty
Ortman
Skoe

Absent

McGinn
Moua

Senator Pogemiller called the meeting to order at 8:35 a.m.

A quorum was present.

Agenda Item #1: SF 3745 (Pogemiller) Minneapolis Tax Increment Financing

1. Testimony
 - a. Bob Lux, Apex Assets, St. Louis Park
 - b. Tom Dillion, 10th Street Associates
 - c. Tim Velner, Holms and Associates
 - d. Tracy Berglin, Director of Housing, Catholic Charities
 - i. Handout #1 "Summary of Minneapolis Homeless Assistance Tax Increment Bill"
2. Set aside

Agenda Item #2: SF 2900 (Marty) Car sharing motor vehicles tax exemptions

1. Kurt Fischer, HOURCAR
 - a. Handout #2 "Kevin Cooper"
 - b. Handout #3 "Car sharing produces savings"
 - c. Handout #4 "Exempt Nonprofit Car-Sharing Organizations"
2. Senator Marty moves the A-1 amendment
 - a. Motion adopted
3. Andrea Hart Kajer, Enterprise Car Rental
4. Senator Marty moves to amended the A-1 amendment as follows: on page 1, line 3, before "car sharing" insert "nonprofit"
 - a. Motion adopted
5. Senator Marty moves that SF 2900, as amended, be placed on the C List
 - a. Motion adopted

Agenda Item #3: SF 3758 (Belanger) Bloomington TIF

1. Bill Griffith, Mall of America
2. Senator Belanger moves that SF 3758 be placed on the B List
 - a. Motion adopted

Agenda Item #4: Continuation of SF 3745 (Pogemiller) Minneapolis TIF

1. Testimony
 - a. Andy Kozak, North State Advisors
 - b. Doug Franzen, Salvation Army
2. Senator Bakk moves that SF 3745 be placed on the A List
 - a. Motion adopted
3. Senator Marty moves that on page 2, line 15, instead of "40 percent" insert "50 percent"
 - a. Motion not adopted

Agenda Item #5: SF 2862 (Sams) Dairy Investment Credit

1. Pat Ludeman, Dairy Farmer

2. Senator Skoe moves to amend the A-3 amendment as follows: on line 5, delete “and”; on line 6, delete “delivery”; delete line 8 and insert “Page 2, line 2, delete “and””; on line 9, delete “delete “(12)” and insert “(11)” and”; on line 12, delete “(12)” and insert “(13)” and delete “and refrigerated trucks for delivery”; on line 14, delete “(13)” and insert “(14)”
 - a. Motion adopted
3. Senator Skoe moves the A-3 amendment, as amended
 - a. Paul Sobocinski, Land Stewardship Project
 - b. On the motion
 - i. Motion adopted
4. Senator Skoe moves that SF 2862, as amended be placed on the C List
 - a. Motion adopted

Agenda Item #6: SF 3437 (Kubly) Beginner farmer credit

1. Paul Sobocinski, Land Stewardship Project
2. Senator Skoe moves to amend SF 3437 as follows: on page 1, delete lines 22 and 23; on page 2, delete lines 5-10 and lines 26-36; on page 3, delete lines 1-17 and lines 32-33; and on page 4, delete lines 3-18
 - a. Motion adopted
3. Senator Skoe moves that SF 3437, as amended, be placed on the C List
 - a. Motion adopted

Agenda Item #7: DV0029 (Skoe) Bovine testing credit

1. Senator Skoe moves that DV0029 be placed on the C List
 - a. Motion adopted

Agenda Item #8: SF 3695 (Larson) Fergus Falls district sales tax

1. Testimony
 - a. Mark Bisek, Superintendent, Fergus Falls Public Schools
 Senator Tomassoni is given the gavel at 10:10 a.m.
 - b. Darrell Tungseth, Fergus Falls farmer, opposes
 Senator Pogemiller is given the gavel at 10:20 a.m.
 2. Senator Belanger moves to place SF 3695 on the E List
 - a. Motion adopted

Agenda Item #9: SF 3180 (Higgins) Exemptions for purchase of voting machines

1. Testimony
 - a. Luci Botzek, County Officers
 - b. Rachel Smith, Elections Supervisor, Anoka County
 - c. Curtis Yoakum, Associations of Minnesota Counties
2. Senator Marty moves that SF 3180 be placed on the C List
 - a. Motion adopted

Agenda Item #10: SF 3723 (Moua) Exemption for construction of low income housing

1. Testimony
 - a. Alan Arthur, Central Community Housing Trust
 - i. Handout #5 “Housing Minnesota: Homes for All”
 - b. Cindy Jepson, Housing Minnesota
2. Senator Marty moves to amend SF 3723 as follows: on page 1, line 18, after “sole” insert “or managing”
 - a. Motion adopted
3. Senator Ortman moves that SF 3723, as amended, be placed on the C List
 - a. Motion adopted

Agenda Item #11: DV0023 (Bonoff) Electric Generation facility; personal property

1. Bob Larson, SAF Hydroelectric LLC
 - a. Handout #6 “Lower St. Anthony Fall Hydroelectric Project”
2. Senator Tomassoni moves to place DV0023 on the A List
 - a. Motion adopted

Agenda Item #12: SF 2941 (Rest) Fire safety surcharges, presented by Senator Higgins

1. Testimony
 - a. Mike Stockstead, President, MN Professional Firefighters Association
 - b. Jack Mansun, Assistant Commissioner, Department of Revenue
 - c. Bob Johnson, Insurance Federation of Minnesota
 - i. Handout #7 "Chapter 2971: Insurance Taxes"
2. Senator Bakk moves that SF 2941 be placed on the C List
 - a. Motion adopted

Agenda Item #13: DV0019 (Betzold) Petroleum Products and DV0018 (Betzold) Commuter rail materials, supplies, and equipment

1. Testimony
 - a. Susan Von Mosch, Senate Fiscal Analyst
 - b. Bill Schreiber, Messerli & Kramer P.A.
2. Senator Betzold moves that DV0019 be placed on the C List
 - a. Motion adopted
3. Senator Betzold moves that DV0018 be placed on the C List
 - a. Motion adopted

Agenda Item #14: Discussion regarding market value credit, local government aid and county aid

1. Erik Nauman, Senate Fiscal Analyst
 - a. Handout #8 "M0010"
 - b. Handout #9 "Proposed K-12 Education Finance"
 - c. Handout #10 "Fiscal Note – 2005-06 Session"
 - d. Handout #11 "Reinstate Operating Capitol"
2. Set aside

Agenda Item #15: DV0039 (Tomassoni) Creation; purposes; taconite

1. Ron Dicklitch, Executive Director, Ranger Association
2. Senators Tomassoni and Bakk move that DV0039 be placed on the C List
 - a. Motion adopted

Agenda Item #16: DV0035 (Ortman) Carver County Justice Center

1. Handout #12 "State of Minnesota First Judicial District"
2. Senator Ortman moves to place DV0035 on the C List
 - a. Motion adopted

Agenda Item #17: DV0037 (Betzold) County deed and mortgage tax

Senator Belanger is given the gavel at 12:27 a.m.

1. Testimony
 - a. Barry Tilley, Capitol Hill Consultants, Inc.
 - b. Lona Schreiber, Anoka County
2. Senators Betzold and Johnson move that DV0037 be placed on the B List
 - a. Motion adopted

Senator Pogemiller is given the gavel at 12:35 a.m.

Agenda Item #18: LGA Discussion

1. Testimony
 - a. Jack Paulson, Legislative Analyst, Senate Taxes Committee
 - i. Handout #13 "Preliminary County Targeted Case Management Aid"
 - b. Patricia Coldwell, Association of Minnesota Cities
2. Senator Marty moves that language associated with Handout #13 be placed on the C List
 - a. Motion adopted
3. Senator Skoe moves that M0010 and corresponding runs be placed on the C List
 - a. Motion adopted

Agenda Item #19: DV0026 (Marty) Used and re-refined motor oils

1. Senator Marty moves to place DV0026 on the C List
 - a. Motion adopted

Agenda Item #20: LGA Discussion

1. Jack Paulson, Legislative Analyst, Senate Taxes Committee
 - a. Handout #14 "One-Time Aid Increase to Cities"
 - b. Handout #15 "Proposed 2007 Local Government Aid"
 - c. Handout #16 "One-time Local Government Aid Payment"
2. Senator Bakk moves that Handouts 14-16 and related language be placed on the C List
 - a. Motion adopted

Agenda Item #21: RE2017 (Johnson) Northmetro Harness

1. Vic Moore, Northmetro Harness, Rider Bennett LLP
2. Senator Limmer moves to amend RE2017 as follows: on page 1, line 33, change "a" to "at"
 - a. Motion adopted
3. Senator Limmer moves to amend RE2017 as follows: on page 1, line 11, delete "for"
 - a. Motion adopted
4. Senator Johnson moves that RE 2017, as amended, be placed on the A List
 - a. Senator Marty requests a roll call
 - b. There being 7 ayes and 2 nays, the motion is adopted
5. Senator Betzold moves to reconsider the vote for testimony
 - a. Andy Kozack, North State Advisors, opposes
 - b. Ted Grindal, Lockridge Grindal Nauen, opposes
 - c. Doug Franzen, Northmetro Harness, supports
6. Senator Johnson renews her motion on RE2017
 - a. Motion adopted

Agenda Item #22: DV0034 (Bakk) Hermantown termination

1. Senator Bakk moves that DV0034 be placed on the A List
 - a. Motion adopted

Agenda Item #23: DV0041 (Chaundhary) City of New Brighton Tax Increment Financing

1. William Barnhart, North Metro Mayors Association
 - a. Handout #17 "City of New Brighton: the city that works for you"
2. Senator Betzold moves that DV0041 be placed on the A List
 - a. Motion adopted

Agenda Item #24: DV0038 (Marty) Limitation on administrative expenses

1. Senator Marty moves lines 1.1 to 1.22 of DV0038 be placed on the A List
 - a. Motion adopted

Agenda Item #25: Handout # 18 "Items that were included in 2005 Tax Bill"

1. Senator Betzold moves the list, as amended and in correct form, be placed on the A List
 - a. Motion adopted

Agenda Item #26: DV0033 (Betzold) Credit for research

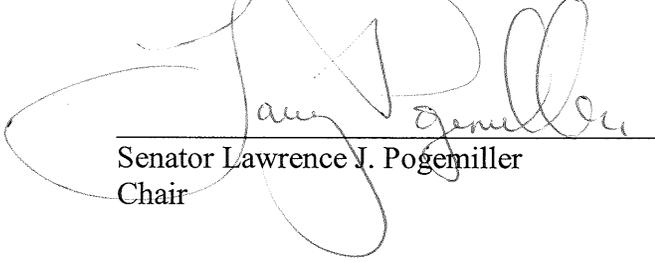
1. Kathy Meyerly, Mayo Clinic
2. Senator Betzold moves that DV0033 be placed on the C List
 - a. Motion adopted

Agenda Item #27: C.I. State Property Tax Freeze

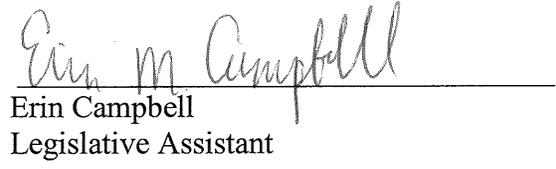
1. Senator Tomassoni moves that freezing the rate of the state general levy on commercial industrial property at the 2004 levels be placed on the C List
 - a. Motion adopted

Senator Pogemiller adjourned the meeting at 1:40 p.m.

Respectfully Submitted:



Senator Lawrence J. Pogemiller
Chair



Erin Campbell
Legislative Assistant

**Senate Tax Committee
Friday, April 7, 2006
Chair: Lawrence Pogemiller
9am, Room 15 Capitol**

Agenda

S.F. 3745 (Pogemiller) Minneapolis TIF

Tom Dillon, 10th Street Associates

S.F. XXXX (Belanger) Bloomington TIF

S.F. 2900 (Marty) Car sharing motor vehicles tax exemptions

Kurt Fischer, HOURCAR

DV0023 Amendment - Exemptions for Lower St. Anthony hydro electric generation facility

S.F. 3180 (Higgins) Exemptions for purchase of voting machines

S.F. 3437 (Kubly) Beginner farmer credit

Paul Sobocinski, Land Stewardship Project

S.F. 2862 (Sams) Dairy investment credit

SF 3723 (Moua) Exemption for construction of low income housing

SF 3695 (Larson) Fergus Falls school district sales tax

SF 2941 (Rest) Fire safety surcharges

Nyle Zikmund, MN State Fire Chiefs Association
Mike Stockstead, MN Professional Fire Fighters

Discussion regarding property tax relief

Local Government Aid
Market Value Credit
County Aid

Chair
Sen. Larry Pogemiller

Legislative Assistant
Erin Campbell