Dean offered the following resolution and moved its adoption:

Be It Resolved by the House of Representatives of the State of Minnesota that the Temporary Rules of the House for this session, the 87th Regular Session, are the same as the Permanent Rules of the House for the last session, the 86th Regular Session, as they existed on May 16, 2010, with the following exceptions:

Rule 1.01 shall read:

1.01 CONVENING OF THE HOUSE. Unless otherwise ordered, the House convenes at 12:00 p.m. 3:00 p.m. The Speaker must take the chair at the appointed hour and call the House to order.

The call to order is followed by a prayer by the Chaplain or time for a brief meditation, then by the pledge of allegiance to the flag of the United States of America, and then by a call of the roll of members. The names of members present and members excused must be entered in the Journal of the House.

Rule 4.03 shall read:

- 4.03 WAYS AND MEANS COMMITTEE; BUDGET RESOLUTION; EFFECT ON EXPENDITURE AND REVENUE BILLS. (a) The Committee on Ways and Means must hold hearings as necessary to determine state expenditures and revenues for the fiscal biennium.
- (b) Within 25 days after the last state general fund revenue and expenditure forecast for the next fiscal biennium becomes available during the regular session in the odd-numbered year, the Committee on Ways and Means must adopt a budget resolution. The budget resolution: (1) must set the maximum limit on net expenditures for the next fiscal biennium for the general fund, (2) must set an amount or amounts to be set aside as a budget reserve and a cash flow account, (3) must set net spending limits for each budget category represented by the major finance and revenue bills identified in paragraph (e), and (4) may set limits for expenditures from funds other than the general fund. The budget resolution must not specify, limit, or prescribe revenues or expenditures by any category other than those specified in clauses (1), (2), (3), and (4). After the Committee adopts the budget resolution, the limits in the resolution are effective during the regular session in the year in which the resolution is adopted, unless a different or amended resolution is adopted.
- (c) During the regular session in the even-numbered year, before the Committee on Ways and Means reports a bill containing net increases or decreases in expenditures as compared to general fund expenditures in the current fiscal biennium estimated by the most recent state budget forecast, the Committee may adopt a budget resolution. If adopted, the resolution must account for the net changes in expenditures. The resolution may also (1) set limits for changes in net expenditures for each budget category represented by the major finance and revenue bills identified in paragraph (e), and (2) set limits for expenditures from funds other than the general fund.

If the Committee adopts a budget resolution, it is effective during the regular session that year, unless a different or amended resolution is adopted.

- (d) The major finance or revenue bills may be combined or separated by a majority vote of either the Committee on Finance, the Committee on Ways and Means, or the Committee on Rules and Legislative Administration. Combined or separated bills must conform to the limits in the resolution as those limits apply to the accounts in those bills.
 - (e) Major finance and revenue bills are:

the higher education and workforce development finance bill;

the K-12 education finance bill;

the early childhood finance bill;
the agriculture, rural economies, and veterans affairs finance bill;
the environment and natural resources finance bill;
the health care and human services finance bill;
the state government finance bill;
the transportation finance bill;
the public safety finance bill;
the cultural and outdoor resources finance bill;
the energy finance bill;
the housing and public health finance bill;
the capital investment bill; and
the tax bill.

- (f) After the adoption of a resolution by the Committee on Ways and Means, the Finance Committee, each finance committee division, and the Committee on Taxes must reconcile each bill described in Rule 4.10 with the resolution. When reporting a finance or revenue bill, each committee or division must provide to the Committee on Ways and Means a fiscal statement reconciling the bill with the resolution.
- (g) After the adoption of a resolution by the Committee on Ways and Means, the Committee on Ways and Means must reconcile finance and revenue bills with the resolution. When reporting a bill, the chair of the Committee must certify to the House that the Committee has reconciled the bill with the resolution.
- (h) After the adoption of a resolution by the Committee on Ways and Means, an amendment to a bill is out of order if it would cause any of the limits specified in the resolution to be exceeded. Whether an amendment is out of order under this Rule is a question to be decided on the Floor by the Speaker or other presiding officer and in Committee or Division by the person chairing the Committee or Division meeting. In making the determination, the Speaker or other presiding officer or the Committee or Division chair may consider: (1) the limits in a resolution; (2) the effect of existing laws on revenues and expenditures; (3) the effect of amendments previously adopted to the bill under consideration; (4) the effect of bills previously recommended by a Committee or Division or bills previously passed in the legislative session by the House or by the legislature; (5) whether expenditure increases or revenue decreases that would result from the amendment are offset by decreases in other expenditures or increases in other revenue specified by the amendment; and (6) other information reasonably related to expenditure and revenue amounts.
- (i) After a resolution is adopted by the Committee on Ways and Means, the Committee must make available a summary of the estimated fiscal effect on the general fund of each bill that has been referred to the Committee on Ways and Means by the <u>a</u> finance committee or a division of the <u>a</u> finance committee, or the Committee on Taxes and of each bill that has been reported by the Committee on Ways and Means.

Rule 4.10 shall read:

- 4.10 BILLS AFFECTING STATE REVENUES AND EXPENDITURES. (a) Except as provided in Rule 1.15, a House or Senate bill that directly, substantially, and specifically affects any present or future financial obligation, budget policy, or revenue of the State must be referred as provided in paragraphs (b) and (c) to the appropriate Finance or Tax committee before the bill receives its second reading. A bill that negligibly affects any present or future financial obligation, budget policy, or revenue of the State is not subject to mandatory referral under this rule.
- (b) A bill subject to paragraph (a) reported by a finance committee division must, if recommended to pass, be subsequently referred to the Finance Committee on Ways and Means, unless the bill has a negligible fiscal impact and is subject to direct reference to the Floor under Rule 6.05. Bills subject to paragraph (a) reported by the Finance Committee must be referred to the Committee on Ways and Means.
- (c) A bill with a substantial impact on the tax revenues or tax policies of the State must be referred to the Committee on Taxes. A bill reported by the Committee on Taxes containing a substantial fiscal impact must be referred to the Committee on Ways and Means. For purposes of this paragraph, "tax" excludes any fee, charge, exaction, or assessment, a primary purpose of which is to recover direct or indirect costs incurred by the state or other governmental entity or as a payment for benefits received.
- (d) The chairs of the Committees on Taxes, <u>and</u> Ways and Means, and Finance shall advise the Speaker on the application of this rule and may determine whether or not any given piece of legislation must be referred to the committee they chair.

Rule 4.12 shall read:

4.12 BILLS AFFECTING DEBT AND CAPITAL PROJECTS. The Finance Committee Division on Capital Investment has jurisdiction over legislation affecting debt obligations issued by the state and capital projects of the state, including the planning, acquiring and bettering of public lands and buildings and other state projects of a capital nature. Except as provided in Rule 1.15, a House or Senate bill that directly and specifically affects debt obligations or capital projects of the state must be referred to the Finance Committee Division on Capital Investment before the bill receives its second reading.

Referral is not required by this Rule if the bill deals primarily with the financing of state capital facilities using trunk highway funds, with transportation projects financed without debt obligations of the state, or with the local financing of capital facilities of local governments. Referral is not required by this Rule if the bill has a negligible effect on debt obligations and capital projects of the state as determined by the chair of the Committee on Finance Ways and Means, in conjunction with the chair of the Division Committee on Capital Investment, with the concurrence of the chair of the Committee on Ways and Means. Referral is not required by this Rule if the bill is a major finance or revenue bill identified in Rule 4.03, unless the bill directly and specifically affects debt obligations of the state, but if a major finance or revenue bill contains a provision that directly and specifically affects capital projects of the state, the chair of the finance or tax committee reporting the bill must notify the chair of the Committee on Finance Ways and Means and the chair of the Division Committee on Capital Investment of the provision before the bill is considered by the House.

The Speaker, by announcement, must assign to each finance committee the appropriate jurisdiction for recommendations on debt obligations and capital projects of the state. Divisions of the Finance Committee committees must submit recommendations within their jurisdiction to the Division Committee on Capital Investment for further disposition.

A bill with a fiscal effect reported by the <u>Division Committee</u> on Capital Investment must be accompanied by a statement of its fiscal effect, is exempt from the referral required by Rule 4.10, is subject to the same committee deadlines as the <u>Finance Committee on Ways and Means</u>, and must be referred to the Committee on Ways and Means. This referral is not required if the bill has a negligible fiscal effect, as determined by the chair of the <u>Division Committee</u> on Capital Investment with the concurrence of the chair of the Committee on Ways and Means.

Rule 4.13 shall read:

- 4.13 BILLS AFFECTING STATE GOVERNMENT POWERS AND STRUCTURE. The Committee on State and Local Government Operations Reform, Technology Government Operations and Elections has jurisdiction over a House or Senate bill that:
- (a) establishes or reestablishes a department, agency, commission, board, task force, advisory committee or council, or bureau, or other like entity;
- (b) delegates rulemaking authority to, or exempts from rulemaking, a department or agency of state government; or
- (c) substantially changes the organization of a department or agency of state government or substantially changes, vests or divests the official rights, powers, or duties of an official, department or agency of state government or an institution under its control.

Except as otherwise provided in this Rule and Rule 1.15, a bill that is within the jurisdiction of the Committee on State and Local Government Operations Reform, Technology Government Operations and Elections must be referred to that Committee before it receives its second reading. A committee or division (other than the Committee on State and Local Government Operations Reform, Technology Government Operations and Elections) reporting such a bill must recommend its re-referral to the Committee on State and Local Government Operations Reform, Technology Government Operations and Elections if reporting before the deadline for action on the bill by that Committee; if reporting after the deadline, the committee or division must recommend re-referral to the Committee on Rules and Legislative Administration.

The re-referral requirements of this Rule do not apply to the major finance and revenue bills identified in Rule 4.03. If a major finance or revenue bill contains a provision specified in clause (a) or (b) of the definition in this Rule, the chair of the finance or tax committee reporting the bill must notify the chair of the Committee on Rules and Legislative Administration before the bill is considered by the House.

The re-referral requirements of this Rule do not apply to other bills reported by a finance committee or division or the tax committee or division, except bills that contain a provision specified in clauses (a) and (b) of the definition in this Rule.

Rule 4.31 shall read:

4.31 TIME LIMIT TO CONSIDER BILLS. If 20 legislative days after a bill has been referred to a committee or division (other than the Committee on Ways and Means, the Committee on Taxes, the Finance Committee, or a division of one of those committees) a report has not been made on it by the committee or division, its chief author may request that it be returned to the House. The request must be entered in the Journal.

The committee or division must vote on the bill requested within ten calendar days after the day of the request.

If the committee or division fails to vote on it within ten days, the chief author may present a written demand to the Speaker for its immediate return to the House. The demand must be presented within five calendar days after the day that the committee or division is required to vote. If the demand is presented in the time allowed, it must be entered in the Journal and is the demand of the House. The bill is then considered to be in the possession of the House and must be given its second reading and placed on the General Register.

The bill may be re-referred by a majority vote of the whole House. If the motion to re-refer is made on the day of the demand or on the next House legislative day, the motion takes precedence over all other motions except privileged motions and is in order at any time.

Rule 6.01 shall read:

6.01 COMMITTEES AND DIVISIONS. Standing committees and divisions of the House must be appointed by the Speaker as follows:

Agriculture, Rural Economies and Veterans Affairs

Veterans Affairs Division

Civil Justice

Commerce and Labor

Labor and Consumer Protection Division

Telecommunications Regulation and Infrastructure Division

Environment Policy and Oversight

Game, Fish and Forestry Division

Ethics

Finance

Agriculture, Rural Economies and Veterans Affairs Finance Division

Capital Investment Finance Division

Cultural and Outdoor Resources Finance Division

Early Childhood Finance and Policy Division

Energy Finance and Policy Division

Environment and Natural Resources Finance Division

Health Care and Human Services Finance Division

Higher Education and Workforce Development Finance and Policy Division

Bioscience and Workforce Development Policy and Oversight Division

Housing Finance and Policy and Public Health Finance Division

K 12 Education Finance Division

Public Safety Finance Division

State Government Finance Division

Transportation Finance and Policy Division

Transportation and Transit Policy and Oversight Division

Health Care and Human Services Policy and Oversight

Licensing Division

K 12 Education Policy and Oversight

Public Safety Policy and Oversight

Crime Victims/Criminal Records Division

Rules and Legislative Administration

State and Local Government Operations Reform, Technology and Elections

Local Government Division

Taxes

Property and Local Sales Tax Division

Ways and Means

Agriculture and Rural Development Policy and Finance

Capital Investment

Civil Law

Commerce and Regulatory Reform

Education Finance

Education Reform

Environment, Energy and Natural Resources Policy and Finance

Legacy Funding Division

Ethics

Government Operations and Elections

Health and Human Services Finance

Health and Human Services Reform

Higher Education Policy and Finance

Jobs and Economic Development Finance

Judiciary Policy and Finance

Public Safety and Crime Prevention Policy and Finance

Redistricting

Rules and Legislative Administration

State Government Finance

Veterans Services Division

Taxes

Property and Local Tax Division

Transportation Policy and Finance

Ways and Means

Rule 8.01 shall read:

8.01 BUDGET AND FINANCIAL AFFAIRS. The House Controller must prepare a biennial budget for the House. The budget must be approved by the Committee on Rules and Legislative Administration before it is submitted to the State Government Finance Division Committee. By the 15th day of April, July, October, and January of each year, the Controller must submit a detailed report of House expenditures during the previous quarter to the Speaker and the Committee on Rules and Legislative Administration.

The House Controller must arrange for the purchase of goods and services for the House. The Controller must seek the lowest possible prices consistent with satisfactory quality and dependability. A contract of the House, or an amendment to a contract, authorizing an expenditure of more than \$500 must be signed by the Speaker or the Controller. A contract, or an amendment to a contract, authorizing an expenditure of up to \$500 may be executed by an employee authorized and directed in writing by the Controller to act for the Controller on the contract or contracts of its type. A contract or amendment to a contract entered into in violation of this Rule is not binding on the House. The House Controller must consult with an adaptive technology expert to identify commercially available upgrades for computers and Internet technology that are compatible with adaptive speech technology prior to purchasing upgrades.

Employees of the House must be reimbursed for actual expenses in the same manner as state employees.

During session, for travel away from the Capitol, members must be reimbursed for actual expenses, in addition to per diem expense allowances, in the manner and amount prescribed by the Committee on Rules and Legislative Administration.

The Temporary Rules of the House for the 87th Session shall apply until the Committee on Rules and Legislative Administration to be appointed by the Speaker shall have made its report and new Permanent Rules have been adopted.

Thissen moved to amend the proposed Temporary Rules of the House for the 87th Session as reported in the resolution as follows:

Page 6, after line 12, insert:

"Rule 4.15 is amended to read:

4.15 BILLS PROPOSING CONSTITUTIONAL AMENDMENTS. A House or Senate bill that proposes a constitutional amendment must be referred to the Committee on Rules and Legislative Administration before it receives its second reading. When reporting such a bill, a committee or division, other than the Committee on Rules and Legislative Administration, must recommend re-referral to the Committee on Rules and Legislative Administration.

During an odd-numbered year, a House or Senate bill that proposes a constitutional amendment must not be considered in a committee or on the calendar for the day, the fiscal calendar, or any other floor calendar until bills necessary to provide a balanced general fund budget for the biennium beginning on July 1 of that year have been enacted into law. During an even-numbered year, if the most recent forecast of state revenues and expenditures predicts a deficit for the biennium ending on June 30 of the next odd-numbered year, a House or Senate bill that proposes a constitutional amendment must not be considered in a committee or on the calendar for the day, the fiscal calendar, or any other floor calendar until bills necessary to eliminate that projected deficit have been enacted into law."

A roll call was requested and properly seconded.

Dean moved that the Thissen amendment to the proposed Temporary Rules of the House for the 87th Session be referred to the Committee on Rules and Legislative Administration.

A roll call was requested and properly seconded.

The question was taken on the Dean motion and the roll was called. There were 74 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Abeler	Atkins	Bills	Davids	Drazkowski	Gottwalt
Anderson, B.	Banaian	Buesgens	Dean	Erickson	Gruenhagen
Anderson, D.	Barrett	Cornish	Dettmer	Fabian	Gunther
Anderson, P.	Beard	Crawford	Doepke	Franson	Hackbarth
Anderson, S.	Benson, M.	Daudt	Downey	Garofalo	Hamilton

Hancock	Kriesel	McDonald	O'Driscoll	Scott	Wardlow
Holberg	Lanning	McElfatrick	Pelowski	Shimanski	Westrom
Hoppe	Leidiger	McFarlane	Peppin	Smith	Woodard
Howes	LeMieur	McNamara	Petersen, B.	Stensrud	Spk. Zelle
Kelly	Lohmer	Murdock	Quam	Swedzinski	
Kieffer	Loon	Murray	Runbeck	Torkelson	
Kiel	Mack	Myhra	Sanders	Urdahl	
Kiffmeyer	Mazorol	Nornes	Schomacker	Vogel	

Those who voted in the negative were:

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

The motion prevailed and the Thissen amendment to the proposed Temporary Rules was referred to the Committee on Rules and Legislative Administration.

The question recurred on the adoption of the Temporary Rules of the House for the 87th Session and the roll was called. There were 131 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Buesgens Drazkowski

The motion prevailed and the resolution relating to the Temporary Rules of the House for the 87th Session was adopted.

APPOINTMENT OF CHIEF SERGEANT AT ARMS

The Speaker announced the appointment of Troy Olsen as Chief Sergeant at Arms.

OATH OF OFFICE

The Speaker administered the oath of office to the Chief Sergeant at Arms.

Dean offered the following resolution and moved its adoption:

Resolved, that the Chief Clerk be instructed to inform the Senate by message that the House is duly organized pursuant to law.

The motion prevailed and the resolution was adopted.

Dean offered the following resolution and moved its adoption:

Resolved, that the Speaker appoint a committee of five members of the House to notify the Governor that the House of Representatives is now duly organized pursuant to law and ready to receive any message he may desire to give them.

The motion prevailed and the resolution was adopted.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to the committee to notify the Governor that the House is now organized and ready to receive any message he may desire to give them:

Scott, McNamara, Atkins, Simon and Moran.

Dean offered the following resolution and moved its adoption:

Resolved, that necessary employees as directed by the Committee on Rules and Legislative Administration be authorized by the House effective today, Tuesday, January 4, 2011, to better expedite the business of the House.